

**CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, AUGUST 6, 2018
5:00 P.M.**

- A. 1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A. 2. PLEDGE OF ALLEGIANCE LED BY COUNCIL MEMBER JOSH STEVENSON**
- A. 3. INVOCATION BY COUNCIL MEMBER JOSH STEVENSON**
- A. 4. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF JULY 16, 2018**

Public Hearing

- B. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6136**
Designating a Certain Area as Industrial Reinvestment Zone, Number 082018-01, City of Sherman, Texas, Providing for the Establishment of Agreements within the Zone, and Other Matters Relating Thereto; Providing Findings of Fact; Providing an Effective Date for the Commencement of the Reinvestment Zone and this Ordinance
- B. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6137**
Authorizing the Issuance of "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2018"; Specifying the Terms and Features of Said Certificates; Providing for the Payment of Said Certificates of Obligation by the Levy of an Ad Valorem Tax Upon All Taxable Property within the City and a Limited Pledge of the Net Revenues from the Operation of the City's Waterworks and Sewer System; Resolving Other Matters Incident and Relating to the Issuance, Payment, Security, Sale and Delivery of Said Certificates, Including the Approval and Execution of a Paying Agent/Registrar Agreement and the Approval and Distribution of an Official Statement; and Providing an Effective Date
- B. 3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6138**
Providing for a Permanent "Stop" Sign on Dry Creek Road at North Creek Drive within the City Limits of the City of Sherman, Texas; Providing for a Penalty Provision
- B. 4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6139**
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District in the 400 block of East Brockett Street, being all of Lot 3 and part of Lots 4-6, Block 2, G.W. Bond's Supplement No. 2 Addition, containing 0.465 acres (Lazy L Enterprises, Owners; and Underwood Drafting and Surveying, Surveyor)
- B. 5. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6140**
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow Patio Homes in an R-1 (One Family Residential) District in the 2800-3100 Blocks of North Hickory Street, being 3.556 acres in the J.B. McAnair Survey, Abstract No. 763, also being Lots 1-28, Block 1 of the Proposed McAnair Estates (Westar Home Builders, LLC, Owners; Cross Engineering Consultants, Civil Engineer, and Underwood Drafting and Surveying, Surveyor); Providing that this

Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00

B. 6. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6141

Amending Chapter 7 of the Code of Ordinances, entitled "Municipal Court", creating a New Article 7.04 to be entitled "Municipal Court of Record"

B. 7. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6142

Amending Chapter 3 of the Code of Ordinances, entitled "Building Regulations", at Article 3.06, entitled "Housing Code", Division 2, entitled "Dangerous Buildings", at Sections 3.06.010, 3.06.012, 3.06.014, 3.06.015, 3.06.016, and 3.06.017

B. 8. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6143

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

Close Public Hearing and Consider Adoption of Ordinances

B. 9. ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers: 6136, 6137, 6138, 6139, 6140, 6141, 6142 and 6143

B. 10. 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. 6389

Authorizing Execution of a School Resource Officer Interlocal Agreement between the City of Sherman, Texas, and the Sherman Independent School District

C. 2. * RESOLUTION NO. 6390

Authorizing the Execution of an Unimproved Property Contract with Brookstone Estates Development JV for the Purchase of a 6.920 acre tract of land, more or less, situated in the Elizabeth Jones Survey, Abstract No. 625, City of Sherman, County of Grayson, State of Texas, being more fully described by metes and bounds in the attached Exhibit "A" and illustrated in the attached Exhibit "B"

C. 3. * RESOLUTION NO. 6391

Authorizing Execution of an Agreement with Habitat For Humanity of Grayson County for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 611 South Montgomery Street

Requests to Advertise

D. 1. REQUEST TO ADVERTISE

Construction of West Travis Street, Phase 4 within the Sherman Crossroads

Other Business

E. 1. OTHER BUSINESS

Receive Quarterly Progress Report from Sherman Economic Development Corporation Board Chairman John Sild

- E. 2. **OTHER BUSINESS**
Setting the Public Hearing on the Proposed Agreement with GlobiTech Incorporated, a Delaware Corporation, for the Abatement of Ad Valorem Property Taxes for Improvements within Industrial Reinvestment Zone, Number 082018-01, City of Sherman, Texas
- E. 3. **OTHER BUSINESS**
Review 2018-2019 Draft Budget
- E. 4. **OTHER BUSINESS**
Discussion of the Proposed Tax Rate for Fiscal Year 2018-2019 and Scheduling Public Hearings for the Budget and Proposed Tax Rate
- E. 5. **OTHER BUSINESS**
Review of the Draft Capital Improvement Program (CIP) 2018-2023 and Set a Public Hearing for Monday, August 20, 2018
- E. 6. *** OTHER BUSINESS**
Approve Quarterly Investment Report for Quarter Ended June 30, 2018
- E. 7. *** OTHER BUSINESS**
Consider Calling a Special Meeting of the City Council for Tuesday, September 4, 2018, due to Conflict with a Federal Holiday
- E. 8. *** 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 27, 2018, to Review and Approve SEDCO's Annual Budget and Work Plan
- E. 9. *** OTHER BUSINESS**
Site Plan Approval and Exceptions for Yellow Equipment & TRMS, Owners; YRC Freight, Tenant; Shaw Services, LLC, Contractor/Representative; and Helvey-Wagner Surveying, Inc., Surveyor under Ordinance No. 2252, Article IV, Section 410(2)(j) for Site Plan Approval for an Equipment and Terminal Building for YRC Freight and Exceptions under Section 410 (2) (m) to allow "BPR" Type Panels on the Sides of the Freight Terminal Building and Stucco Finish on the Office viewable from the street; Section 410 (2) (j) and Ordinance No. 2280, Section 7, Subsection (10)(h) to allow a Granite Parking Lot in lieu of the required Concrete or Asphalt; and Section 410 (2) (h) & (l) to allow a 6' EnviroScreen Fence on the Property Line in lieu of the required 55.7' Setback in the Blalock Industrial Park at 211 Dorsett Drive
- E. 10. *** OTHER BUSINESS**
Final Plat Approval of Flanary Road Business Addition, being 23.115 acres in the William Martin Survey, Abstract No. 765; Sherman Economic Development Corporation, Owners; Sherman RE, LLC, an Ohio Limited Liability Company, Developer; Benchmark Design Group, LLC, Ed Snodgrass, Civil Engineer; and Thompson & Associates, Inc., Surveyor [1426 West F.M. 1417 (Heritage Parkway)]
- E. 11. *** OTHER BUSINESS**
Final Plat Approval of Erika Lopez Addition in the City of Sherman's Extra Territorial Jurisdiction (ETJ), being 2.976 acres in the Joseph Deaver Survey, Abstract No. 359; Erika Lopez, Owner; and Underwood Drafting & Surveying, Surveyor (600-700 blocks of North Friendship Road)

E. 12. * OTHER BUSINESS

Replat Approval of College Park Estates Addition, being a Replat of Lot 3 and Parts of Lots 4, 5 and 6 of Bond's 2nd Addition, being all of Lot 3 and part of Lots 4-6, Block 2, G.W. Bond's Supplement No. 2 Addition, containing 0.465 acres; Lazy L Enterprises, Owners; and Underwood Drafting and Surveying, Surveyor (400 block of East Brockett Street)

F. CITIZEN REQUESTS

G. MEDIA QUESTIONS

H. COUNCIL COMMENTS

Executive Session

I. 1. EXECUTIVE SESSION

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

Section 551.074

Personnel Matters:

- (a) Consider the Qualifications, Appointment and Removal of a Public Officer or Employee

The Council reconvenes into General Session

J. 1. OPEN MEETING

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

K. ADJOURNMENT

COUNCIL CALENDAR

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on August 2, 2018 at 4:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 2nd day of August, 2018
City of Sherman, Texas

City Clerk

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

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

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

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

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

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

Mayor

David Plyler

Deputy Mayor

Pamela L. Howeth

Council Members

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

Jason Sofey, Council-At-Large, PL #2

Shawn C. Teamann, Council – District #1

Josh Stevenson, Council – District #2

Pamela L. Howeth, Council – District #3

Daron Holland, Council – District #4



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

A.4.

Meeting Date: 08/06/2018

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF JULY 16, 2018

Attachments

July 16, 2018

STATE OF TEXAS §
 July 16, 2018
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 July 16, 2018.

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

MEMBERS ABSENT: COUNCIL MEMBERS SOFEY, STEELE.

CALL TO ORDER

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

CALL TO ORDER

APPROVE MINUTES

The Council reviewed the Minutes of the Called City Council Meeting (Budget Workshop) of June 14, 2018 and the Regular City Council Meeting of June 18, 2018. Deputy Mayor Howeth moved to approve the Minutes as presented; Second by Council Member Holland. All present voted AYE.
MOTION CARRIED.

APPROVE MINUTES

PROCLAMATION

“PROFESSIONAL ENGINEERS DAY” – AUGUST 1, 2018

Mayor Plyler presented a proclamation to John Ho, Professional Engineer, and former President of the Texas Society of Professional Engineers, designating August 1, 2018 as “Professional Engineers Day” in Sherman.

PROFESSIONAL
ENGINEERS DAY
(AUG. 1, 2018)

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

Mayor Plyler introduced Ordinance No. 6129 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 14, EXHIBIT A OF THE CODE OF ORDINANCES, ENTITLED “GENERAL ZONING ORDINANCE”, AT SECTION 6.8, ENTITLED “O-1 (75 & 82) OVERLAY DISTRICT”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY.

ORD 6129
75-82 OVERLAY
DISTRICT

Scott Shadden, Director of Development Services, said this ordinance would extend the existing 75 and 82 Overlay District, from FM 1417, west to the City limits along US Hwy 82. This area has been annexed and this will help future development for non-residential uses.

The Planning and Zoning Commission recommended approval of the expansion of the 75 and 82 Overlay District.

No citizens appeared before the City Council to discuss Ordinance No. 6129.

COUNCIL MINUTES – JULY 16, 2018

Mayor Plyler introduced Ordinance No. 6130 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE C-O (OFFICE) DISTRICT AT 2607 LOY LAKE ROAD, BEING LOTS 2 AND 3, BOB ALLEN ADDITION (TRINITY BAPTIST CHURCH, OWNERS; DEPARTMENT OF FAMILY & PROTECTIVE SERVICES, TENANT; ROBERT MINSHEW, REPRESENTATIVE; SCALES ENGINEERING, ENGINEER; AND GOODWIN/LASITER/STRONG, ARCHITECT/SURVEYOR); PROVIDING FOR A REPEALER.

ORD 6130
ZONE CHANGE
(2607 LOY LAKE RD.)

Mr. Shadden said this zone change would go from a residential zone to a C-O office zone, for the construction of a new office for the Department of Family & Protective Services. This zone change would be in compliance with the Master Plan.

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

Larry Wornet, 207 Craik Street, Marlin, Texas

Mr. Wornet was the owner of the project and was available to answer questions.

No other citizens appeared before the City Council to discuss Ordinance No. 6130.

Mayor Plyler introduced Ordinance No. 6131 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE C-1 (RETAIL BUSINESS) DISTRICT AT 4070 LOY LAKE ROAD, BEING 10 ACRES IN THE T.J. SHANNON SURVEY, ABSTRACT NO. 1137 (SOUTHWEST PREMIER PROPERTIES, LLC, OWNERS; AND KYLE BOOTHE, BLUESTONE PARTNERS, REPRESENTATIVE); PROVIDING FOR A REPEALER.

ORD 6131
ZONE CHANGE
(4070 LOY LAKE RD.)

Mr. Shadden said this was the Central Freight property, located north of Sherman Town Center. The area was annexed into the City already developed and it came in residential.

With the development currently in process, it was causing some setback problems. The staff recommended they apply for C-1 zoning. The Planning and Zoning Commission recommended approval of the zone change, subject to the Staff Review Letter.

No citizens appeared before the City Council to discuss Ordinance No. 6131.

Mayor Plyler introduced Ordinance No. 6132 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION

ORD 6132
SUP FOR PATIO
HOMES
(MAGNOLIA VILLAGE)

(5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PATIO HOMES IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT AT 502 EAST NORTHCREEK DRIVE, 4706-4723 INDIO LANE, 400-516 CARNEROS DRIVE, 4701-4733 DRY CREEK ROAD AND 400-505 SONOMA COURT, BEING LOTS 1-5, BLOCK A, LOTS 1-19, BLOCK B, LOTS 1-21, BLOCK C, MAGNOLIA VILLAGE ADDITION (CECI BATES VENTURES, LLC, HOMES BY JLS OF TEXOMA AND MAGNOLIA VILLAGE, LP, OWNERS; AND HELVEY-WAGNER SURVEYING, INC., SURVEYOR); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

Mr. Shadden said this request includes 44 patio homes. The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter.

No citizens appeared before the City Council to discuss Ordinance No. 6132.

Mayor Plyler introduced Ordinance No. 6133 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PATIO HOMES IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT IN THE 2300 BLOCK OF PEGGEY'S COVE, 3300-3500 BLOCKS OF HANAN STREET AND 2300-2400 BLOCKS OF SOUTHRIDGE LANE, BEING LOTS 19-39, BLOCK E AND LOTS 38-42, BLOCK G, PEBBLEBROOK SOUTH, PHASE III (ZAKIAH US LLC AND WYLDEWOOD HOMES, LLC, OWNERS); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 6133
SUP FOR PATIO
HOMES
(PEBBLEBROOK
SOUTH, PHASE III)

Mr. Shadden said this request includes 26 patio homes. The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter.

No citizens appeared before the City Council to discuss Ordinance No. 6133.

Mayor Plyler introduced Ordinance No. 6134 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A PARKING LOT IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT AT 1111 NORTH RICKETTS STREET, BEING LOT 50, BLOCK 1, BIRGE-FAIRVIEW ADDITION (SHERMAN MONTESSORI PRESCHOOL INC., OWNERS; AND ALLISON WEST, REPRESENTATIVE);

ORD 6134
SUP FOR PARKING
LOT
(1111 N. RICKETTS ST.)

PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

Mr. Shadden said the Montessori School on Belden Street has purchased the lot on Ricketts Street for use as an employee parking lot. The lot is adjacent to the rear of their Belden Street property.

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

Allison West, representative for the Montessori Pre-School, appeared to answer any questions.

No other citizens appeared before the City Council to discuss Ordinance No. 6134.

Mayor Plyler introduced Ordinance No. 6135 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW MICRO-BLADING, PERMANENT MAKE-UP (TATTOO STUDIO) IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1.1 (FM 1417 OVERLAY) DISTRICT AT 2121 NORTH F.M. 1417 (HERITAGE PARKWAY), SUITE O, BEING PART OF BLOCK 4, WESTERN HILLS ADDITION, SECTION 5 (OWEN CENTRAL, LLC, OWNERS; AMANDA'S NAILS, TENANT; AND KATIE CAMPBELL, APPLICANT); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 6135
SUP FOR TATTOO
STUDIO
(2121 N. FM 1417)

Mr. Shadden said the State of Texas requires a tattoo license for permanent makeup. The request is for permanent makeup at an existing salon.

The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter, and added that this request would be tied to the applicant.

Katie Campbell, 32 Circle Drive, Denison

Ms. Campbell was the applicant and appeared to answer any questions.

No other citizens appeared before the City Council to discuss Ordinance No. 6135.

The Public Hearing was closed.

ADOPTION OF ORDINANCES
Ordinance 6129

ORD 6129

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 14, EXHIBIT A OF THE CODE OF ORDINANCES, ENTITLED “GENERAL ZONING ORDINANCE”, AT SECTION 6.8, ENTITLED “O-1 (75 & 82) OVERLAY DISTRICT”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY.

75-82 OVERLAY
DISTRICT

Ordinance 6130

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE C-O (OFFICE) DISTRICT AT 2607 LOY LAKE ROAD, BEING LOTS 2 AND 3, BOB ALLEN ADDITION (TRINITY BAPTIST CHURCH, OWNERS; DEPARTMENT OF FAMILY & PROTECTIVE SERVICES, TENANT; ROBERT MINSHEW, REPRESENTATIVE; SCALES ENGINEERING, ENGINEER; AND GOODWIN/LASITER/STRONG, ARCHITECT/SURVEYOR); PROVIDING FOR A REPEALER.

ORD 6130
ZONE CHANGE
(2607 LOY LAKE RD.)

Ordinance 6131

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE C-1 (RETAIL BUSINESS) DISTRICT AT 4070 LOY LAKE ROAD, BEING 10 ACRES IN THE T.J. SHANNON SURVEY, ABSTRACT NO. 1137 (SOUTHWEST PREMIER PROPERTIES, LLC, OWNERS; AND KYLE BOOTHE, BLUESTONE PARTNERS, REPRESENTATIVE); PROVIDING FOR A REPEALER.

ORD 6131
ZONE CHANGE
(4070 LOY LAKE RD.)

Ordinance 6132

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PATIO HOMES IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT AT 502 EAST NORTHCREEK DRIVE, 4706-4723 INDIO LANE, 400-516 CARNEROS DRIVE, 4701-4733 DRY CREEK ROAD AND 400-505 SONOMA COURT, BEING LOTS 1-5, BLOCK A, LOTS 1-19, BLOCK B, LOTS 1-21, BLOCK C, MAGNOLIA VILLAGE ADDITION (CECI BATES VENTURES, LLC, HOMES BY JLS OF TEXOMA AND MAGNOLIA VILLAGE, LP, OWNERS; AND HELVEY-WAGNER SURVEYING, INC., SURVEYOR); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 6132
SUP FOR PATIO
HOMES
(MAGNOLIA VILLAGE)

Ordinance 6133

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PATIO HOMES IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT IN THE 2300 BLOCK OF PEGGEY’S COVE, 3300-3500 BLOCKS OF HANAN STREET AND 2300-2400 BLOCKS OF SOUTHRIDGE LANE, BEING LOTS 19-39, BLOCK E AND LOTS 38-42, BLOCK G,

ORD 6133
SUP FOR PATIO
HOMES
(PEBBLEBROOK
SOUTH, PHASE III)

PEBBLEBROOK SOUTH, PHASE III (ZAKIAH US LLC AND WYLDEWOOD HOMES, LLC, OWNERS); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

Council Member Stevenson said they are already “turning dirt and building structures” on this project, and he asked if this was the proper order for this to take place.

Mr. Shadden said they don’t have permits, but they may be doing site work. They should not be doing any foundations or framing.

Council Member Stevenson asked what the difference was that would require them to obtain an exception. Mr. Shadden said patio homes allow five foot side yards instead of six foot and a reduced front yard down to 20 foot. The rear yard can be as close as 10 foot to the rear property line.

Council Member Teamann confirmed that Magnolia Village (Ordinance 6132) was for standard patio homes only and not duplexes.

ACTION TAKEN.

Motion by Council Member Stevenson to adopt Ordinance Nos. 6132 and 6133, as presented. Second by Council Member Teamann.

VOTING AYE: Holland, Howeth, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

Ordinance 6134

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A PARKING LOT IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT AT 1111 NORTH RICKETTS STREET, BEING LOT 50, BLOCK 1, BIRGE-FAIRVIEW ADDITION (SHERMAN MONTESSORI PRESCHOOL INC., OWNERS; AND ALLISON WEST, REPRESENTATIVE); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 6134
SUP FOR PARKING
LOT
(1111 N. RICKETTS ST.)

Ordinance 6135

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW MICRO-BLADING, PERMANENT MAKE-UP (TATTOO STUDIO) IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1.1 (FM 1417 OVERLAY) DISTRICT AT 2121 NORTH F.M. 1417 (HERITAGE PARKWAY), SUITE O, BEING PART OF BLOCK 4, WESTERN HILLS ADDITION, SECTION 5

ORD 6135
SUP FOR TATTOO
STUDIO
(2121 N. FM 1417)

(OWEN CENTRAL, LLC, OWNERS; AMANDA'S NAILS, TENANT; AND KATIE CAMPBELL, APPLICANT); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ACTION TAKEN.

Motion by Deputy Mayor Howeth to adopt Ordinance Nos. 6129, 6130, 6131, 6134, and 6135, as presented. Second by Council Member Holland.

VOTING AYE: Holland, Howeth, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

CONSENT AGENDA

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

CONSENT AGENDA

RESOLUTIONS

RESOLUTION NO. 6382 – FINDING AND DETERMINING A PUBLIC PURPOSE AND PUBLIC NECESSITY EXISTS FOR CONSTRUCTION OF CITY PROJECT LAMBERTH ROAD FROM S.H. 289 TO SHADY OAKS LANE EXTENSION PROJECT; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AUTHORISING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, FINDING AND DETERMINING A PUBLIC PURPOSE AND PUBLIC NECESSITY EXISTS FOR CONSTRUCTION OF CITY PROJECT LAMBERTH ROAD FROM S.H. 289 TO SHADY OAKS LANE EXTENSION PROJECT; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS.

RES 6382
LAMBERTH RD.
FROM SH 289 TO
SHADY OAKS LN.
EXTENSION PROJECT

Clint Philpott, Director of Engineering, said soon after the annexation of Carriage Estates, the City began acquiring right-of-way for the future extension of Lamberth Road. All but one property has been acquired. This resolution would authorize the City to begin condemnation proceedings with the final property owner.

Council Member Teamann asked if the staff anticipated that the cost would be the amount budgeted. Mr. Philpott said the property has been appraised and that's why it's being taken to

condemnation. There is a “vast difference” in what the City feels is the value and what the owner feels is the value. Council Member Teamann verified that the other properties have been acquired without condemnation.

ACTION TAKEN.

Motion by Council Member Teamann to approve Resolution No. 6382, as presented. Second by Deputy Mayor Howeth.

VOTING AYE: Holland, Howeth, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6383 – FINDING AND DETERMINING A PUBLIC PURPOSE AND PUBLIC NECESSITY EXISTS FOR CONSTRUCTION OF THE SHERMAN NORTHWEST SEWER LINE, LIFT STATION, AND FORCE MAIN IMPROVEMENTS; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS

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

**RES 6383
NORTHWEST SEWER
LINE, LIFT STATION,
FORCE MAIN
IMPROVEMENTS**

Mark Gibson, Director of Utilities, said this project will provide sewer service to the area west of SH 289, near US Hwy 82, the Preston Club area. It consists of a gravity sewer to a future proposed lift station on the north side of US Hwy 82. The lift station will be able to serve that entire area of the City, and is a future infrastructure project for the west part of Sherman.

The request is for permission to start negotiating for property for the lift station. The gravity sewer mains and the force main will come back to the City’s existing sewer.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6383, as presented. Second by Council Member Teamann.

VOTING AYE: Holland, Howeth, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

**RESOLUTION NO. 6384 – 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 AN IMPROVED PEDESTRIAN CURB RAMP LOCALLY
FUNDED PROJECT ON-SYSTEM [SH 56 (LAMAR STREET)
AND RUSK STREET PED IMPROVEMENT]**

**RES 6384
PEDESTRIAN CURB
RAMP PROJECT
(SH 56 TO RUSK ST.)**

**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 AN IMPROVED PEDESTRIAN CURB RAMP LOCALLY
FUNDED PROJECT ON-SYSTEM [SH 56 (LAMAR STREET)
AND RUSK STREET PED IMPROVEMENT].**

Mr. Philpott said a budget has been allotted for the past several years for sidewalk improvements in the downtown area. The proposed improvements would be at Rusk and Lamar Streets. The project would be a pedestrian/crosswalk improvement similar to the one at the Grayson County Courthouse.

Because the project is located on SH 56, and a pedestrian pole will be moved, the Texas Department of Transportation is requiring the City to execute an Advance Funding Agreement. Approval of the proposed resolution will allow the City to move forward with the bidding process and hopefully complete construction in the Fall of 2018.

ACTION TAKEN.

Motion by Deputy Mayor Howeth to approve Resolution No. 6384, as presented. Second by Council Member Holland.

VOTING AYE: Holland, Howeth, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

**RESOLUTION NO. 6385 – AUTHORIZING EXECUTION OF AN
ENCROACHMENT EASEMENT TO YOUNG ENTERPRISES, LP
FOR THE INSTALLATION OF TWO (2) 9-SQUARE FOOT
SUBDIVISION SIGNS WITHIN A 10' UTILITY EASEMENT ON
THE NORTHEAST CORNER OF LOT 20, BLOCK C AND THE
NORTHWEST CORNER OF LOT 19, BLOCK B OF MAGNOLIA
VILLAGE IN THE CITY OF SHERMAN, TEXAS**

**RES 6385
ENCROACHMENT
EASEMENT FOR SIGNS
(MAGNOLIA VILLAGE)**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN
ENCROACHMENT EASEMENT TO YOUNG ENTERPRISES, LP
FOR THE INSTALLATION OF TWO (2) 9-SQUARE FOOT
SUBDIVISION SIGNS WITHIN A 10' UTILITY EASEMENT ON
THE NORTHEAST CORNER OF LOT 20, BLOCK C AND THE
NORTHWEST CORNER OF LOT 19, BLOCK B OF MAGNOLIA
VILLAGE IN THE CITY OF SHERMAN, TEXAS.**

CONSENT AGENDA.

RESOLUTION NO. 6386 – AUTHORIZING EXECUTION OF AN ENCROACHMENT EASEMENT TO CUPID INVESTMENTS, INC. FOR THE INSTALLATION OF A SANITARY SEWER SERVICE LATERAL LINE WITHIN THE PLATTED PUBLIC RIGHT-OF-WAY RUNNING EAST AND WEST ALONG BLOCK 1 OF THE EPSTEIN AT HAZELWOOD ADDITION FOR SANITARY SEWER SERVICES AT 1000 EAST EPSTEIN STREET AND 1004 EAST EPSTEIN STREET IN THE CITY OF SHERMAN, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ENCROACHMENT EASEMENT TO CUPID INVESTMENTS, INC. FOR THE INSTALLATION OF A SANITARY SEWER SERVICE LATERAL LINE WITHIN THE PLATTED PUBLIC RIGHT-OF-WAY RUNNING EAST AND WEST ALONG BLOCK 1 OF THE EPSTEIN AT HAZELWOOD ADDITION FOR SANITARY SEWER SERVICES AT 1000 EAST EPSTEIN STREET AND 1004 EAST EPSTEIN STREET IN THE CITY OF SHERMAN, TEXAS.
CONSENT AGENDA.

RES 6386
ENCROACHMENT
EASEMENT FOR
SANITARY SEWER
LATERAL LINE
(1000 & 1004 E.
EPSTEIN)

RESOLUTION NO. 6387 – APPOINTING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH PATTILLO, BROWN AND HILL, LLP TO PERFORM THE FISCAL YEAR 2018 AUDIT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPOINTING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH PATTILLO, BROWN & HILL, LLP TO PERFORM THE FISCAL YEAR 2018 AUDIT.
CONSENT AGENDA.

RES 6387
ANNUAL AUDIT

RESOLUTION NO. 6388 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH SEAN VANDERVEER D/B/A VANDERVEER GROUP, LLC UNDER THE CITY OF SHERMAN'S CENTRAL BUSINESS DISTRICT HISTORIC BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM FOR IMPROVEMENTS TO 124 NORTH WALNUT STREET

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH SEAN VANDERVEER D/B/A VANDERVEER GROUP, LLC UNDER THE CITY OF SHERMAN'S CENTRAL BUSINESS DISTRICT HISTORIC BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM FOR IMPROVEMENTS TO 124 NORTH WALNUT STREET.

RES 6388
CBD HISTORIC BLDG
RESTORATION GRANT
(124 N. WALNUT)

Nate Strauch, Community and Support Services Manager, said this is the third application the City has received this year, for the Central Business District Historic Building Restoration and Improvement Grant. There is about \$15,000 left in the fund for this year, which is the amount of this request, which is for the old Roberts, Sanford and Taylor building.

Sean Vanderveer, representative for Vanderveer Group, LLC, said the building has been vacant for over three decades, and is in continued disrepair. The facility has eight rooms and the current project would be to convert three of those rooms into an event center.

They also own the parking lot across the street, which would provide strategic parking for the facility.

Council Member Stevenson asked how many square feet the facility would have. Mr. Vanderveer said the event center will be 10,500 square feet. The entire building has a little over 26,000 square feet. He said they would like to do retail, restaurant, and residential, in the remainder of the facility.

Council Member Teamann asked what the timeline was on this project. Mr. Vanderveer said realistically, February, but he would like to see it in December, so they would have the entire calendar year.

Deputy Mayor Howeth confirmed that the parking lot they own is across the street, between the old “watch shop” and the old Charcoal House, and includes 48 parking spaces. Eventually they will also make improvements to the parking lot.

Mr. Hefton confirmed that the cost estimate for this project does not include the parking lot, and the estimate for the roof is probably low.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6388, as presented. Second by Council Member Teamann.

VOTING AYE: Holland, Howeth, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

OTHER BUSINESS

SITE PLAN APPROVAL AND EXCEPTION FOR SHERMAN ECONOMIC DEVELOPMENT CORPORATION AND GLOBITECH, INC., OWNERS; AND JUSTIN WALTON, TEAGUE, NALL AND PERKINS, ENGINEERS/REPRESENTATIVE UNDER ORDINANCE NO. 2252, ARTICLE IV, SECTIONS 410 (2)(J) AND (2)(G)(L) FOR GLOBITECH FAB 3 EXPANSION AND TO ALLOW A RETAINING WALL, SECURITY FENCE AND PLANT SCREENING TO HAVE A 38' SETBACK ALONG A PORTION OF HOWE DRIVE IN THE BLALOCK INDUSTRIAL PARK AT 200 WEST F.M. 1417 (HERITAGE PARKWAY)

APPROVE SITE PLAN
& EXCEPTION
GLOBITECH
(200 W. FM 1417)

Mr. Shadden said since the request is located in the Blalock Industrial Park, it must be approved by the Planning and Zoning Commission and the City Council. The site plan and exception are for GlobiTech’s planned expansion.

The building sets within the setback, however the fire lane encroaches into the 55.7 foot setback. Because of the terrain, they are having to build the retaining wall on their side. They will construct a berm and landscaping to make it look nice.

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

ACTION TAKEN.

Motion by Council Member Teamann to approve the Site Plan and Exception for Sherman Economic Development Corporation and GlobiTech, Inc., for the GlobiTech Fab 3 Expansion and to allow a retaining wall, security fence and plant screening to have a 38' setback along a portion of Howe Drive, as presented. Second by Council Member Stevenson.

VOTING AYE: Holland, Howeth, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

Mayor Plyler noted that, for transparency, he did not vote on this agenda item.

REPLAT APPROVAL OF NORTHGATE TECHNOLOGY PARK ADDITION, LOT 1R, BLOCK 1, BEING 26.801 ACRES IN THE SHEROD DUNMAN SURVEY, ABSTRACT NO. 329 AND ALL OF LOT 1, BLOCK 1 IN THE NORTHGATE TECHNOLOGY PARK AND IN TRACT 2 OF THE BLALOCK INDUSTRIAL PARK; SHERMAN ECONOMIC DEVELOPMENT CORPORATION AND GLOBITECH, INC., OWNERS; AND TEAGUE, NALL AND PERKINS, ENGINEERS/SURVEYOR [200 WEST F.M. 1417 (HERITAGE PARKWAY)]

The City Council approved the Replat of Northgate Technology Park Addition, Lot 1R, Block 1, and all of Lot 1, Block 1 in Northgate Technology Park and in Tract 2 of the Blalock Industrial Park.

The 26.801 acre tract is located at 200 West FM 1417. The owners, GlobiTech, Inc., would like to replat the property into one lot for industrial development.

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

REPLAT APPROVAL OF LOTS 2 AND 3, BLOCK 1, DR. SWAMY ADDITION, BEING 2.761 ACRES IN THE WILLIAM MILLIGAN SURVEY, ABSTRACT NO. 875, ALSO BEING LOTS 2 AND 3, BLOCK 1, DR. SWAMY ADDITION; ONE GANESHA LTD., OWNERS; DEAN GILBERT, DEVELOPER; AND HELVEY-WAGNER SURVEYING, SURVEYOR (6100 BLOCK OF NORTH U.S. HIGHWAY 75)

The City Council approved the Replat of Lots 2 and 3, Block 1, of Dr. Swamy Addition. The 2.761 acre tract is located in the 6100 block of North US Hwy 75. The owners would like to replat the lots, moving lot lines for commercial development.

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

REPLAT APPROVAL OF HUGHES TURTLE CREEK WEST ADDITION, A REPLAT OF A PART OF LOT 7, BLOCK C, TURTLE CREEK WEST ADDITION AND A PART OF LOTS 1

APPROVE REPLAT
NORTHGATE
TECHNOLOGY PARK
ADDITION
(200 W. FM 1417)

APPROVE REPLAT
DR. SWAMY ADDITION
(6100 BLOCK OF
N. HWY 75)

APPROVE REPLAT
HUGHES TURTLE
CREEK WEST

AND 2, BLOCK 1, TOM L. SULLIVAN'S REPLAT OF A PART OF THE REPLAT – VALLEY VIEW ADDITION, BEING 0.819 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763 AND BEING A PART OF LOT 7, BLOCK C, TURTLE CREEK WEST ADDITION AND PART OF LOTS 1 AND 2, BLOCK 1, TOM C. SULLIVAN'S REPLAT AND A PART OF THE REPLAT OF VALLEY VIEW ADDITION, LOTS 1 AND 2; STEVEN AND LISA HUGHES, OWNERS; AND HELVEY-WAGNER SURVEYING, SURVEYOR (2208 POST OAK DRIVE)

ADDITION
(2208 POST OAK DR.)

The City Council approved the Replat of Hughes Turtle Creek West Addition. The 0.819 acre tract is located at 2208 Post Oak Drive. The owners would like to replat two lots into one lot.

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

REPLAT APPROVAL OF LOTS 16-27, BLOCK 5, ALL OF BLOCKS 6 AND 7, AND LOTS 1-6, BLOCK 8 AND THE UNOPEN PORTION OF COPLEY STREET AND ALL OF RAY STREET AND LILA STREET, COPLEY ADDITION, BEING 10.704 ACRES IN THE G.B. PILANT SURVEY, ABSTRACT NO. 963; MITCHELL ENTERPRISES, INC., OWNERS; AND HELVEY-WAGNER SURVEYING, INC., SURVEYOR (700 BLOCK OF COPLEY STREET)

APPROVE REPLAT
COPLEY ADDITION
(700 BLOCK OF
COPLEY ST.)

The City Council approved the Replat of Lots 16-27, Block 5, all of Blocks 6 and 7, and Lots 1-6, Block 8, and the unopen portion of Copley Street and all of Ray Street and Lila Street. The 10.704 acre tract is located in the 700 block of Copley Street.

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

FINAL PLAT APPROVAL OF KAZ ADDITION, PHASE 2 IN THE CITY OF SHERMAN'S EXTRA-TERRITORIAL JURISDICTION (ETJ), BEING 2.013 ACRES IN THE AARON BURLESON SURVEY, ABSTRACT NO. 61; KAZEMAND ZOHREH GANJI, OWNERS; AND PRESTON TRAIL LAND SURVEYING, LLC, SURVEYOR (10739 STATE HIGHWAY 56)

APPROVE FINAL PLAT
KAZ ADDITION,
PHASE 2
(10739 SH 56)

The City Council approved the Final Plat of the KAZ Addition, Phase 2, located at 10739 SH 56, in the City's extra territorial jurisdiction. The owners would like to plat the property into two lots.

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

FINAL PLAT APPROVAL OF HANCOCK RANCH SUBDIVISION IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION (ETJ), BEING 36.79 ACRES IN THE W.D. WOOLEY SURVEY, ABSTRACT NO. 1335 AND THE WINFRED BAILEY SURVEY, ABSTRACT NO. 66; MIKE CROSS AND ROBERT SCOGGINS, OWNERS; PLAIN AND SIMPLE

APPROVE FINAL PLAT
HANCOCK RANCH
SUBDIVISION

INVESTMENTS, LLC, PROSPECTIVE BUYER; RELATED SOLUTIONS, LLC, DEVELOPER; AND HELVEY-WAGNER SURVEYING, SURVEYOR (1400-1600 BLOCKS OF F.M. 697)

The City Council approved the Final Plat of the Hancock Ranch Subdivision, located in the 1400 to 1600 blocks of FM 697, in the City's extra territorial jurisdiction. The owners would like to plat the property into 14 lots.

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

CITIZENS REQUESTS

There were no citizen's requests.

CITIZENS REQUESTS

MEDIA QUESTIONS

There were no media questions.

MEDIA QUESTIONS

ANNOUNCEMENTS

Mayor Plyler announced the following:

- Thanked the staff for their hard work on the recent Koe Wetzel concert for Hot Summer Nights. This Thursday the Spazmatics, an 80's cover band, will perform. On July 26, Asia will end the summer musical series with their performance.
- Parks and Recreation will host a water balloon fight on July 28, 2018, at 5:00 p.m., at The Splash. It's BYOB, (Bring Your Own Balloons)

ANNOUNCEMENTS

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

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

EXECUTIVE SESSION

SECTION 551.071 – CONSULTATION WITH CITY ATTORNEY CONCERNING PENDING OR CONTEMPLATED LITIGATION

SECTION 551.071 -- CONSULT WITH THE CITY ATTORNEY ON A MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE GOVERNMENTAL BODY UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THIS CHAPTER

SECTION 551.074 -- PERSONNEL MATTERS:
DELIBERATE THE APPOINTMENT,
EMPLOYMENT, EVALUATION,
REASSIGNMENT, DUTIES,
DISCIPLINE, OR DISMISSAL OF A
PUBLIC OFFICER OR EMPLOYEE

SECTION 551.087 -- DELIBERATION REGARDING
ECONOMIC DEVELOPMENT
NEGOTIATIONS:
DELIBERATE REGARDING
COMMERCIAL OR FINANCIAL
INFORMATION THAT THE CITY
HAS RECEIVED FROM A
BUSINESS PROSPECT AND
DELIBERATE ANY OFFERS OR
INCENTIVES TO THE BUSINESS
PROSPECT

On Motion duly made and carried, the Open Meeting recessed
and reconvened in Executive Session at 5:32 p.m.

On Motion duly made and carried, the Executive Session
recessed at 6:08 p.m. and reconvened in Open Meeting.

OPEN MEETING

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

OPEN MEETING

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at
6:10 p.m.

ADJOURNMENT

MAYOR

CITY CLERK



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.1.

Meeting Date: 08/06/2018

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6136

Designating a Certain Area as Industrial Reinvestment Zone, Number 082018-01, City of Sherman, Texas, Providing for the Establishment of Agreements within the Zone, and Other Matters Relating Thereto; Providing Findings of Fact; Providing an Effective Date for the Commencement of the Reinvestment Zone and this Ordinance

Issue:

The creation of a new industrial reinvestment zone in response to a tax abatement requested by GlobiTech Incorporated (GlobiTech)

Background:

On Friday, July 6, 2018, the Tax Reinvestment Committees of the City of Sherman, the Sherman Independent School District, Grayson County, and Grayson College (the "Committee") met to consider a request from GlobiTech Incorporated, a Delaware Corporation, for the first phase of a projected three phased project, to expand its operations by adding 78,000 square feet, including 10,000 square feet of cleanroom space. This would be in addition to GlobiTech's existing cleanroom space of 8,000 square feet in each of its Fab 1 and Fab 2 facilities. The first phase of the project would start in the fall of 2018 and would be completed in 2020. The initial investment would be \$23 million in real property and about \$24 million in equipment and personal property at GlobiTech's facility located at 200 F.M. 1417 West in Sherman. The taxable value of GlobiTech's current property is \$56 million. The first phase of this project is expected to create 32 additional jobs, including direct labor operators, indirect labor, and exempt salaried positions.

The Committee voted to recommend an abatement and creation of the Zone to the City Council and other taxing entities. The law requires that a reinvestment zone be established prior to a tax abatement being granted for eligible projects. The attached ordinance is the first step in accomplishing the creation of a new commercial/industrial reinvestment zone, which would cover only GlobiTech's property. Prior to its adoption, a public hearing must be held to allow for interested parties to speak to the issue. The Tax Abatement Agreement will be addressed at the City Council's regular meeting on Monday, August 20, 2018, in the form of a resolution.

Origination:

GlobiTech Incorporated, Applicant
Tax Reinvestment Committee

Financial Consideration:

There is no direct cost to creating Industrial Reinvestment Zone, Number 082018-01 and providing the medium for granting tax abatement agreements within the designated zone.

Staff Recommendation:

The staff recommends that the City Council introduce and hold the public hearing on the ordinance and consider its adoption.

Alternatives:

No alternatives are recommended.

Attachments

Ordinance No. 6136

Memo to Tax Reinvestment Committee with New Tax Abatement Request

ORDINANCE NO. 6136

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DESIGNATING A CERTAIN AREA AS INDUSTRIAL REINVESTMENT ZONE, NUMBER 082018-01, CITY OF SHERMAN, TEXAS, PROVIDING FOR THE ESTABLISHMENT OF AGREEMENTS WITHIN THE ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FINDINGS OF FACT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE FOR THE COMMENCEMENT OF THE REINVESTMENT ZONE AND THIS ORDINANCE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Sherman, Texas (the “City”), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a Reinvestment Zone, as codified in Chapter 312 of the Texas Tax Code (the “CODE”); and

WHEREAS, a hearing before the City Council was set for 5:00 p.m. on the 6th day of August, 2018, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper of general circulation in the City of Sherman; and

WHEREAS, the City has called a public hearing and published notice of such public hearing, and has properly notified the proper officials of Grayson County, Grayson County College, and Sherman Independent School District, as required by the CODE; and

WHEREAS, upon such hearing being convened, there was presented proper proof and evidence that notices of such hearing had been published and mailed as described above; and

WHEREAS, the City at such hearing invited any interested person, or his attorney, to appear and contend for or against the creation of the Reinvestment Zone, whether all or part of the territory, which is described by a metes and bounds description attached hereto as Exhibit “A” and depicted in the drawing attached hereto as Exhibit “B”, should be included in such proposed Reinvestment Zone; and

WHEREAS, all owners of property located within the proposed Reinvestment Zone, and all other taxing units and other interested persons, were given the opportunity at such public hearing to protest the creation of the proposed Reinvestment Zone or the inclusion of their property in such Reinvestment Zone; and

WHEREAS, the proponents of the Reinvestment Zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the Reinvestment Zone, and no opponents of the Reinvestment Zone appeared to contest creation of the Reinvestment Zone; and

WHEREAS, after considering all testimony and evidence offered at the public hearing, the City Council finds that improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Zone, will be of general benefit to the City of Sherman, and that it will be in the public interest to pass this ordinance creating a Reinvestment Zone;

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

SECTION 1. That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2. That the City, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on adoption of the Reinvestment Zone has been properly called, held and conducted, and that notice of such hearing has been published as required by law;
- (b) That the City has jurisdiction to hold and conduct this public hearing on the creation of the proposed Reinvestment Zone, pursuant to the CODE;
- (c) That creation of the proposed Zone, with boundaries as described in Exhibits “A” and “B”, will result in benefits to the City, its residents and property owners, and to the property, residents and property owners in the Reinvestment Zone; and
- (d) That the Reinvestment Zone, as defined in Exhibits “A” and “B”, meets the criteria for the creation of a Reinvestment Zone as set forth in Section 312.202 of the CODE in that:
 - (1) It is a contiguous geographic area located wholly within the corporate limits of the City.
 - (2) The area will reasonably be likely, as a result of the designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the City.
 - (3) No part of the property in the Reinvestment Zone is owned or leased by a member of the governing body of the City or Town, or by a member of a zoning or planning board or commission of the City.
 - (4) Improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Reinvestment Zone.

SECTION 3. That the City hereby creates a Reinvestment Zone over the area described by the description in Exhibit “A”, attached hereto and depicted in a drawing attached hereto as Exhibit “B”, and such Reinvestment Zone shall hereafter be identified as the Industrial Reinvestment Zone, Number 082018-01, City of Sherman, Texas (the “Zone”).

SECTION 4. That the written agreement(s) as provided in the CODE, with the owners of the property located within the Reinvestment Zone, is hereby authorized for a period of up to ten (10) years, and the written agreement(s) shall provide an exemption from taxation of the increased value in the real and/or personal property in the percentages and for the years to be established in the agreements.

SECTION 5. That, if any section, paragraph, clause, or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 6. That it is hereby officially found, determined, and declared that a sufficient written notice of the date, hour, place, and subject of the meeting of the City Council at which this ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, Chapter 551 of the Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter hereof has been discussed, considered, and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 7. That the contents of the notice of public hearing, which hearing was held before the City Council on the 6th day of August, 2018, and the publication of said notices, is hereby ratified, approved, and confirmed.

INTRODUCED on this the _____ day of _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

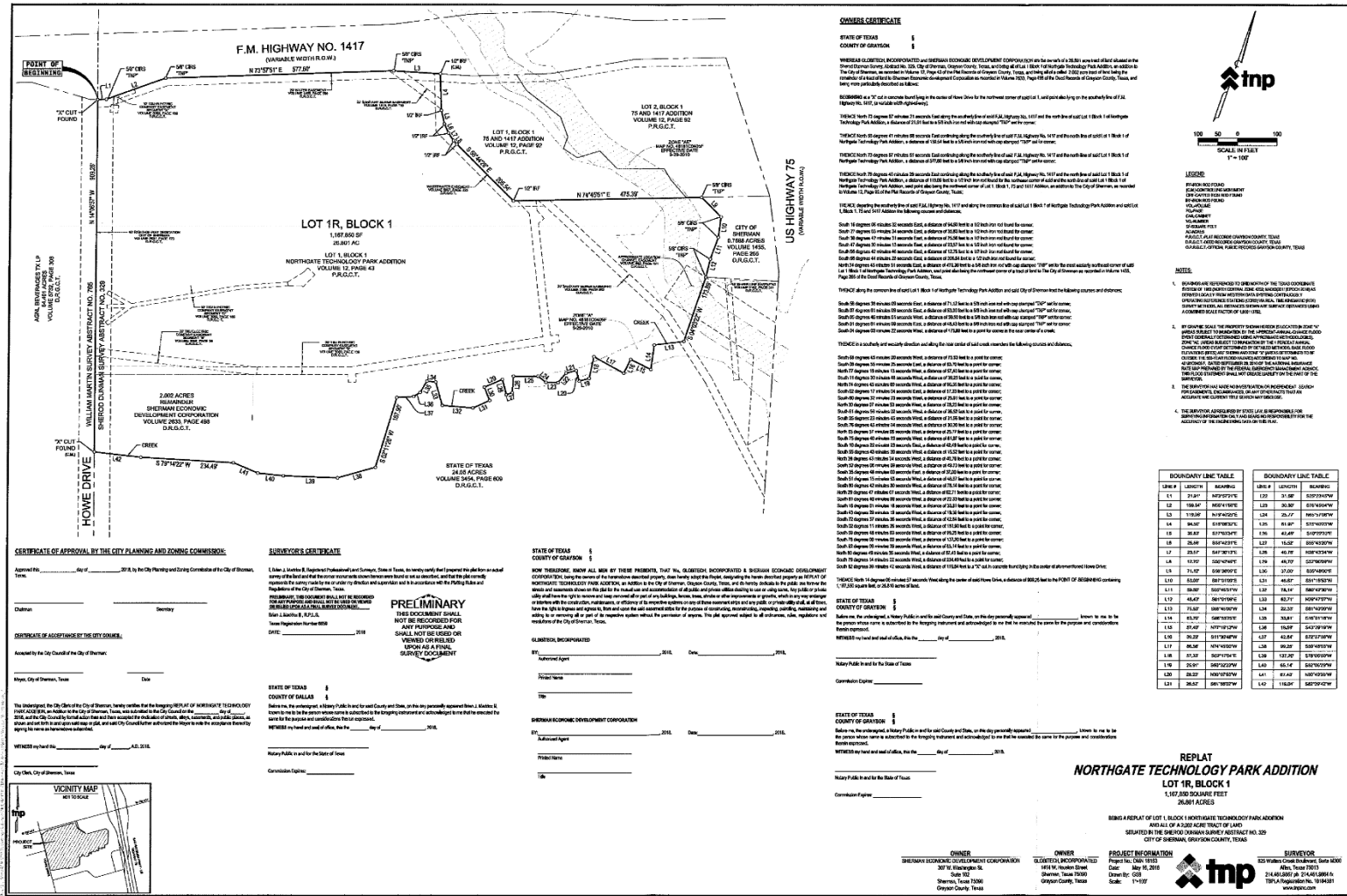
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

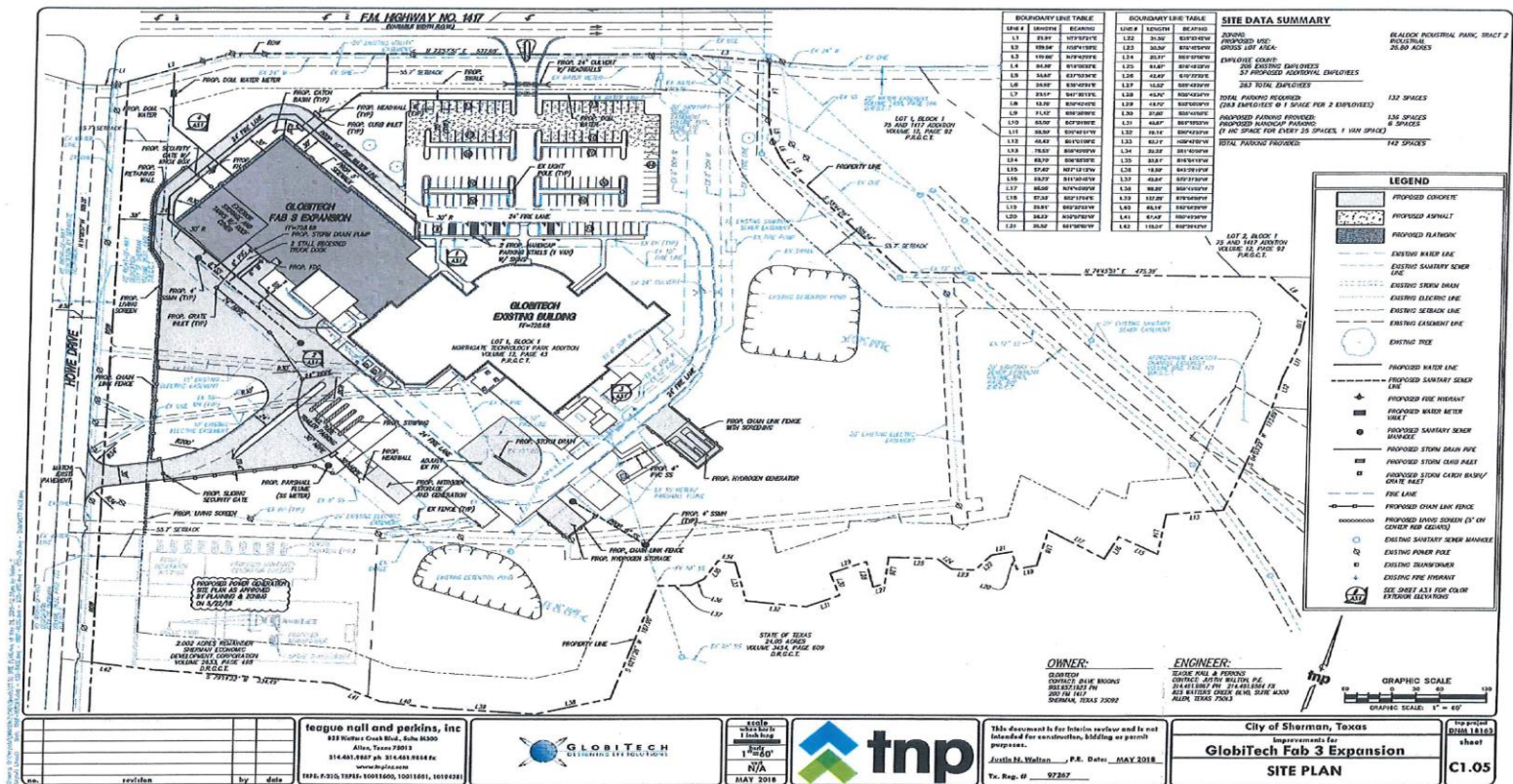
**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

EXHIBIT "A" **INDUSTRIAL REINVESTMENT ZONE, NUMBER 082018-01,** **CITY OF SHERMAN, TEXAS** **FIELD NOTES**



**INDUSTRIAL REINVESTMENT ZONE, NUMBER 082018-01,
CITY OF SHERMAN, TEXAS
DRAWING**



INDUSTRIAL REINVESTMENT ZONE, NUMBER 082018-01,
CITY OF SHERMAN, TEXAS
VICINITY MAP



**Replat Northgate Technology Park Addition
Lot 1R, Block 1**



1 in = 1,250 ft

City of Sherman, Texas
Developmental Services Department



memorandum

DATE: Monday, July 2, 2018

TO: **The Tax Reinvestment Committee**
The Honorable Council Member Willie Steele
The Honorable Council Member Josh Stevenson

MC: The Honorable David Plyler, Sherman Mayor
The Honorable Bill Magers, Grayson County Judge
The Honorable David Whitlock, Grayson County Commissioner
Bruce Stidham, Grayson County Tax Assessor-Collector
Dr. Jeremy McMillen, Grayson College President
Dr. David Hicks, Sherman Independent School District Superintendent
John Sild, Chairman of the SEDCO Board of Directors
Mary Lawrence, Director of Finance

FROM: Robby Hefton, City Manager 

SUBJECT: Tax Abatement Request

The Tax Reinvestment Committee will meet at 12:00 noon on Friday, July 6th in the City Council Chambers of City Hall to consider the attached request of GlobiTech Incorporated for a tax abatement involving a project to construct a 78,000 square foot expansion to their current facility, including expansion of their clean-room space.

Phase I of the proposed project would add approximately \$23 million in real property and about \$24 million in equipment to be installed on site for the project. This phase would also involve the creation of over 30 jobs. The completion date for the expansion is estimated to be summer of 2020.

In accordance with our most recent tax abatement matrix, staff would propose an eight-year tax abatement of 60% for three years, 50% for four years, and 25% for the eighth and final year.

Mr. Terry Kluesner, Administrative Manager, Ms. LeAn Powlison, Director of Finance, and possibly Mr. Mark England, President, will be in attendance to address any questions you may have. Representatives from the other taxing entities will be attending as well.

Please call me if you have any questions regarding this item.

RH:pc

attachment: GlobiTech Incorporated Tax Abatement Application

EXECUTION OF AGREEMENT

TAX REINVESTMENT ZONE INDUSTRIAL AND COMMERCIAL APPLICATION

SECTION I

1. Property Owner: GLOBAL TECH INCORPORATED
Mailing Address: 200, FM 1417, WEST SHERMAN, TX 75092
Telephone Numbers: 903-957-1925
2. Property Owner's Representative: LEAN POWLISON
Mailing Address: SAME
Telephone Numbers: SAME
3. Physical Property Address: SAME AS MAILING
4. Property Legal Description (include as an attachment with metes and bounds)
5. Property is located within: City of Sherman? YES
Sherman I.S.D.? YES
Grayson County? YES
6. Description of Project: 78,000 SQ. FT FACILITY EXPANSION
INCLUDING 10,000 SQ. FT CLEANROOM
7. Date of projected occupation of project/initiation of operations: SUMMER 2020
8. Narrative response to criteria questions in Section II of application? YES
(Yes or No, and include attachment)

GlobiTech Incorporated

Tax Abatement Application Narrative

GlobiTech Incorporated is considering expansion of its operations by building 10,000 square feet of cleanroom space in a facility totaling 78,000 square feet to be called Fab 3. This would be in addition to its existing cleanroom space of 8,000 square feet in each of its Fab 1 and Fab 2 facilities. The expansion is projected in three phases with the first phase starting in the fall of 2018 and the third phase completed in 2024. The total project is expected to create 93 additional jobs as follows:

	Phase 1	Phase 2	Phase 3	Total
Direct labor operators	19	20	21	60
Indirect labor	11	9	9	29
Exempt salaried	2	1	1	4
Total	32	30	31	93

Direct labor operators have an average wage rate of \$16.00/hour. Indirect labor employees include line technicians and highly skilled repair and maintenance technicians with an average wage rate of \$25.00/hour. The exempt salaried additions will have an average annual rate of \$93,000. All of the additional employees will receive a full complement of benefits including medical, dental, vision, disability and life insurance along with participation in the company's 401K plan. Expected annual payroll is expected to grow by approximately \$3.9 million based on current rates excluding future inflation. We expect that most of the positions will be filled by local applicants.

Total square footage of the addition is expected to be 78,000 square feet. The expansion is being planned in three phases with the following projected costs (\$000):

	Phase 1	Phase 2	Phase 3	Total
Real Property	23,000	6,000	2,000	31,000
Personal Property	24,500	27,750	27,500	79,750
Total	47,500	33,750	29,500	110,750

Economic life and depreciation would be based on standard rates used by the Grayson Central Appraisal District for real and personal property in the semiconductor industry. Sales tax of approximately \$2.4 million is included in the real property cost projection. Nearly all of the personal property is expected to be exempt from sales tax based on use as manufacturing equipment. Existing businesses and/or offices should realize a positive impact from increased employment and no infrastructure construction will be required.

GlobiTech is already a significant water customer and the additional facility and equipment will result in a significant increase in water usage. The following is a table of expected water usage based on the phased addition expressed in millions of gallons per month:

Incremental					Total
Base	Phase 1	Phase 2	Phase 3	Total	
15.4	2.2	4.1	4.4	10.7	26.1

The proposed project should provide a boost to the local housing market based on additional employment and we believe it is compatible with the City's Comprehensive Plan. GlobiTech is environmentally safe and the proposed project will comply with all necessary air quality and other permit requirements.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.2.

Meeting Date: 08/06/2018

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6137

Authorizing the Issuance of "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2018"; Specifying the Terms and Features of Said Certificates; Providing for the Payment of Said Certificates of Obligation by the Levy of an Ad Valorem Tax Upon All Taxable Property within the City and a Limited Pledge of the Net Revenues from the Operation of the City's Waterworks and Sewer System; Resolving Other Matters Incident and Relating to the Issuance, Payment, Security, Sale and Delivery of Said Certificates, Including the Approval and Execution of a Paying Agent/Registrar Agreement and the Approval and Distribution of an Official Statement; and Providing an Effective Date

Issue:

To consider all matters incident and related to the issuance and sale of \$19,500,000 "City of Sherman, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2018" including the adoption of an ordinance authorizing the issuance of such certificates of obligation

Background:

The Council approved the Notice of Intention to Issue Certificates of Obligation at the June 18, 2018 Council Meeting. This Ordinance authorizes the City to actually issue the Certificates, which will be repaid over twenty-five years. The proceeds from the issuance are expected to be received at the beginning of September. The source of repayment for these bonds will be property taxes, although the Certificates call for a pledge of both taxes and water and sewer revenues as security, as is typical for this type of issuance.

The proceeds will be used to finance various street, facility and park projects authorized by the Council for fiscal year 2018-2019, as was discussed at the recent Budget Workshop.

Origination:

City Manager's Office

Financial Consideration:

The cost of issuance will be about \$150,000, which will be netted against the proceeds.

Staff Recommendation:

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

Alternatives:

No alternatives can be recommended by staff at this time.

Attachments

Ordinance No. 6137

Exhibit A - Paying Agent/Registrar Agreement

ORDINANCE NO. 6137

AN ORDINANCE authorizing the issuance of "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2018"; specifying the terms and features of said certificates; providing for the payment of said certificates of obligation by the levy of an ad valorem tax upon all taxable property within the City and a limited pledge of the net revenues from the operation of the City's Waterworks and Sewer System; resolving other matters incident and relating to the issuance, payment, security, sale and delivery of said Certificates, including the approval and execution of a Paying Agent/Registrar Agreement and the approval and distribution of an Official Statement; and providing an effective date.

WHEREAS, notice of the City Council's intention to issue certificates of obligation in the maximum principal amount not to exceed \$19,500,000 for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: (1) street improvements, including drainage, utility line relocations, bridges, sidewalks, entryways, landscaping, lighting, curbs and gutters related thereto and the acquisition of land and rights-of-way therefor, (2) constructing, renovating, acquiring and equipping facilities for the public safety, library, and parks and recreation departments, including the acquisition of land and rights-of-way therefor, (3) municipal parking facilities, including the acquisition of land and rights-of-way therefor, and (4) constructing, acquiring, purchasing, renovating, enlarging, equipping, and improving water and sewer system properties and facilities, including the acquisition of land and rights-of-way therefor, and (ii) professional services rendered in relation to such projects and the financing thereof, has been duly published in the *Herald Democrat*, a newspaper hereby found and determined to be of general circulation in the City of Sherman, Texas, on July 1, 2018 and July 8, 2018; the date of the first publication of such notice being not less than thirty-one (31) days prior to the tentative date state therein for the passage of the ordinance authorizing the issuance of such certificates; and

WHEREAS, no petition protesting the issuance of the certificates of obligation and bearing valid petition signatures of at least 5% of the qualified electors of the City, has been presented to or filed with the Mayor, City Clerk or any other official of the City on or prior to the date of the passage of this Ordinance; and

WHEREAS, the Council hereby finds and determines the certificates of obligation described in the aforesaid notice should be issued and sold at this time in the amount and manner as hereinafter provided; now, therefore,

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

SECTION 1: Authorization - Designation - Principal Amount - Purpose. Certificates of obligation of the City shall be and are hereby authorized to be issued in the aggregate principal amount of \$_____, to be designated and bear the title "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2018" (hereinafter referred to as the "Certificates"), for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: (1) street improvements, including drainage, utility line relocations, bridges, sidewalks, entryways, landscaping, lighting, curbs and gutters related thereto and the acquisition of land and rights-of-way therefor, (2) constructing, renovating, acquiring and equipping facilities for the public safety, library, and parks and

recreation departments, including the acquisition of land and rights-of-way therefor, (3) municipal parking facilities, including the acquisition of land and rights-of-way therefor, and (4) constructing, acquiring, purchasing, renovating, enlarging, equipping, and improving water and sewer system properties and facilities, including the acquisition of land and rights-of-way therefor, and (ii) professional services rendered in relation to such projects and the financing thereof, pursuant to authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Texas Local Government Code, Subchapter C of Chapter 271, as amended.

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Date. The Certificates are issuable in fully registered form only; shall be dated September 6, 2018 (the "Certificate Date") and shall be in denominations of \$5,000 or any integral multiple thereof (within a Stated Maturity) and the Certificates shall become due and payable on August 15 in each of the years and in principal amounts (the "Stated Maturities") and bear interest at the per annum rate(s) in accordance with the following schedule:

<u>Year of Stated Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		

The Certificates shall bear interest on the unpaid principal amounts from the date of their delivery to the initial purchasers, anticipated to be September 6, 2018 (the "Delivery Date") at the rates per annum shown above in this Section (calculated on the basis of a 360-day year of twelve 30-day months); and such interest shall be payable on February 15 and August 15 of each year, commencing February 15, 2019 until maturity or prior redemption.

SECTION 3: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Certificates, due and payable by reason of maturity, redemption or

otherwise, shall be payable only to the registered owners or holders of the Certificates (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar and the payment thereof shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas to serve as Paying Agent/Registrar for the Certificates is hereby approved and confirmed. Books and records relating to the registration, payment, transfer and exchange of the Certificates (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, as provided herein and in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as **Exhibit A**, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Mayor or Mayor Pro Tem and City Clerk are authorized to execute and deliver such Agreement in connection with the delivery of the Certificates. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Certificates are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank or trust company organized under the laws of the State of Texas, financial institution or other entity duly qualified and legally authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Certificates, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Certificates shall be payable at the Stated Maturities or upon prior redemption thereof only upon presentation and surrender of the Certificates to the Paying Agent/Registrar at its designated offices initially in East Syracuse, New York, or with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest on the Certificates shall be paid to the Holders whose names appear in the Security Register at the close of business on the Record Date (the last business day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4: Redemption.

(a) Optional Redemption. The Certificates having Stated Maturities on and after August 15, 2028 shall be subject to redemption prior to maturity, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on August 15, 2027, or on any date thereafter at the redemption price of par plus accrued interest to the date of redemption.

At least forty-five (45) days prior to a redemption date for the Certificates (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of the decision to redeem Certificates, the principal amount of each Stated Maturity to be redeemed, and the date of redemption therefor. The decision of the City to exercise the right to redeem Certificates shall be entered in the minutes of the governing body of the City.

(b) Selection of Certificates for Redemption. If less than all Outstanding Certificates of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall treat such Certificates as representing the number of Certificates Outstanding which is obtained by dividing the principal amount of such Certificates by \$5,000 and shall select the Certificates to be redeemed within such Stated Maturity by lot or by any other customary method that results in a random selection.

(c) Mandatory Redemption. The Certificates maturing on August 15, 20__, August 15, 20__, and August 15, 20__ (the "Term Certificates") shall be subject to mandatory redemption in part prior to maturity at the redemption price of par and accrued interest to the date of redemption on the respective dates and in the principal amounts as follows:

Term Certificates due August 15, 20		Term Certificates due August 15, 20	
<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
August 15, 20	\$,000	August 15, 20	\$,000
August 15, 20	\$,000	August 15, 20	\$,000
August 15, 20	\$,000	August 15, 20	\$,000
August 15, 20	\$,000 (maturity)	August 15, 20	\$,000 (maturity)

Term Certificates due August 15, 20	
<u>Redemption Date</u>	<u>Principal Amount</u>
August 15, 20	\$,000
August 15, 20	\$,000
August 15, 20	\$,000 (maturity)

Approximately forty-five (45) days prior to each mandatory redemption date for the Term Certificates, the Paying Agent/Registrar shall select by lot, or by any other customary method that results in a random selection, the numbers of the Term Certificates within the applicable Stated Maturity to be redeemed on the next following August 15 from moneys set aside for that purpose in the Certificate Fund (as hereinafter defined). Any Term Certificates not selected for prior redemption shall be paid on the date of their Stated Maturity.

The principal amount of the Term Certificates for a given Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Certificates of like Stated Maturity which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase

thereof, and delivered to the Paying Agent/Registrar for cancellation, or (2) shall have been redeemed pursuant to the optional redemption provisions set forth in subparagraph (a) of this Section and not theretofore credited against a mandatory redemption requirement.

(d) Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Certificates, a notice of redemption shall be sent by United States Mail, first class postage prepaid, in the name of the City and at the City's expense, to each Holder of a Certificate to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Certificates, (ii) identify the Certificates to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Certificates, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, provided moneys sufficient for the payment of such Certificate (or the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar, and (v) specify that payment of the redemption price for the Certificates, or the principal amount thereof to be redeemed, shall be made at the Designated Payment/Transfer Office of the Paying Agent/Registrar only upon presentation and surrender of the Certificates. If a Certificate is subject by its terms to prior redemption and has been called for redemption and notice of redemption has been duly given as hereinabove provided, such Certificate (or the principal amount thereof to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor, provided moneys sufficient for the payment of such Certificate (or of the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar.

(e) Conditional Notice of Redemption. With respect to any optional redemption of the Certificates, unless certain prerequisites to such redemption required by this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied or sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

SECTION 5: Registration - Transfer - Exchange of Certificates - Predecessor Certificates. The Paying Agent/Registrar shall obtain, record and maintain in the Security Register the name and address of each and every owner of the Certificates issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Certificate may be transferred or exchanged for Certificates of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Certificate to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or

request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Certificate (other than the Initial Certificate(s) authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Certificates of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Certificate or Certificates surrendered for transfer.

At the option of the Holder, Certificates (other than the Initial Certificate(s) authorized in Section 8) may be exchanged for other Certificates of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Certificates surrendered for exchange, upon surrender of the Certificates to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Certificates are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Certificates to the Holder requesting the exchange.

All Certificates issued in any transfer or exchange of Certificates shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States Mail, first class, postage prepaid to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Certificates surrendered in such transfer or exchange.

All transfers or exchanges of Certificates pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Certificates cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Certificates," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Certificate or Certificates registered and delivered in the exchange or transfer. Additionally, the term "Predecessor Certificates" shall include any mutilated, lost, destroyed, or stolen Certificate for which a replacement Certificate has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 20 hereof and such new replacement Certificate shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Certificate.

Neither the City nor the Paying Agent/ Registrar shall be required to issue or transfer to an assignee of a Holder any Certificate called for redemption, in whole or in part, within 45 days of the date fixed for the redemption of such Certificate; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Certificate called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 3, 4, and 5 of this Ordinance relating to the payment, transfer, and exchange of the Certificates, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State

of New York, in accordance with the operational arrangements referenced in the Blanket Issuer Letter of Representations by and between the City and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Certificates shall be deposited with DTC who shall hold said Certificates for its participants (the "DTC Participants"). While the Certificates are held by DTC under the Depository Agreement, the Holder of the Certificates on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Certificate (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Certificates or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Certificates, the City covenants and agrees with the Holders of the Certificates to cause Certificates to be printed in definitive form and issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Certificates in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Certificates shall be made in accordance with the provisions of Sections 3, 4 and 5 of this Ordinance.

SECTION 7: Execution - Registration. The Certificates shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under its seal reproduced or impressed thereon and countersigned by the City Clerk. The signature of said officers on the Certificates may be manual or facsimile. Certificates bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that one or more of the individuals executing the same shall cease to be such officer at the time of delivery of the Certificates to the initial purchaser(s) and with respect to Certificates delivered in subsequent exchanges and transfers, all as authorized and provided in Texas Government Code, Chapter 1201, as amended.

No Certificate shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Certificate either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly certified, registered and delivered.

SECTION 8: Initial Certificate(s). The Certificates herein authorized shall be initially issued either (i) as a single fully-registered certificate in the total principal amount stated in Section 1 above with principal installments to become due and payable as provided in Section 2 and numbered T-1, or (ii) as multiple fully registered certificates, being one certificate for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (the "Initial Certificate(s)") and, in either case, the Initial Certificate(s) shall be registered in the name of the initial purchasers or the designee thereof. The Initial Certificate(s) shall be submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchasers, or the designee thereof. Any time after the delivery of the Initial Certificate(s) and pursuant to written instructions from the initial purchasers, or the designee

thereof, the Paying Agent/Registrar shall cancel the Initial Certificate(s) and exchange it for the definitive Certificates of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified for such purpose; all pursuant to and in accordance with such written instructions from the initial purchasers, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) Forms Generally. The Certificates, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Certificates, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Ordinance and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends in the event the Certificates, or any maturities thereof, are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the officers executing such Certificates as evidenced by their execution. Any portion of the text of any Certificates may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the certificate.

The definitive Certificates and the Initial Certificate(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Certificates as evidenced by their execution.

(b) Form of Definitive Certificates.

REGISTERED NO. _____	REGISTERED \$ _____
UNITED STATES OF AMERICA STATE OF TEXAS CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2018	

Certificate Date: September 6, 2018	Interest Rate: _____ %	Stated Maturity: August 15, 20____	CUSIP No.: _____	Delivery Date: September 6, 2018
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Registered Owner:

Principal Amount:

The City of Sherman (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Grayson, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption), and to pay interest

on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Certificate appearing below (unless this Certificate bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Certificate is prior to the initial interest payment date in which case it shall bear interest from the Delivery Date) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing February 15, 2019, until maturity or prior redemption. Principal of this Certificate is payable at its Stated Maturity or upon its prior redemption to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Certificate is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Certificate. Interest is payable to the registered owner of this Certificate (or one or more Predecessor Certificates, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for a payment of the principal or of interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of and interest on this Certificate shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Certificate is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Certificates") for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: (1) street improvements, including drainage, utility line relocations, bridges, sidewalks, entryways, landscaping, lighting, curbs and gutters related thereto and the acquisition of land and rights-of-way therefor, (2) constructing, renovating, acquiring and equipping facilities for the public safety, library, and parks and recreation departments, including the acquisition of land and rights-of-way therefor, (3) municipal parking facilities, including the acquisition of land and rights-of-way therefor, and (4) constructing, acquiring, purchasing, renovating, enlarging, equipping, and improving water and sewer system properties and facilities, including the acquisition of land and rights-of-way therefor, and (ii) professional services rendered in relation to such projects and the financing thereof, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Texas Local Government Code, Subchapter C of Chapter 271, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

The Certificates maturing on the dates hereinafter identified (the "Term Certificates") are subject to mandatory redemption prior to maturity with funds on deposit in the Certificate Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in

part prior to maturity at the price of par and accrued interest thereon to the mandatory redemption date on the respective dates and in principal amounts as follows:

Term Certificates due August 15, 20		Term Certificates due August 15, 20	
<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
August 15, 20	\$,000	August 15, 20	\$,000
August 15, 20	\$,000	August 15, 20	\$,000
August 15, 20	\$,000	August 15, 20	\$,000
August 15, 20	\$,000 (maturity)	August 15, 20	\$,000 (maturity)

Term Certificates due August 15, 20	
<u>Redemption Date</u>	<u>Principal Amount</u>
August 15, 20	\$,000
August 15, 20	\$,000
August 15, 20	\$,000 (maturity)

The particular Term Certificates of a given Stated Maturity required to be redeemed each redemption date shall be chosen by lot, or by any other customary method that results in a random selection, by the Paying Agent/Registrar; provided, however, that the principal amount of Term Certificates for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Certificates of like Stated Maturity which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.

The Certificates maturing on and after August 15, 2028, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on August 15, 2027, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to a redemption date, the City shall cause a written notice of such redemption to be sent by United States Mail, first class postage prepaid, to the registered owners of each Certificate to be redeemed at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Certificate (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon the redemption date such Certificate (or the portion of its principal sum to be redeemed) shall become due and payable, and, if moneys for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable from and after the redemption date on the principal amount redeemed.

In the event a portion of the principal amount of a Certificate is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Certificate to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Certificate or Certificates of like maturity and interest rate in any authorized denominations

provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Certificate is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Certificate to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Certificate redeemed in part.

With respect to any optional redemption of the Certificates, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied or sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

The Certificates are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City and from a limited pledge of the Net Revenues (as defined in the Ordinance) of the City's combined Waterworks and Sewer System (the "System"), such pledge of the Net Revenues for the payment of the Certificates being limited to an amount of \$1,000 and, together with a parity pledge securing the payment of the Previously Issued Certificates (identified and defined in the Ordinance), being junior and subordinate to the lien on and pledge of the Net Revenues securing the payment of "Prior Lien Obligations" (as defined in the Ordinance) now outstanding and hereafter issued by the City. In the Ordinance, the City reserves and retains the right to issue Prior Lien Obligations while the Certificates are outstanding without limitation as to principal amount but subject to any terms, conditions or restrictions as may be applicable thereto under law or otherwise, as well as the right to issue Additional Obligations (identified and defined in the Ordinance) payable from the same sources as the Certificates and, together with the Previously Issued Certificates and the Certificates, equally and ratably secured by a parity lien on and pledge of the Net Revenues of the System.

Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all the provisions of which the owner or holder of this Certificate by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Certificates; the nature and extent of the pledge of the Net Revenues securing the payment of the Certificates; the terms and conditions relating to the transfer or exchange of this Certificate; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which the tax levy and the pledge of the Net Revenues and covenants made in the Ordinance may be discharged at or prior to the maturity of this Certificate, and this Certificate deemed to be no longer Outstanding thereunder; and for the other terms and provisions contained therein. Capitalized terms used herein have the meanings assigned in the Ordinance.

This Certificate, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated

Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Certificates of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Certificate as the owner entitled to payment of principal hereof at its Stated Maturity or upon its prior redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Certificates is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Certificates to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Certificates do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Certificates as aforesated. In case any provision in this Certificate shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Certificate and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Certificate to be duly executed under the official seal of the City.

CITY OF SHERMAN, TEXAS

Mayor

COUNTERSIGNED:

City Clerk

(SEAL)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Certificate(s) only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	)	
	)	
OF PUBLIC ACCOUNTS	)	REGISTER NO. _____
	)	
THE STATE OF TEXAS	)	

I HEREBY CERTIFY that this Certificate has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Certificates only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Certificate has been duly issued and registered under the provisions of the within-mentioned Ordinance; the certificate or certificates of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated offices of the Paying Agent/Registrar located in East Syracuse, New York, is the "Designated Payment/Transfer Office" for this Certificate.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., Dallas, Texas

Registration Date: _____

By _____
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto (Print or typewrite name, address and zip code of transferee): _____

(Social Security or other identifying number _____) the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature guaranteed: _____

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Certificate in every particular.

(f) The Initial Certificate(s) shall be in the form set forth in paragraph (b) of this Section, except that the heading and first paragraph of the form of a single fully registered Initial Certificate shall be modified as follows:

REGISTERED
NO. T-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF SHERMAN, TEXAS,
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2018

Certificate Date:
September 6, 2018

Delivery Date:
September 6, 2018

Registered Owner:

Principal Amount:

The City of Sherman (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Grayson, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on August 15 in the years and in principal installments in accordance with the following schedule:

<u>Year of</u> <u>Stated Maturity</u>	<u>Principal</u> <u>Installments</u>	<u>Interest</u> <u>Rate(s)</u>
--	---	-----------------------------------

(Information to be inserted from schedule in Section 2 hereof)

(or so much thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal amounts hereof from the Delivery Date at the per annum rate(s) of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 of each year, commencing February 15, 2019, until maturity or prior redemption. Principal installments of this Certificate are payable at its Stated Maturity or on a redemption date to the registered owner hereof by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in East Syracuse, New York (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Certificate whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date hereof and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Certificate shall be without

exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Definitions. For purposes of this Ordinance and for clarity with respect to the issuance of the Certificates herein authorized, and the levy of taxes and appropriation of Net Revenues therefor, the following words or terms, whenever the same appears herein without qualifying language, are defined to mean as follows:

(a) The term "Additional Obligations" shall mean combination tax and revenue obligations hereafter issued which by their terms are payable from ad valorem taxes and additionally payable from and secured by a parity lien on and pledge of the Net Revenues of the System of equal rank and dignity with the lien and pledge securing the payment of the Previously Issued Certificates and the Certificates.

(b) The term "Certificate Fund" shall mean the special Fund created and established under the provisions of Section 11 of this Ordinance.

(c) The term "Certificates" shall mean the "City of Sherman, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2018" authorized by this Ordinance.

(d) The term "Collection Date" shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date the annual ad valorem taxes levied each year by the City become delinquent.

(e) The term "Fiscal Year" shall mean the twelve month financial accounting period used by the City in connection with the operation of the System which may be any twelve consecutive month period established by the City.

(f) The term "Government Securities" shall mean (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Certificates.

(g) The term "Gross Revenues" shall mean all income, receipts and revenues of every nature derived or received from the operation and ownership (excluding refundable meter deposits, restricted gifts and grants in aid of construction) of the System, including earnings and income derived from the investment or deposit of moneys in any special funds or accounts created and established for the payment and security of the Prior Lien Obligations and other obligations payable solely from and secured only by a lien on and pledge of the Net Revenues.

(h) The term "Net Revenues" shall mean Gross Revenues of the System, with respect to any period, after deducting the System's Operating and Maintenance Expenses during such period..

(i) The term "Operating and Maintenance Expenses" shall mean all current expenses of operating and maintaining the System, including all salaries, labor, materials, repairs and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised, are necessary to maintain the operations and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair obligations payable from Net Revenues shall be deducted in determining "Net Revenues". Depreciation charges shall not be considered Operating and Maintenance Expenses. Operating and Maintenance Expenses shall include payments under contracts for the purchase of water supply, treatment of sewage or other materials, goods, services, or facilities for the System to the extent authorized by law and the provisions of such contract.

(j) The term "Outstanding" when used in this Ordinance with respect to Certificates means, as of the date of determination, all Certificates theretofore issued and delivered under this Ordinance, except:

(1) those Certificates cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Certificates for which payment has been duly provided by the City in accordance with the provisions of Section 22 hereof; and

(3) those Certificates that have been mutilated, destroyed, lost, or stolen and replacement Certificates have been registered and delivered in lieu thereof as provided in Section 21 hereof.

(k) The term "Previously Issued Certificates" shall mean the outstanding the outstanding "City of Sherman, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2009", dated April 1, 2009, originally issued in the principal amount of \$5,000,000, the outstanding "City of Sherman, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2009A", dated September 1, 2009, originally issued in the principal amount of \$3,500,000, and the outstanding "City of Sherman, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2016", dated July 15, 2016, originally issued in the principal amount of \$6,970,000, and the outstanding "City of Sherman, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2017", dated September 6, 2017, originally issued in the principal amount of \$18,110,000.

(l) The term "Prior Lien Obligations" shall mean all revenue bonds or other obligations hereafter issued, payable from and secured, in whole or in part, by a lien on and pledge of all or a portion of the Net Revenues of the System prior to the right and claim on the Net Revenues of the System securing the payment of the Previously Issued Certificates and the Certificates.

(m) The term "System" shall mean all properties, facilities and plants currently owned, operated and maintained by the City for the supply, treatment, transmission and distribution of treated potable water and the collection, treatment and disposal of water carried wastes, together with all future improvements, extensions, enlargements and additions thereto and replacements thereof.

SECTION 11: Certificate Fund. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption and retirement of the Certificates, there shall be and is hereby created a special account or fund on the books and records of the City known as the "SPECIAL SERIES 2018 TAX AND REVENUE CERTIFICATE OF OBLIGATION FUND", and all moneys deposited to the credit of such Fund shall be kept and maintained in a special banking account a depository bank of the City. The Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance and City Clerk of the City, individually or collectively, are hereby authorized and directed to make withdrawals from said Fund sufficient to pay the principal of and interest on the Certificates as the same become due and payable, and, shall cause to be transferred to the Paying Agent/Registrar from moneys on deposit in the Certificate Fund an amount sufficient to pay the amount of principal and/or interest falling due on the Certificates, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for the Certificates.

Pending the transfer of funds to the Paying Agent/Registrar, money in the Certificate Fund may, at the option of the City, be invested in obligations identified in, and in accordance with the provisions of the "Public Funds Investment Act" (Texas Government Code, Chapter 2256, as amended) relating to the investment of "bond proceeds"; provided that all such investments shall be made in such a manner that the money required to be expended from said Fund will be available at the proper time or times. All interest and income derived from deposits and investments in said Certificate Fund shall be credited to, and any losses debited to, the said Certificate Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Certificates.

SECTION 12: Tax Levy. To provide for the payment of the "Debt Service Requirements" on the Certificates being (i) the interest on said Certificates and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied a sufficient tax, within the limitations prescribed by law, on each one hundred dollars' valuation of taxable property in said City, adequate to pay such Debt Service Requirements while the Certificates remain Outstanding, full allowance being made for delinquencies and costs of collection; and said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Certificate Fund. The City Council hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the said Debt Service Requirements, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

The amount of taxes to be provided annually for the payment of the principal of and interest on the Certificates shall be determined and accomplished in the following manner:

(a) Prior to the date the City Council establishes the annual tax rate and passes an ordinance levying ad valorem taxes each year, the Council shall determine:

(1) The amount on deposit in the Certificate Fund after (a) deducting therefrom the total amount of Debt Service Requirements to become due on Certificates prior to the Collection Date for the ad valorem taxes to be levied and (b) adding thereto the amount of the Net Revenues of the System, together with any other lawfully available revenues of the City, appropriated and allocated to pay such Debt Service Requirements prior to the Collection Date for the ad valorem taxes to be levied.

(2) The amount of Net Revenues of the System, together with any other lawfully available revenues of the City, appropriated and to be set aside for the payment of the Debt Service Requirements on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(3) The amount of Debt Service Requirements to become due and payable on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(b) The amount of taxes to be levied annually each year to pay the Debt Service Requirements on the Certificates shall be the amount established in paragraph (3) above less the sum total of the amounts established in paragraphs (1) and (2), after taking into consideration delinquencies and costs of collecting such annual taxes.

SECTION 13: Limited Pledge of Net Revenues. The City hereby covenants and agrees that, subject to the prior lien on and pledge of the Net Revenues of the System to the payment and security of Prior Lien Obligations, the Net Revenues of the System in the amount of \$1,000 are hereby irrevocably pledged, equally and ratably, to the payment of the principal of and interest on the Previously Issued Certificates, the Certificates and Additional Obligations, if issued, and the limited pledge of \$1,000 of the Net Revenues of the System herein made for the payment of the Certificates shall constitute a lien on the Net Revenues of the System until such time as the City shall pay all of such \$1,000, after which time the pledge shall cease, and shall be on a parity in all respects with the lien on the Net Revenues securing the payment of the Previously Issued Certificates, all in accordance with the terms and provisions hereof. Furthermore, such lien on and pledge of the Net Revenues securing the payment of the Certificates shall be valid and binding and fully perfected from and after the date of adoption of this Ordinance without physical delivery or transfer or transfer of control of the Net Revenues, the filing of this Ordinance or any other act; all as provided in Chapter 1208 of the Texas Government Code ("Chapter 1208").

Chapter 1208 applies to the issuance of the Certificates and the pledge of the Net Revenues of the System granted by the City under this Section 13, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Certificates are Outstanding such that the pledge of the Net Revenues of the System granted by the City under this Section 13 is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, as amended, then in order to preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 14: System Fund. The City covenants and agrees that all Gross Revenues (excluding earnings from the investment of money held in any special funds or accounts created for the payment and security of the Prior Lien Obligations) shall be deposited as collected into a fund maintained at an official depository of the City and known on the books of the City as the "Water and Sewer System Fund" (hereinafter called the "System Fund"). All moneys deposited to the credit of the System Fund shall be allocated, dedicated and disbursed to the extent required for the following purposes and in the order of priority shown, to wit:

First: To the payment of reasonable and proper Operating and Maintenance Expenses of the System as defined herein or required by statute to be a first charge on and claim against the Gross Revenues of the System.

Second: To the payment of all amounts required to be deposited in the special Funds created and established for the payment, security and benefit of Prior Lien Obligations in accordance with the terms and provisions of the ordinances authorizing the issuance of Prior Lien Obligations.

Third: To the payment of the limited amount pledged to the payment of the Previously Issued Certificates and the Certificates.

Any Net Revenues remaining in the System Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment thereof, may be appropriated and used for any other City purpose now or hereafter permitted by law.

SECTION 15: Deposits to Certificate Fund. Subject to the provisions of Section 13 hereof, the City hereby covenants and agrees that the amount of pledged Net Revenues of the System (\$1,000), together with other lawfully available revenues appropriated by the City for payment of the Debt Service Requirements on the Certificates and ad valorem taxes levied, collected and deposited in the Certificate Fund for and on behalf of the Certificates, will be an amount equal to one hundred percent (100%) of the amount required to fully pay the interest and principal due and payable on the Certificates. In addition, any surplus proceeds from the sale of the Certificates not expended for authorized purposes shall be deposited in the Certificate Fund, or another fund created for the payment of the principal of and interest on any Certificates, and such amounts so deposited shall reduce the sums otherwise required to be deposited in said Fund from ad valorem taxes and the Net Revenues of the System.

SECTION 16: Security of Funds. All moneys on deposit in the Funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such Funds shall be used only for the purposes permitted by this Ordinance.

SECTION 17: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in the payments to be made to the Certificate Fund, or (b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance, the Holder of any of the Certificates shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 18: Special Covenants. The City hereby further covenants as follows:

(a) It has the lawful power to pledge the Net Revenues of the System to the payment of the Certificates in the manner herein contemplated and has lawfully exercised such power under the Constitution and laws of the State of Texas, including said power existing under Texas Government Code, Chapter 1502, as amended, and Texas Local Government Code, Subchapter C of Chapter 271, as amended.

(b) Other than for the payment of the Previously Issued Certificates and the Certificates, the Net Revenues of the System have not in any manner been pledged to the payment of any debt or obligation of the City or of the System.

SECTION 19: Issuance of Prior Lien Obligations. The City hereby expressly reserves the right to hereafter issue Prior Lien Obligations, without limitation as to principal amount but subject to any terms, conditions or restrictions applicable thereto under law or otherwise, payable, in whole or in part, from the Net Revenues (without impairment of the obligation of contract with the Holders of the Certificates) upon such terms and conditions as the City Council may determine.

Additionally, the City reserves the right to issue Additional Obligations, without limitation or any restriction or condition being applicable to their issuance under the terms of this Ordinance, payable from and secured by a lien on and pledge of the Net Revenues of the System of equal rank and dignity, and on a parity in all respects, with the lien thereon and pledge thereof securing the payment of the Previously Issued Certificates and the Certificates.

SECTION 20: Application of Prior Lien Obligations Covenants and Agreements. It is the intention of this governing body and accordingly hereby recognized and stipulated that the provisions, agreements and covenants contained herein bearing upon the management and operations of the System, and the administering and application of revenues derived from the operation thereof, shall to the extent possible be harmonized with like provisions, agreements and covenants contained in the ordinances authorizing the issuance of the Prior Lien Obligations, and to the extent of any irreconcilable conflict between the provisions contained herein and in the ordinances authorizing the issuance of the Prior Lien Obligations, the provisions, agreements and covenants contained therein shall prevail to the extent of such conflict and be applicable to this Ordinance but in all respects subject to the priority of rights and benefits, if any, conferred thereby to the holders of the Prior Lien Obligations.

SECTION 21: Mutilated, Destroyed, Lost and Stolen Certificates. In case any Certificate shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Certificate of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Certificate, or in lieu of and in substitution for such destroyed, lost or stolen Certificate, only upon the approval of the City and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Certificate, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying

Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Certificate shall be borne by the Holder of the Certificate mutilated, or destroyed, lost or stolen.

Every replacement Certificate issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Certificates; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Certificates. The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Certificates.

SECTION 22: Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Certificates, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and the Net Revenues of the System and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate and be discharged and satisfied.

Certificates or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Certificates or the principal amount(s) thereof at maturity or on a redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Certificates, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Certificates to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Certificates, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Certificates and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Certificates such moneys were deposited and are held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 23: Ordinance a Contract - Amendments. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or

repealed by the City so long as any Certificate remains Outstanding except as permitted in this Section and in Section 39 hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency or formal defect or omission herein. In addition, the City may, with the consent of Holders holding a majority in aggregate principal amount of the Certificates then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Certificates, no such amendment, addition or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Certificates, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required to be held by Holders for consent to any such amendment, addition or rescission.

SECTION 24: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

"Closing Date" means the date on which the Certificates are first authenticated and delivered to the initial purchasers against payment therefor.

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"Computation Date" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Certificates.

"Investment" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Nonpurpose Investment" means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Certificates are invested and which is not acquired to carry out the governmental purposes of the Certificates.

"Rebate Amount" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Regulations" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Certificates. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"Yield" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Certificates has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Certificate to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Certificate, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Certificates:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Certificates, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Certificates or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Certificates to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Certificates directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Certificates.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Certificates to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(1) the City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Certificate is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Certificates with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Certificates until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Certificates by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States from the construction fund, other appropriate fund, or if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Certificate Fund, the amount that when added to the future value of previous rebate payments made for the Certificates equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of

any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Certificates, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Certificates not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance or City Clerk, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Certificates, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

SECTION 25: Sale of Certificates. Pursuant to a public sale for the Certificates, the bid submitted by _____ (herein referred to as the "Purchaser") is declared to be the best bid received producing the lowest true interest cost rate to the City; such bid is hereby accepted and incorporated herein by reference as a part of this Ordinance for all purposes and the sale of the Certificates to said Purchaser at the price of par and accrued interest to the date of delivery, plus a premium of \$ _____ is hereby approved and confirmed. Delivery of the Certificates to the Purchaser shall occur as soon as possible upon payment being made therefor in accordance with the terms of sale. The terms of sale are hereby declared to be in the best interest of the City.

SECTION 26: Official Statement. The use of the Preliminary Official Statement in the offering and sale of the Certificates is hereby ratified, confirmed and approved in all respects, and the City Council hereby finds that the information and data contained in said Preliminary Official Statement pertaining to the City and its financial affairs is true and correct in all material respects and no material facts have been omitted therefrom which are necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The final Official Statement, which reflects the terms of sale (together with such changes approved by the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance or City Clerk, one or more of said officials), shall be and is hereby in all respects approved and the Purchasers are hereby authorized to use and distribute said final Official Statement, dated August 6, 2018, in the offering, sale and delivery of the Certificates to the public.

SECTION 27: Proceeds of Sale. The proceeds of sale of the Certificates, excluding premium in the amount of \$ _____ and amounts to pay costs of issuance, shall be deposited in a construction fund maintained at an official depository of the City. Pending expenditure for authorized projects and purposes, such proceeds of sale may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, as amended, including guaranteed investment contracts permitted by Texas Government Code, Section 2256.015 et seq., and the City's investment policies and guidelines, and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Certificate Fund as shall be determined by the City Council. Premium in the above amount as well as all surplus proceeds of sale of the Certificates, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Certificate Fund.

SECTION 28: Control and Custody of Certificates. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending the sale of the Certificates, the investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Certificates, and shall take and have charge and control of the Initial Certificate(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

SECTION 29: Notices to Holders - Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Certificates. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 30: Cancellation. All Certificates surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Certificates previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Certificates so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Certificates held by the Paying Agent/Registrar shall be returned to the City.

SECTION 31: Legal Opinion. The Purchasers' obligation to accept delivery of the Certificates is subject to being furnished a final opinion of Norton Rose Fulbright US LLP, approving the Certificates as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Certificates. An executed counterpart of said opinion shall accompany the global certificates deposited with DTC or a reproduction thereof shall be printed on the definitive Certificates in the event the book-entry-only system shall be discontinued.

SECTION 32: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Certificates shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Certificates.

SECTION 33: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, and this Ordinance and all its provisions is intended to be and shall be for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Holders.

SECTION 34: Inconsistent Provisions. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 35: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 36: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 37: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 38: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 39: Continuing Disclosure Undertaking.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year of the City beginning in the year 2018, financial information and operating data with respect to the City of the general type included in the final Official Statement in Tables 1 through 4 and 6 through 9 and (2) within twelve months after the end of each fiscal year of the City beginning in the year 2018, the audited financial statements of the City. If the audit of such financial statements is not complete within twelve (12) months after any such fiscal year end, then the City shall file unaudited financial statements by the required time and audited financial statements for the applicable fiscal year, when and if the audit report becomes available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in Appendix C to the Official Statement, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the Official Statement, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
7. Modifications to rights of holders of the Certificates, if material;
8. Certificate calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For these purposes, any event described in the immediately preceding item 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section

shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Certificate calls and defeasance that cause the City to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Certificates, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a Person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Certificates. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Certificates from lawfully purchasing or selling

Certificates in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) hereof an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 40: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance, and City Clerk are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance, sale and delivery of the Certificates. In addition, prior to the delivery of the Certificates, the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance, City Clerk or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect, or omission in the Ordinance or such other document, or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Certificates by the Attorney General. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 41: Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble of this Ordinance are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were related in full in this Section.

SECTION 42: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 43: Effective Date. In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

PASSED AND ADOPTED, this August 6, 2018.

CITY OF SHERMAN, TEXAS

Mayor

ATTEST:

City Clerk

(City Seal)

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of August 6, 2018 (this "Agreement"), by and between The Bank of New York Mellon Trust Company, N.A., a banking association duly organized and existing under the laws of the United States of America (the "Bank") and the City of Sherman, Texas (the "Issuer"),

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "City of Sherman, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2018" (the "Securities"), dated September 6, 2018, such Securities scheduled to be delivered to the initial purchasers thereof on or about September 6, 2018; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE

APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01 Appointment. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02 Compensation. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE TWO DEFINITIONS

Section 2.01 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"Acceleration Date" on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

"Authorizing Document" means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

"Bank Office" means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Financial Advisor" means Specialized Public Finance, Inc.

"Holder" and "Security Holder" each means the Person in whose name a Security is registered in the Security Register.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

"Predecessor Securities" of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

"Redemption Date", when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

"Responsible Officer", when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Security Register" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

"Stated Maturity" means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02 Other Definitions. The terms "Bank," "Issuer," and "Securities (Security)" have the meanings assigned to them in the recital paragraphs of this Agreement.

The term "Paying Agent/Registrar" refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE THREE PAYING AGENT

Section 3.01 Duties of Paying Agent. As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

First Class/Registered/Certified

The Bank of New York
Mellon Trust Company, N.A.
Global Corporate Trust
P.O. Box 396
East Syracuse, NY 13057

Express Delivery/Courier

The Bank of New York
Mellon Trust Company, N.A.
Global Corporate Trust
111 Sanders Creek Pkwy.
East Syracuse, NY 13057

By Hand Only

The Bank of New York Mellon
Trust Company, N.A.
Global Corporate Trust
Corporate Trust Window
101 Barclay Street, 1st Floor East
New York, NY 10286

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

Section 3.02 Payment Dates. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

ARTICLE FOUR REGISTRAR

Section 4.01 Security Register - Transfers and Exchanges. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register") for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other

information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the National Association of Securities Dealers, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02 Securities. The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03 Form of Security Register. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04 List of Security Holders. The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05 Return of Cancelled Securities. The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities. The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

Section 4.07 Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

ARTICLE FIVE THE BANK

Section 5.01 Duties of Bank. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02 Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality

of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, the Financial Advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.03 Recitals of Issuer. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

Section 5.04 May Hold Securities. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization. A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

Section 5.06 Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07 Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

In the event the Bank becomes involved in litigation in connection with this Section, the Issuer, to the extent permitted by law, agrees to indemnify and save the Bank harmless from all loss, cost, damages, expenses, and attorney fees suffered or incurred by the Bank as a result. The obligations of the Bank under this Agreement shall be performable at the principal corporate office of the Bank in the City of Dallas, Texas.

Section 5.08 DTC Services. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

ARTICLE SIX MISCELLANEOUS PROVISIONS

Section 6.01 Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02 Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03 Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

Section 6.04 Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05 Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06 Severability. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 Merger, Conversion, Consolidation, or Succession. Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

Section 6.08 Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.09 Entire Agreement. This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

Section 6.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11 Termination. This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.12 No Boycott Israel. To the extent this Agreement is a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended the Bank hereby verifies that the Bank is a company (as defined in Section 808.001(2), Texas Government Code) which does not boycott Israel and will not boycott Israel through the term of this Agreement. For purposes of this verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

Section 6.13 Iran, Sudan and Foreign Terrorists Organizations. To the extent this Agreement is a governmental contract, within the meaning of Section 2252.151 of the Texas Government Code, as amended, the Bank represents that it is not a company (as defined in Section 2270.0001(2), Texas Government Code) engaged in business with Iran, Sudan, or a foreign terrorist organization (as defined in Section 2252.151(2), Texas Government Code) and that it is not on a list prepared and maintained by the Comptroller of Public Accounts of the State of Texas under Section 806.051, 807.051, or 2252.153, Texas Government Code.

Section 6.14 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[Remainder of page left blank intentionally.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.

By: _____

Title: _____

Attest:

Address: 2001 Bryan Street, 10th Floor
Dallas, Texas 75201

Title: _____

CITY OF SHERMAN, TEXAS

By: _____
Mayor

Address: 220 West Mulberry Street
Sherman, Texas 75090

Attest:

City Clerk



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.3.

Meeting Date: 08/06/2018

Prepared By: Clint Philpott, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6138

Providing for a Permanent "Stop" Sign on Dry Creek Road at North Creek Drive within the City Limits of the City of Sherman, Texas; Providing for a Penalty Provision

Issue:

To adopt an ordinance providing for a permanent "Stop" sign on Dry Creek Road at North Creek Drive, stopping northbound traffic on Dry Creek Road

Background:

The Engineering Department reviewed the intersection based on the criteria set forth in the Texas Manual on Uniform Traffic Control Devices and determined that a "Stop" sign is required at this location. The "Stop" sign has been up for 90 days to allow staff to evaluate the issue.

Origination:

Engineering Department

Financial Consideration:

The City's cost for installing the signage is approximately \$300.00 for time and materials.

Staff Recommendation:

It is recommended that the City Council adopt the proposed ordinance.

Alternatives:

As directed by the Council

Attachments

Ordinance No. 6138

Aerial Location Map

ORDINANCE NO. 6138

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR A PERMANENT "STOP" SIGN ON DRY CREEK ROAD AT NORTH CREEK DRIVE WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN, TEXAS; PROVIDING FOR A PENALTY PROVISION; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That, from and after the passage of this ordinance, a permanent "Stop" sign shall be in place at the following location within the corporate limits of the City of Sherman, Texas:

At the intersection of Dry Creek Road and North Creek Drive, stopping northbound traffic on Dry Creek Road.

SECTION 2. That the City Engineer is directed to designate this action by the appropriate marking and sign.

SECTION 3. That, from and after the erection of the stop sign herein authorized, it shall be unlawful for the driver of any vehicle approaching such stop sign to fail to bring such vehicle to a complete stop at a clearly-marked stop line; but, if none, then at the point nearest the intersecting roadway where the driver has a view of approaching traffic on the intersecting roadway before entering the intersection. Violators of this ordinance shall be subject to fine as provided in Section 1-6 of the Code of Ordinances of the City of Sherman, Texas, codified.

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 _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

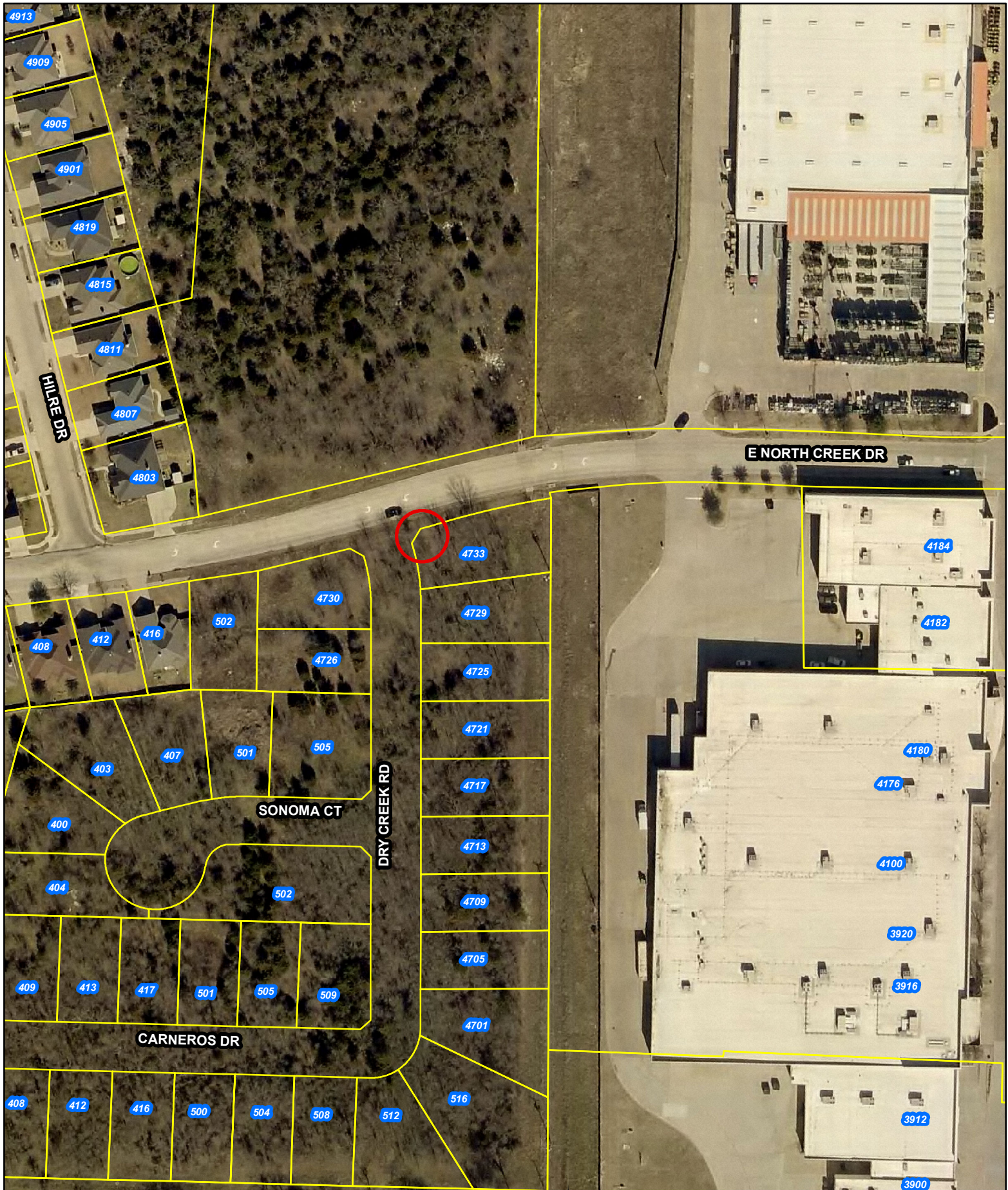
BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S SHELBY,
CITY ATTORNEY**





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.4.

Meeting Date: 08/06/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6139

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District in the 400 block of East Brockett Street, being all of Lot 3 and part of Lots 4-6, Block 2, G.W. Bond's Supplement No. 2 Addition, containing 0.465 acres (Lazy L Enterprises, Owners; and Underwood Drafting and Surveying, Surveyor)

Issue:

To consider the request of Lazy L Enterprises (Owners) and Underwood Drafting and Surveying (Surveyor) concerning the property located in the 400 block of East Brockett Street, being all of Lot 3 and part of Lots 4-6, Block 2, G.W. Bond's Supplement No. 2 Addition, containing 0.465 acres, for a zone change from a C-2 (General Commercial) District to an R-1 (One Family Residential) District

Background:

The property is located in the 400 block of East Brockett Street, the northeast corner of Brockett and Branch Streets. The owners would like to plat the property into three lots and change the zoning on the property to an R-1 (One Family Residential) District for residential development.

Origination:

Lazy L Enterprises (Owners)
Underwood Drafting and Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the July 17, 2018 regular meeting, the Planning and Zoning Board voted 6/0 to recommend to the City Council that the zone change be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6139

Location Map

Zoning Map

Zoning Sign Photo

Replat

Building Elevations

P&Z Communication

ORDINANCE NO. 6139

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE R-1 (ONE FAMILY RESIDENTIAL) DISTRICT IN THE 400 BLOCK OF EAST BROCKETT STREET, BEING ALL OF LOT 3 AND PART OF LOTS 4-6, BLOCK 2, G.W. BOND'S SUPPLEMENT NO. 2 ADDITION, CONTAINING 0.465 ACRES (LAZY L ENTERPRISES, OWNERS; AND UNDERWOOD DRAFTING AND SURVEYING, SURVEYOR); 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, from and after the passage of this ordinance, the following described property shall be in the C-2 (General Commercial) District in the 400 block of East Brockett Street, and that Section 12, Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

SITUATED in the County of Grayson, State of Texas, being all of Lot 3 part of Lots 4-6, Block 2. G.W. Bond's Supplement No.2 Addition, an addition to the City of Sherman as recorded in Volume M, Page 63 and being those tracts of land conveyed to Lazy L Enterprises by deed recorded in Volume 5976, Page 846, Official Public Records, Grayson County, Texas and Document No. 2017-23620 and being more particularly described by metes and bounds as follows:

BEGINNING at a ½" steel rod set at the intersection of the north right-of-way line of Brockett Street, a 60' right-of-way and the east right-of-way line of Branch Street, a 60' right-of-way;

THENCE North 15° 22' 13" West with said east right-of-way line, a distance of 90.00 feet to a set ½" steel rod at the northwest corner of said Lot 3;

THENCE North 74° 15' 24" East with the north line of said Lot 3 and then with the north line of said Lot 4, a distance of 224.81 feet to a set ½" steel rod;

THENCE South 15° 36' 23" East, a distance of 90.03 feet to a ½" steel rod found in the north right-of-way line of Brockett Street;

THENCE South 74° 15' 52" West with said north right-of-way line, a distance of 225.18 feet to the **POINT OF BEGINNING AND CONTAINING 0.465 ACRES OR 20,253 SQUARE FEET OF LAND.**

SECTION 2. That this ordinance shall not become effective until entered upon the official zoning map as provided in Section 12, Ordinance No. 2280.

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 _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**



400 Block East Brockett Street



1 in = 600 ft



400 Block East Brockett Street

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

Special Districts Overlay

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

Representation: ShermGIS.DBO.TransportationCorridor_Rep

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

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

Unknown	
BIP Blalock Industrial Park	
C-1 Retail Business District	

Legend

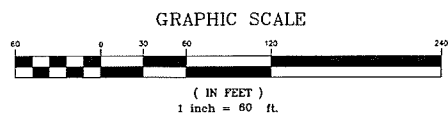
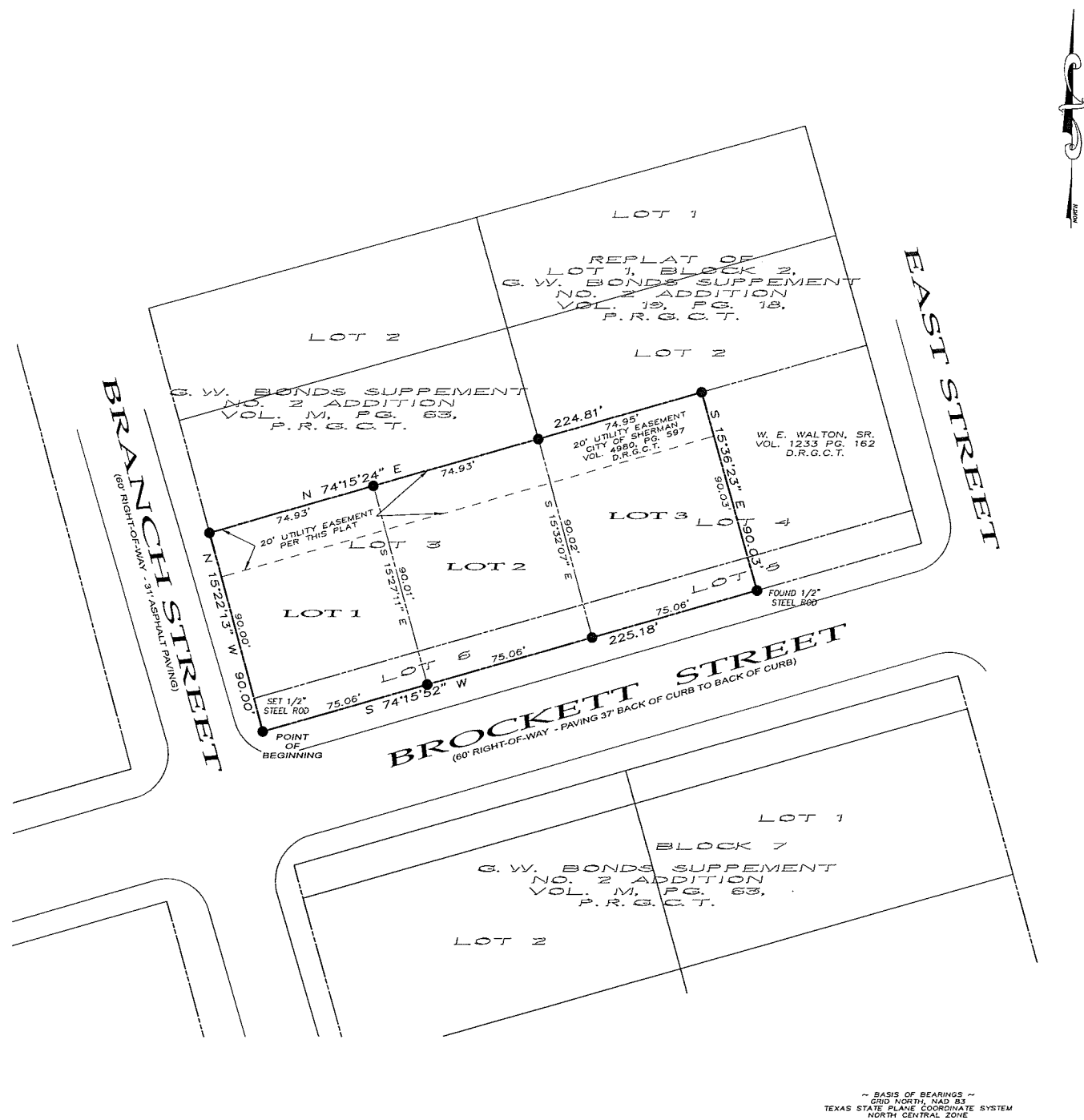
C-2 General Commercial District	
CO Office District	
Lakes	
M-1 Light Manufacturing District	
M-1.5 Medium Manufacturing District	
M-2 Heavy Manufacturing District	
MH Manufacturing Housing District	
R-1 One Family Residential District	
R-2 Multi-Family Residential District	
R-A Single Family Agricultural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



1 in = 215 ft

400 Block E. Brockett





OWNERS/DEVELOPER
LAZY L ENTERPRISES
4 TIMBERCREEK ROAD
SHERMAN, TEXAS 75092

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS

UNDERWOOD
DRAFTING & SURVEYING

3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

6-20-18

LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, being all of Lot 3 part of Lots 4-6, Block 2, G. W. Bonds' Supplement No. 2 Addition, on addition to the City of Sherman as recorded in Volume M, Page 63 and being those tracts of land conveyed to Lazy L Enterprises by deed recorded in Volume 5976, Page 846, Official Public Records, Grayson County, Texas and Document No. 2017-23620 and being more particularly described by metes and bounds as follows:

Beginning at a 1/2" steel rod set at the intersection of the north right-of-way line of Brockett Street, a 60' right-of-way and the east right-of-way line of Branch Street, a 60' right-of-way;

Thence North 15°22'13" West with said east right-of-way line, a distance of 90.00 feet to a set 1/2" steel rod at the northwest corner of said Lot 3;

Thence North 74°15'24" East with the north line of said Lot 3 and then with the north line of said Lot 4, a distance of 224.81 feet to a set 1/2" steel rod;

Thence South 15°36'23" East, a distance of 90.03 feet to a 1/2" steel rod found in the north right-of-way line of Brockett Street;

Thence South 74°15'52" West with said north right-of-way line, a distance of 225.18 feet to the Point of Beginning and containing 0.465 acres or 20253 square feet of land.

SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

That I, Douglas W. Underwood, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments thereon where properly placed, under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

Douglas W. Underwood
Registered Professional
Land Surveyor, No. 4709

Date

~ GENERAL NOTES ~

1. Water Supply to be provided by the City of Sherman.
2. Sewer service at a minimum to be provided by individual on-site sewage treatment systems (OSSST), permitted and approved by Grayson County. OSSST evaluations, reports and permits must be obtained and submitted to the City for each lot to regarding the suitability of the system based on user and type of development. The City of Sherman reserves the right to require connection to the City's system by sewer connection or main extension based on user and availability.
3. Electrical service is provided by Oncoor Electrical Delivery.
4. Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the roadway is prohibited.
5. Any existing crease or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
6. The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or drainage easements for the control of erosion.
7. Neither the City of Sherman nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
8. The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
9. Bearings are based on the City of Sherman Central Monument Network.
10. The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.
11. The subject property lies within the limits of an area defined as Zone "X" determined to be outside a flood hazard area, according to the Federal Emergency Management Agency Flood Insurance Rate Map for Grayson County, Texas and Incorporated areas, Map No. 48161C0270 F, revised 9/25/2010.

OWNERS/DEVELOPER
LAZY L ENTERPRISES
4 TIMBERCREEK ROAD
SHERMAN, TEXAS 75092

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS

UNDERWOOD
DRAFTING & SURVEYING

3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

OWNERS DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

THAT LAZY L ENTERPRISES, does hereby adopt this plat designating the hereinabove property as the COLLEGE PARK ESTATES ADDITION, on addition to the City of Sherman, and do hereby dedicate to the public use forever the streets and easements shown on this plat for the mutual use and accommodation of all public and private utilities desiring to use or using same. Any public or private utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs or other improvements or growths which in anyway endanger or interfere with the construction, maintenance, or efficiency of its respective systems on any of these easements strips and any public or private utility shall, at all times, have a right of ingress and egress to and from and upon the said easement strips for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or part of its respective system without the permission of anyone. This plat approved subject to all ordinances, rules regulations and resolutions of the City of Sherman, Texas.

WITNESS MY HAND this _____ day of _____, 2018.

LAZY L ENTERPRISES
By William Magers

STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared WILLIAM MAGERS known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2018.

Notary Public in and for
the State of Texas

ACCEPTANCE

Approved this _____ day of _____, 2018, by the
City Planning Commission to the City of Sherman, Texas.

Chairman

Secretary

CERTIFICATE OF ACCEPTANCE OF DEDICATION

Accepted by the City Council of the City of Sherman.

Mayor, City of Sherman, Texas

Date

CERTIFICATE OF COMPLIANCE

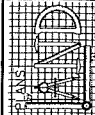
The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, COLLEGE PARK ESTATES ADDITION, on addition to the City of Sherman, Texas, was submitted to the City Council on the _____ day of _____, 2018, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as herein above subscribed.

Witness my hand this _____ day of _____, 2018.

Clerk, City of Sherman, Texas

COLLEGE PARK ESTATES ADDITION
BEING A REPLAT OF LOT 3 AND PARTS OF LOTS 4, 5 AND 6
OF BONDS 2ND ADDITION
AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS
CONTAINING 0.465 ACRES

6-20-18

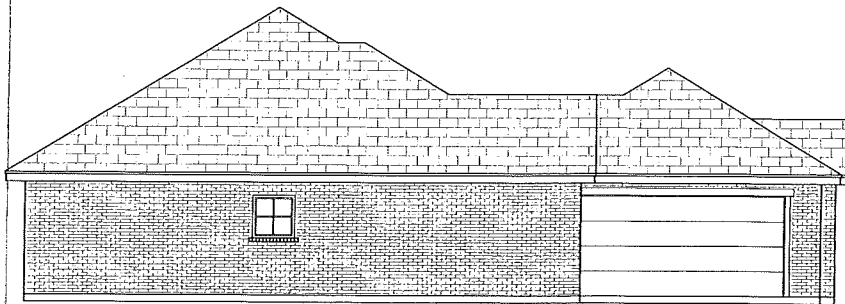


MICHAEL V. LAND
RICHARDSON, TEXAS
PHONE: 972.462.1234
EMAIL: phm@mvland.com

HAMBRICK INVESTMENTS

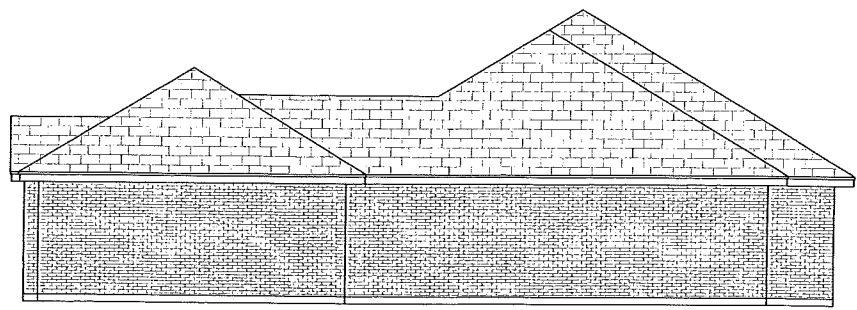
THESE PLANS ARE INTENDED TO PROVIDE BASIC INFORMATION ONLY. THEY ARE NOT TO BE USED TO CONSTRUCT THE STRUCTURE. THE USER ASSUMES ALL LIABILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED HEREIN. THE USER AGREES TO HOLD THE ARCHITECT, ENGINEER, AND ALL OTHERS HARMLESS FROM AND AGAINST ALL SUCH LIABILITY.

DRAWN BY: [blank]
DATE: 4/13/2018 REV: 1
DRAWING # A.3



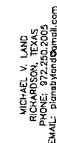
LEFT ELEVATION

SCALE: 1/4" = 1'-0"



RIGHT ELEVATION

SCALE: 1/4" = 1'-0"



THESE PLANS ARE INTENDED TO PROVIDE BASIC CONSTRUCTION INFORMATION NECESSARY TO COMPLETE THIS STRUCTURE. IT IS THE USER'S RESPONSIBILITY TO VERIFY THE ACCURACY OF THESE PLANS PRIOR TO CONSTRUCTION. THE USER SHALL NOT INFRINGE THESE DRAWINGS. THE USER RESERVES THE RIGHT TO MODIFY THESE PLANS AS REQUIRED IN THE FIELD. LOCAL LOADS, REINFORCEMENT, AND RESTRICTIONS APPLY. THE USER ASSUMES LIABILITY NOT TO EXCEED

DRAWING BY:
BRAD THIELSON
FOCUS DRAWING LLC

DATE: 4/12/2018 REV: 1

DRAWING #
A2

SCALE: 1/4" = 1'-0"



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

Agenda Item No. 11.

Meeting Date: 07/17/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

Jeff Adams, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Requested Action/Proposed Use:

400 BLOCK E. BROCKETT STREET

The request of Lazy L Enterprises (Owners) and Underwood Drafting and Surveying (Surveyor) concerning the property located in the 400 Block of East Brockett Street, being all of Lot 3 and part of Lots 4-6, Block 2, G.W. Bond's Supplement No. 2 Addition, containing 0.465 acres, as follows:

Planning and Zoning Commission

Zone change and site plan approval under Ordinance No. 2280, Section 12, from a C-2 (General Commercial) District to an R-1 (One Family Residential) District/College Park Overlay District.

Background:

The property is located in the 400 block of East Brockett Street, the northeast corner of Brockett and Branch Streets. The owner would like to plat the property into three lots and change the zoning on the property to an R-1 (One Family Residential) District for residential development.

Adjacent Zoning:

C-2 (General Commercial) District

R-1 (One Family Residential) District

Origination:

Lazy L Enterprises (Owners)

Underwood Drafting and Surveying (Surveyor)

Master Plan Designation:

Auto-Urban Single Family Residential – This character type is the single-family residential category with the greatest density and the shortest building setbacks. Most driveways will face the street as well as the garage. Sidewalks are available for pedestrians. Less lot area is devoted to open space and greenery.

Number of notices mailed:

22

Objections Received:

0

Attachments

Location Map

Zoning Map

Zoning Sign Photo

Replat

Elevations



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.5.

Meeting Date: 08/06/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6140

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow Patio Homes in an R-1 (One Family Residential) District in the 2800-3100 Blocks of North Hickory Street, being 3.556 acres in the J.B. McAnair Survey, Abstract No. 763, also being Lots 1-28, Block 1 of the Proposed McAnair Estates (Westar Home Builders, LLC, Owners; Cross Engineering Consultants, Civil Engineer, and Underwood Drafting and Surveying, Surveyor); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00

Issue:

To consider the request of Westar Home Builders, LLC (Owners), Cross Engineering Consultants (Civil Engineer) and Underwood Drafting and Surveying (Surveyor) concerning the property located in the 2800-3100 blocks of North Hickory Street, being 3.556 acres in the J.B. McAnair Survey, Abstract No. 763, also being Lots 1-28, Block 1 of the proposed McAnair Estates, for a Specific Use Permit to allow patio homes in an R-1 (One Family Residential) District

Background:

The property is located in the 2800-3100 blocks of North Hickory Street, between Oxford Drive and U.S. Highway 82, and is zoned an R-1 (One Family Residential) District. McAnair Estates is a proposed residential development with 219 lots. The owners are requesting a Specific Use Permit to allow patio homes on twenty-eight lots along the north property line in the McAnair Estates development.

Origination:

Westar Home Builders, LLC (Owners)
Cross Engineering Consultants (Civil Engineer)
Underwood Drafting and Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the July 17, 2018 regular meeting, the Planning and Zoning Board voted 6/0 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6140
Location Map
Zoning Map
Zoning Sign Photo
Site Plan
Building Elevations
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6140

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PATIO HOMES IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT IN THE 2800-3100 BLOCKS OF NORTH HICKORY STREET, BEING 3.556 ACRES IN THE J.B. MCANAIR SURVEY, ABSTRACT NO. 763, ALSO BEING LOTS 1-28, BLOCK 1 OF THE PROPOSED MCANAIR ESTATES (WESTAR HOME BUILDERS, LLC, OWNERS; CROSS ENGINEERING CONSULTANTS, CIVIL ENGINEER; AND UNDERWOOD DRAFTING AND SURVEYING, SURVEYOR); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

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

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

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

SECTION 1. That, from and after the passage of this ordinance, Westar Home Builders, LLC (Owners), Cross Engineering Consultants (Civil Engineer) and Underwood Drafting and Surveying (Surveyor) concerning the property located in the 2800-3100 Blocks of North Hickory Street and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

BEING a portion of that certain tract of land situated in the J. B. McAnair Survey, Abstract No. 763, Grayson County, Texas, and being a portion of the same tract of land conveyed to Mrs. Bessie Jennings Carraway by deed recorded in Volume 628, Page 124, Deed Records, Grayson County, Texas and being more particularly described as follows:

COMMENCING at a ½ inch iron rod found corner, same being an inner ell corner in the northeasterly line of a tract of land conveyed to 1967 Rising Shub Trust by deed recorded in Volume 2581, Page 693, Official Records, Grayson County, Texas;

THENCE South 89 degrees 14 minutes 11seconds East along the south line of said 1967 Rising Shub Trust tract, same being in the west right-of-way line of Hickory Street, a distance of 182.247' to the POINT OF BEGINNING:

THENCE continuing along the south line of said 1967 Rising Shub Trust tract a distance of 1,489.18 feet for a total distance of 1,671.43 feet to a ½ inch iron rod found for corner, same being the northerly most southeast corner of said 1967 Rising Shub Trust Tract;

THENCE South 00 degrees 32 minutes 03 seconds East, along the west right-of-way line of said Hickory Street, a distance of 99.42 feet to a point for corner;

THENCE departing said west right-of-way line of Hickory Street North 89 degrees 35 minutes 18 seconds West a distance of 1,490.88 feet to a point for corner;

THENCE North 00 degrees 24 minutes 42 seconds East a distance of 107.97 feet to the **POINT OF BEGINNING and containing 3.556 Acres (154,930.726 square feet) of land.....**

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

Zoning:

1. All aspects of the R-1 (One Family Residential) District, the patio home ordinance, the screening ordinance, and the Residential Tree and Landscaping Ordinance must be followed.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. Side yard setbacks must be uniform for all homes within a given block.
4. Parking shall be provided for one space per bedroom; a parking space is considered to be 9'x20.
5. Parking is permitted on paved surfaces only (concrete or asphalt).
6. Violation of the conditions of the SUP will terminate the Specific Use Permit.
7. Review the zoning and development ordinance for additional requirements.
8. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

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

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

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

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

INTRODUCED on this the _____ day of _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

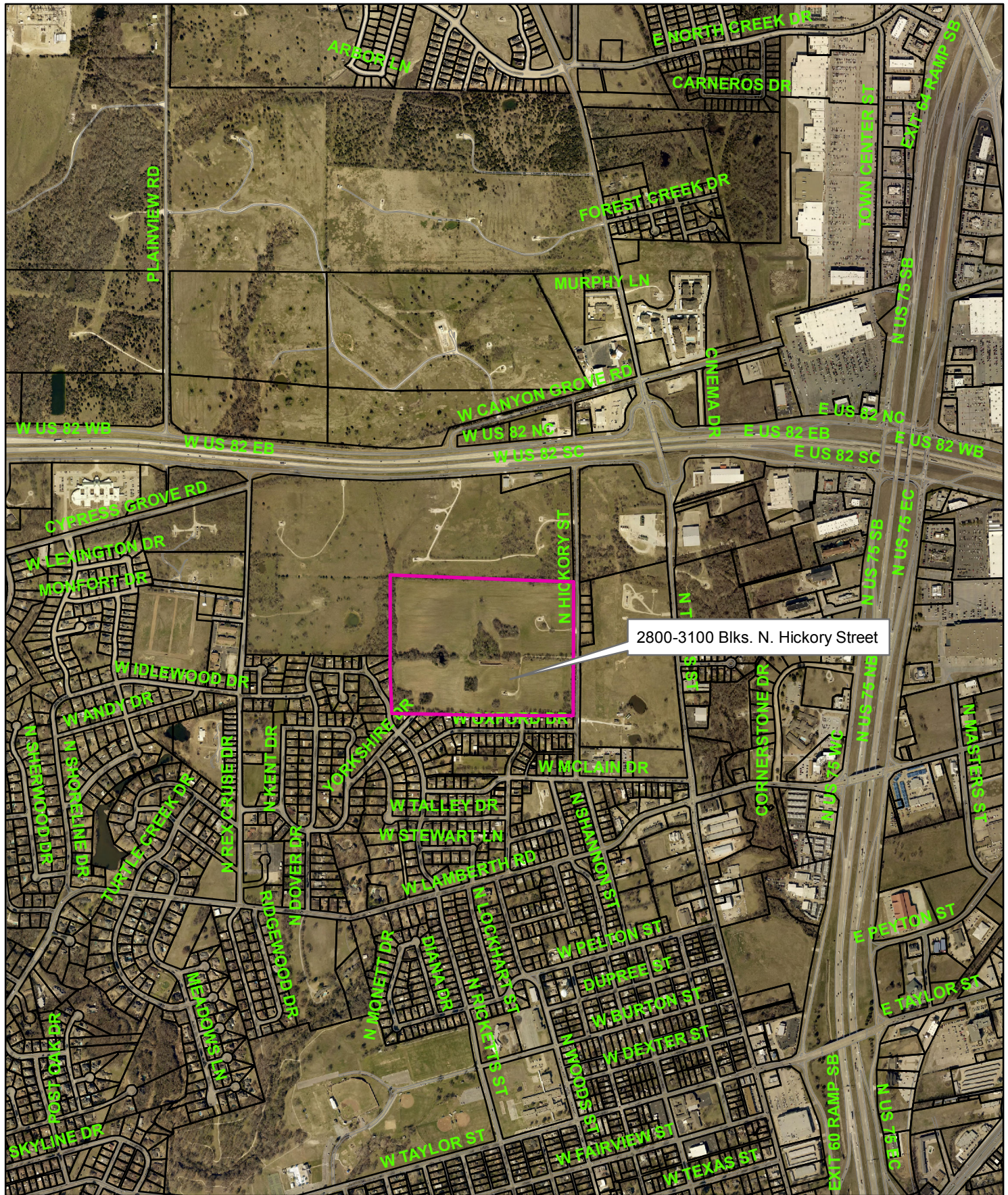
BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**



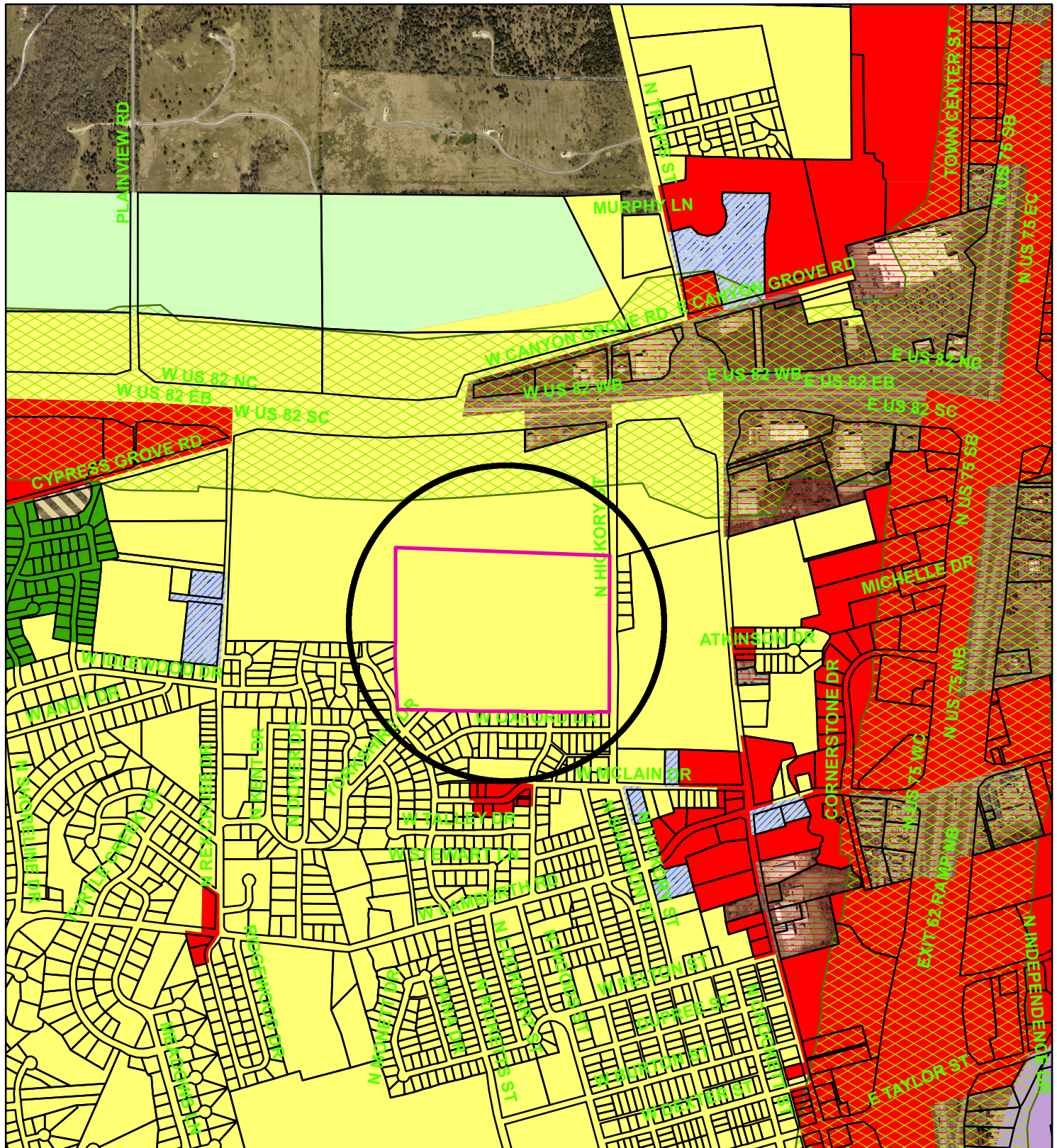
2800-3100 Blks. N. Hickory Street



2800-3100 Blocks North Hickory Street



1 in = 1,200 ft



Zoning - 2800-3100 Blocks North Hickory Street

Legend

Special Districts Overlay

DISTRICT_NAME

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

Representation: ShermGIS.DBO.TransportationCorridor_Rep

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

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District

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



1 in = 1,077 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

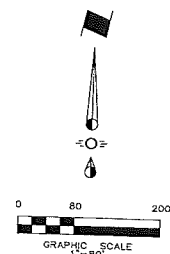
City of Sherman, Texas
Developmental Services Department

2800-3100 Blks. N. Hickory



1967 RISING SHUB TRUST
CALLED 67.32 ACRES
VOL. 258, PG. 124
S.R.C.C.

50' Wide Lots Along North
Property Line Requesting To Follow
Patio Home (PH) Guidelines.



LEGEND

○ Proposed Tree

SITE DATA

Existing Zoning: R-1 Single Family Residential
Lot Count: 28
Lot Width: 50'
Front Setback: 25'
Rear Setback: 10'
Side Yard: 0'/10'

Area: 3.547 Ac (154,493 sq)
No Lots (50' Wids): 28
Density: 7.89 Lots/Acre

LEGAL DESCRIPTION

Being a portion of that certain tract of land situated in the J. B. McAnair Survey, Abstract No. 763, Grayson County, Texas, and being a portion of the same tract of land conveyed to Mrs. Beasle Jennings Carraway by deed recorded in Volume 628, Page 124, Deed Records, Grayson County, Texas and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod found corner, same being an inner ell corner in the northeasterly line of a tract of land conveyed to 1967 Rising Shub Trust by deed recorded in Volume 2581, Page 693, Official Records, Grayson County, Texas;

THENCE South 89 degrees 14 minutes 11 seconds East along the south line of said 1967 Rising Shub Trust tract, same being in the west right-of-way line of Hickory Street, a distance of 182.247' to the **POINT OF BEGINNING**;

THENCE continuing along the south line of said 1967 Rising Shub Trust tract a distance of 1,469.18 feet for a total distance of 1,671.43 feet to a 1/2 inch iron rod found for corner, same being the northerly most southeasterly corner of said 1967 Rising Shub Trust tract;

THENCE South 00 degrees 32 minutes 03 seconds East, along the west right-of-way line of said Hickory Street, a distance of 99.42 feet to a point for corner;

THENCE departing said west right-of-way line of Hickory Street North 69 degrees 35 minutes 18 seconds West a distance of 1,490.88 feet to a point for corner;

THENCE North 00 degrees 24 minutes 42 seconds East a distance of 107.97 feet to the **POINT OF BEGINNING** and containing 3.556 Acres (154,930.726 square feet) of land.

Issue Dates:	Revisions:	Dates:
1	1	
2	2	
3	3	
4	4	
5	5	
6	6	

CROSS ENGINEERING CONSULTANTS
131 S. Tennessee St.
75256-4499
McNair, Texas 75069
Texas P.E. Firm No. 1-5131

THIS DOCUMENT IS RELEASED FOR THE PURPOSE OF INTERIM REVIEW UNDER THE AUTHORITY OF JONATHAN D. HAKE, P.E. NO. 94738 ON 06/20/18. IT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING, OR PERMIT PURPOSES.

SPECIFIC USE PERMIT

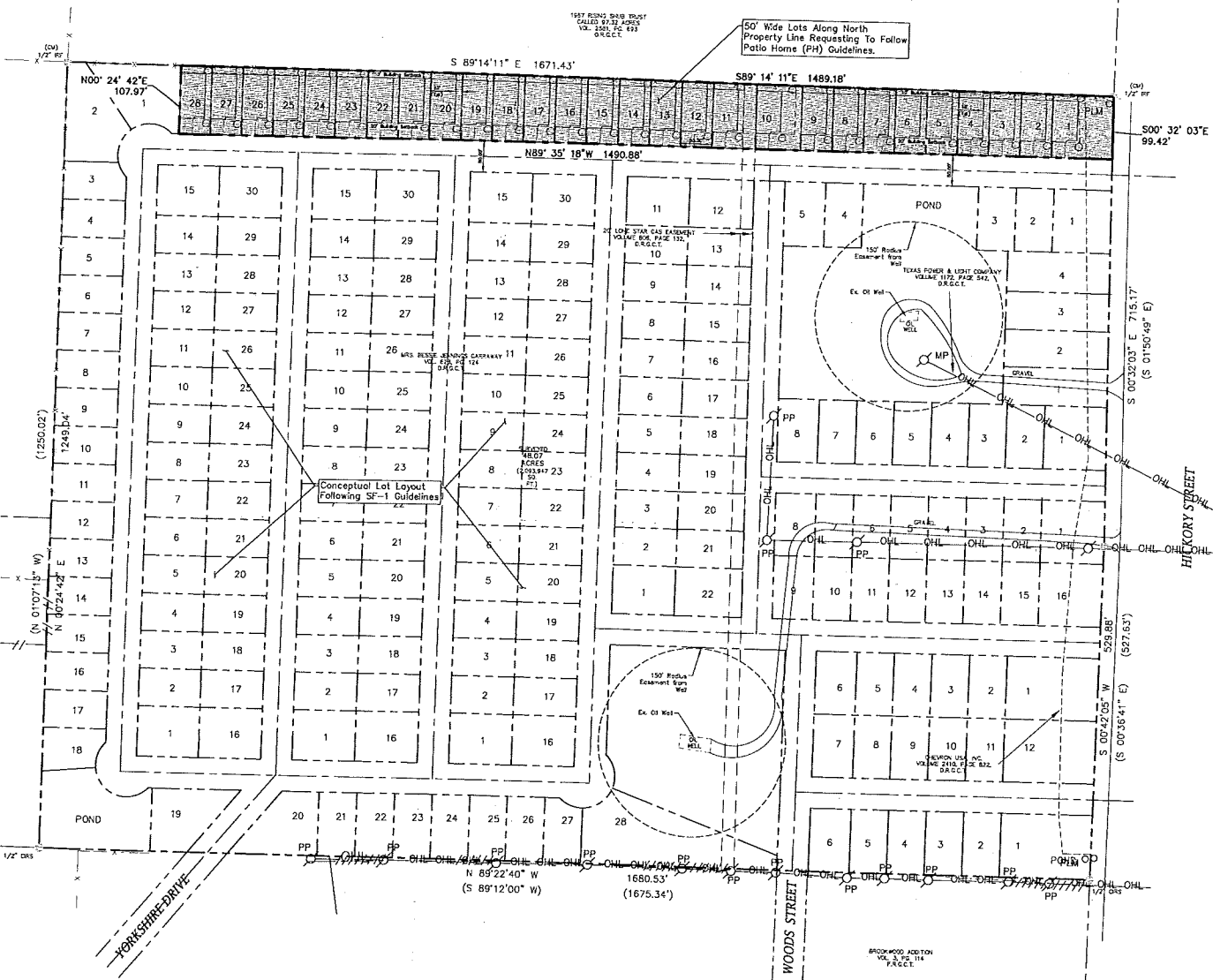
McANAIR ESTATES
WESTAR HOME BUILDERS, LLC
CITY OF SHERMAN, TEXAS

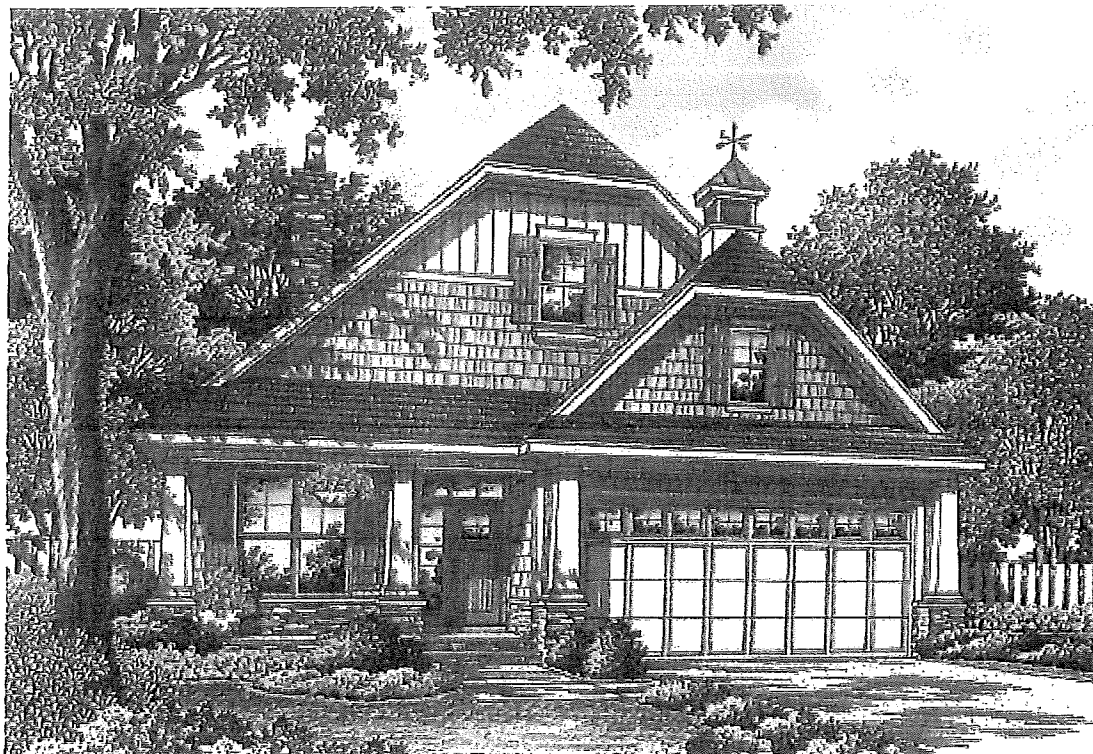
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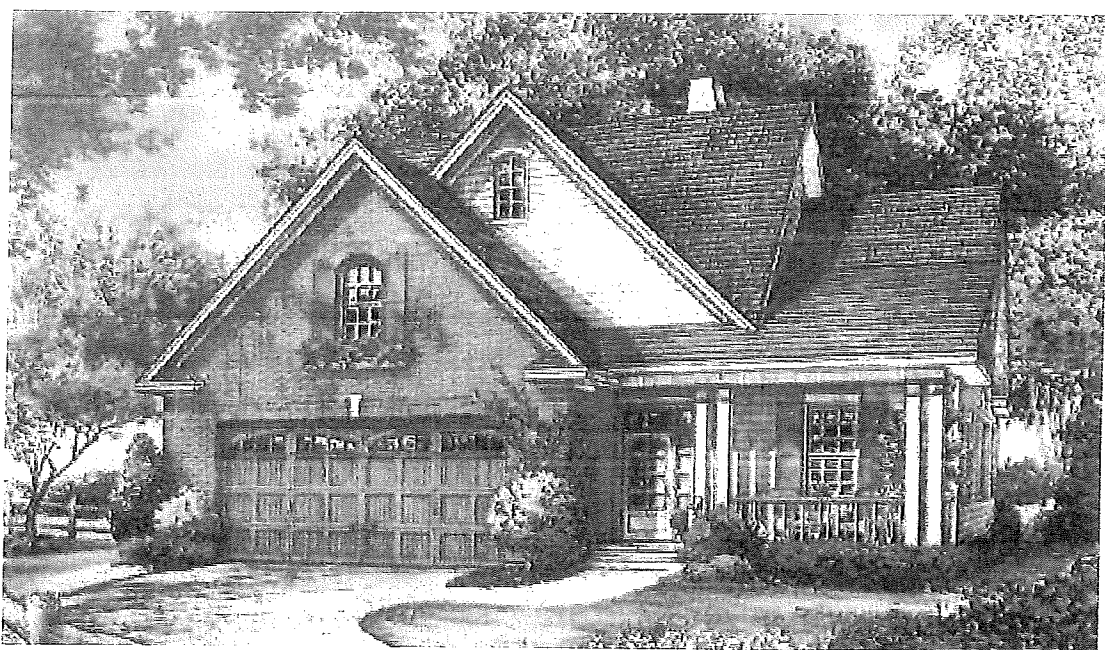
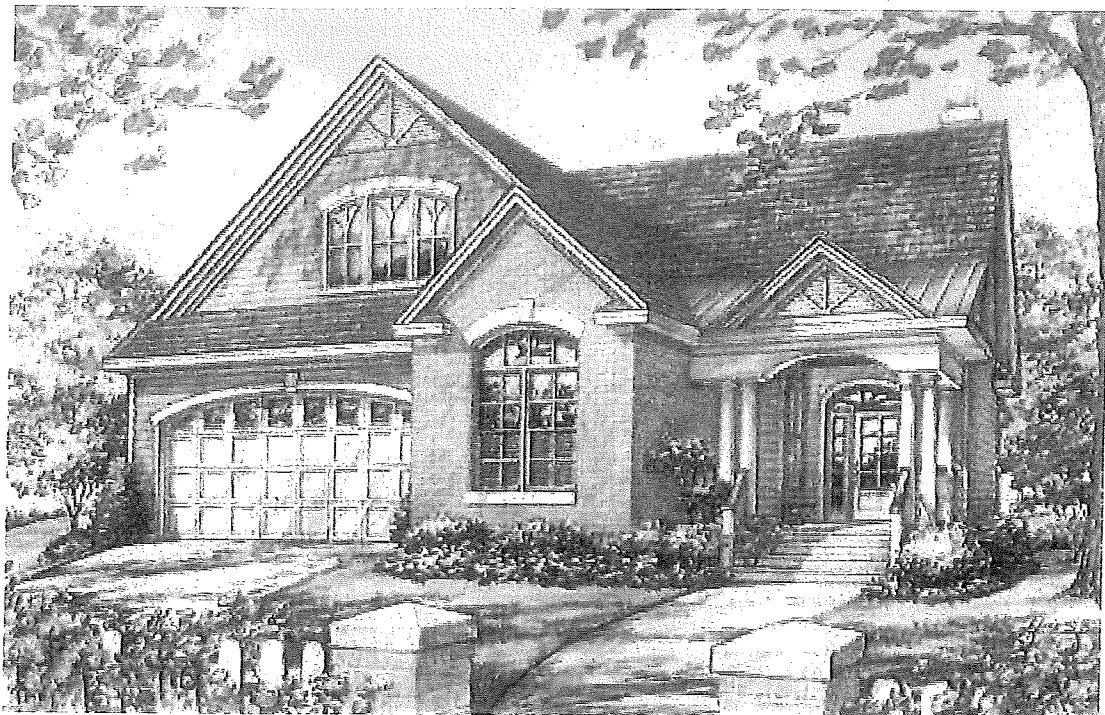
SUP

Project No.
18036

NOTE: THIS IS NOT A CONSTRUCTION DOCUMENT.
THIS DOCUMENT IS FOR CONCEPTUAL PLANNING PURPOSES ONLY.







STAFF REVIEW LETTER

July 10, 2018

Westar Home Builders LLC
Jim Hidalgo
1716 Davy Lane
Denison, TX 75020

Underwood Drafting & Surveying
3404 Interurban Rd.
Denison, Texas 75020

Cross Engineering
Jonathan Hake
131 S. Tennessee St.
McKinney, TX 75069

Dear Applicants,

The request for a Specific Use Permit and site plan approval to allow patio homes in an R-1 (One Family Residential) District for the property located in the 2800-3100 blocks North Hickory Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, July 17, 2018 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the R-1 (One Family Residential) District, the patio home ordinance, the screening ordinance, and the Residential Tree and Landscaping Ordinance must be followed.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. Side yard setbacks must be uniform for all homes within a given block.
4. Parking shall be provided for one space per bedroom; a parking space is considered to be 9'x20.
5. Parking is permitted on paved surfaces only (concrete or asphalt).
6. Violation of the conditions of the SUP will terminate the Specific Use Permit.
7. Review the zoning and development ordinance for additional requirements.
8. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

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,

A handwritten signature in black ink, reading "Scott Shadden". The signature is fluid and cursive, with the first name "Scott" and last name "Shadden" clearly legible.

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

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

Danny Fuller, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager



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

Agenda Item No. 14.

Meeting Date: 07/17/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

Jeff Adams, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Requested Action/Proposed Use:

2800-3100 BLOCKS OF N. HICKORY STREET

The request of Westar Home Builders, LLC (Owners), Cross Engineering Consultants (Civil Engineer) and Underwood Drafting and Surveying (Surveyor) concerning the property located in the 2800-3100 Blocks of North Hickory Street, being 3.556 acres in the J.B. McAnair Survey, Abstract No. 763, also being Lots 1-28, Block 1 of the proposed McAnair Estates, as follows:

Planning and Zoning Commission

Specific Use Permit and site plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow patio homes in an R-1 (One Family Residential) District.

Background:

The property is located in the 2800-3100 blocks of North Hickory Street between Oxford Drive and U.S. Highway 82 and is zoned an R-1 (One Family Residential) District. McAnair Estates is a proposed residential development with 219 lots. The owner is requesting a Specific Use Permit to allow patio homes on twenty-eight (28) lots along the north property line in the McAnair Estates development.

Adjacent Zoning:

R-1 (One Family Residential) District

Origination:

Westar Home Builders, LLC (Owners)

Cross Engineering Consultants (Civil Engineer)

Underwood Drafting and Surveying (Surveyor)

Master Plan Designation:

Suburban Residential – Increased density and closer building setbacks separate Suburban Residential from Countryside and Estate, but more landscaping and open space distinguish Suburban Residential from Urban and Auto-Urban categories. New suburban subdivisions typically have curvilinear streets and sidewalks, as well as curb and gutter.

Number of notices mailed:

64

Objections Received:

0

Attachments

Location Map

Zoning Map

Zoning Sign Photo

Site Plan

Elevations

Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.6.

Meeting Date: 08/06/2018

Prepared By: Brandon Shelby, City Attorney

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6141

Amending Chapter 7 of the Code of Ordinances, entitled "Municipal Court", creating a New Article 7.04 to be entitled "Municipal Court of Record"

Issue:

Amending the Code of Ordinances to create a Municipal Court of Record for the City of Sherman, Texas

Background:

The City's substandard structure ordinance has the objective of encouraging property owner maintenance and reducing blight throughout the City. While there have been some successes, absentee ownership has made enforcement difficult on certain properties. Staff feels that empowering the Municipal Court to order abatement could streamline the process. Our Municipal Court is not presently a court of record. This Ordinance establishes a Municipal Court of Record, as required by law in the substandard structures regulations. This designation will also be beneficial to the Police Department, as the Municipal Court of Record will have the authority to issue warrants.

Origination:

City Manager and City Attorney

Financial Consideration:

There is no direct cost associated with the creation of a Municipal Court of Record.

Staff Recommendation:

It is recommended that the Council adopt the proposed ordinance.

Alternatives:

The Council could opt not to approve the proposed ordinance.

Attachments

Ordinance No. 6141

ORDINANCE NO. 6141

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 7 OF THE CODE OF ORDINANCES, ENTITLED "MUNICIPAL COURT", CREATING A NEW ARTICLE 7.04 TO BE ENTITLED "MUNICIPAL COURT OF RECORD"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That Chapter 7 of the Code of Ordinances of the City of Sherman, Texas, entitled "Municipal Court", be and is hereby amended by adding a new Article 7.04, such article to read as follows:

ARTICLE 7.04 MUNICIPAL COURT OF RECORD

Division 1. Generally

Sec. 7.04.001 Creation and name

- (a) *The City Council hereby finds and determines that the creation of a municipal court of record is necessary to provide a more efficient disposition of cases arising within the City.*
- (b) *The City Council hereby creates a municipal court of record to be known as the "Municipal Court of Record for the City of Sherman, Texas".*
- (c) *The City Council hereby adopts state law regarding municipal courts of records, as amended, and to the extent that this article conflicts with state law, state law shall govern.*

Sec. 7.04.002 Seal of the court

The City Council shall provide the court of record with a seal. The seal's appearance and use shall substantially conform to Vernon's Ann. C.C.P. art. 45.02. The seal shall include the following phrase: "Municipal Court of/in the City of Sherman, Texas".

Sec. 7.04.003 Jurisdiction

The municipal court of record, as created herein, shall exercise the entire jurisdiction conferred upon the judge and municipal court by the ordinances of the City and the Constitution and laws of the state. The municipal court shall have jurisdiction as follows:

- (1) *General jurisdiction as provided by V.T.C.A., Texas Government Code § 30.00005, as amended;*
- (2) *Concurrent jurisdiction with a district court or a county court at law under V.T.C.A., Texas Government Code Chapter 54, Subchapter B, within the City's territorial limits and property owned by the City located in the City's extraterritorial jurisdiction for the purpose of enforcing health and safety and nuisance abatement ordinances;*
- (3) *Civil jurisdiction for the purpose of enforcing municipal ordinances enacted under V.T.C.A., Texas Local Government Code Chapter 214, Subchapter A; or V.T.C.A., Texas Transportation Code Chapter 683, Subchapter E;*
- (4) *Authority to issue:*
 - a. *Search warrants for the purpose of investigating a health and safety or nuisance abatement ordinance violation; and*
 - b. *Seizure warrants for the purpose of securing, removing or demolishing the offending property and removing the debris from the premises.*
- (5) *Over the forfeiture and collection of bonds given in proceedings therein, and to order the forfeiture of cash acceptance bonds upon failure of the defendant to appear, and to accept same in lieu of a fine;*
- (6) *Over cases involving a license or permit granted by the City for any calling, occupation, business or vocation. In addition to the punishment to be imposed therefore, the court may suspend or revoke the license or permit so granted;*
- (7) *To enforce all process of the court in accordance with state law and City ordinance, punish witnesses for failing to obey subpoenas, and compel their attendance by process of attachment;*
- (8) *To punish for contempt, admit to bail and forfeit bonds under such circumstances and as provided by county courts, or county courts exercising criminal jurisdiction only; and*
- (9) *Over all other matters and cases provided for by state law, City ordinance and the City's Home-Rule Charter.*

Sec. 7.04.004 Collection fee

- (a) *A collection fee is hereby authorized and imposed, as provided by V.T.C.A., § 102.0031, in the amount of 30 percent of debts and accounts receivable, such as unpaid fines, fees, court costs, forfeited bonds or restitution ordered paid by a municipal court of record serving the City when such debt or account receivable is*

more than 60 days past due and has been referred to an attorney or private vendor for collection; and

- (b) *A collection fee is hereby authorized and imposed, as provided by V.T.C.A., Texas Criminal Procedure Code § 102.0031, in the amount of 30 percent of amounts in cases in which the accused has failed to appear:*
- (1) *As promised under V.T.C.A., Texas Transportation Code Chapter 543, Subchapter A, or other law;*
 - (2) *In compliance with a lawful written notice to appear issued under V.T.C.A., Texas Criminal Procedure Code § 14.06(b) or other law;*
 - (3) *In compliance with a lawful summons issued under V.T.C.A., Texas Criminal Procedure Code § 15.03(b);*
 - (4) *In compliance with a lawful order of a court serving the City; or*
 - (5) *As specified in a citation, summons, or other notice authorized by V.T.C.A., Texas Transportation Code § 682.002, that charges the accused with a parking or stopping offense, when such amounts are more than 60 days past due and have been referred to an attorney or private vendor for collection.*

Division 2. Municipal Judges

Sec. 7.04.005 Appointment of judge or judges

- (a) *Generally*
- (1) *The municipal court of the City shall be presided over by the Municipal Court Judge, appointed according to Article IV, Section 4 of the City's Home Rule Charter.*
 - (2) *One or more alternate judges may be appointed according to the City Charter.*
 - (3) *Biennially in June of each odd-numbered year, the City Council shall appoint one or more municipal judges in accordance with the City's Home Rule Charter.*
 - (4) *A judge shall hold office for two years from the date of appointment or until his successor is appointed and qualified, unless sooner removed by the City Council, pursuant to Section 7.04.005 of this Article.*

- (5) *In the event of any vacancy in the office of a municipal judge by death, resignation or otherwise, the City Council shall appoint a qualified attorney to fill the unexpired term as municipal judge.*
 - (6) *A person may not serve as a municipal judge if the person is employed by the City. A municipal judge who accepts employment with the City vacates his position as municipal judge.*
 - (7) *Each municipal court judge shall devote as much time to the office as necessary.*
- (b) *The presiding judge shall:*
- (1) *Be the administrative head of the judiciary of the City;*
 - (2) *Maintain a central docket for cases filed within the territorial limits of the City over which the municipal court of record has jurisdiction;*
 - (3) *Provide for the distribution of cases from the central docket to the individual municipal judges to equalize the distribution of business in the courts;*
 - (4) *Request the jurors needed for cases that are set for trial by jury;*
 - (5) *Supervise and control the operation and functions of the proceedings of the court, specifically those operations relating to courtroom processes; however, the judge shall not supervise any court personnel;*
 - (6) *Promulgate work rules concerning the administration of the court dockets, the times and places for holding court, equalizing of the case assignments, the vacation schedules and other administrative details concerned with the judicial performance of the municipal court ("rules"), which rules shall be submitted to the city manager and city attorney for comment prior to adoption by the City Council;*
 - (7) *Be responsible to see that the rules are adhered to by the court; and*

Sec. 7.04.006 Salary

A municipal judge is entitled to a salary, the amount of which shall be determined by the City Council. The amount of a judge's salary may not be diminished during the judge's term of office. Further, the amount of the municipal court judge's salary shall not be based directly or indirectly on fines, fees or costs collected by the court of record.

Sec. 7.04.007 Powers and duties

The municipal judge shall take judicial notice of state law and the ordinances and corporate limits of the City. The municipal judge shall have all powers assigned by state law, including the power to grant writs of mandamus, attachment and other writs necessary to the enforcement of the jurisdiction of the court of record and may issue writs of habeas corpus in cases in which the offense charged is within the jurisdiction of the court of record. The municipal judge is a magistrate and may issue administrative search warrants.

Sec. 7.04.008 Removal of judge

A municipal judge may be removed from office at any time for the reasons stated and consistent with V.T.C.A., Texas Government Code § 30.000085, as amended.

Division 3. Court Clerk and Court Personnel

Sec. 7.04.009 Clerk of court

- (a) There shall be a clerk of the municipal court of record. Said clerk shall have the power to and shall perform all things and acts usual and necessary to be performed by clerks of court in issuing process of said court and conducting the business thereof, and such other duties as may be prescribed by ordinance of the City Council.*
- (b) The clerk of the municipal court shall keep the records of the municipal courts of record, issue process, and generally perform the duties that a clerk of a county court at law exercising criminal jurisdiction performs for that court. In addition, the clerk shall maintain an index of all court judgments in the same manner as county clerks are required by law to prepare for criminal cases arising in county courts.*
- (c) The clerk of the municipal court shall be subject to the personnel rules and regulations applicable to all City employees and may be removed at will.*

Sec. 7.04.010 Other court personnel

The City Council may provide deputy clerks, warrant officers and other personnel as needed for the proper operation of the municipal court of record. Such individuals shall perform their duties under the direction and control of the presiding judge during times when court is in session.

Division 4. Rules of Procedure

Article 7.04.011 Recording of court proceedings

All proceedings before the municipal court of record, to the extent requested, shall be recorded by use of a good quality electronic recording device. This shall be the primary method for the recording of proceedings utilized by the municipal court of record. No recording shall be made unless the municipal judge, or one of the parties to the proceedings, requests a record. As an

alternative to the electronic recording device, proceedings shall be recorded by an official court reporter appointed by the City Council. The record of the proceedings shall be kept by the clerk of court if an electronic recording device is used, or by the court reporter in cases where the court reporter records the proceedings, for the 20-day period beginning the day after the last day of the court proceeding, trial or denial of motion for new trial, whichever occurs last. If a case is appealed, the proceedings shall be transcribed from the recording by a court reporter appointed by the City.

Sec. 7.04.012 Court reporter; duties; compensation

The City Council shall appoint one or more court reporters to preserve a record in cases tried before the municipal court of record in which the proceedings are not recorded by a good quality recording device. The court reporter must meet the qualifications provided by law for official court reporters. The court reporter may use written notes, transcribing equipment, video or audio recording equipment, or a combination of those methods to record the proceedings of the court. The court reporter shall keep the record for the 20-day period beginning the day after the last day of the proceeding, trial or denial of motion for new trial, or until any appeal is final, whichever occurs last. The court reporter shall not be required to record testimony or any proceeding in a case unless the municipal judge or one of the parties requests a record. The party requesting the services of the official court reporter shall bear the cost of those services. When an electronic recording device is being used to record the proceedings, it is not necessary to have a court reporter present to record the proceedings or to certify the statement of facts. The city manager shall set the compensation of the court reporter.

Sec. 7.04.013 Transcript preparation fee

The City Council hereby establishes a transcript preparation fee in the amount of \$25.00. This fee does not include the fee for an actual transcript of the proceedings. The party requesting an actual transcript must pay the transcript preparation fee and the fee for an actual transcript of the proceedings. The fee for a transcript shall include the actual cost, as invoiced by the court reporter, for transcribing the recorded proceedings and the cost for copies.

Sec. 7.04.014 Prosecutions

All prosecutions in the municipal court of record shall be conducted as provided by V.T.C.A., Texas Criminal Procedure Code § 45.03, as amended.

Division 5. Appeals

Sec. 7.04.015 Generally

A defendant has the right to appeal from a judgment or conviction in the municipal court of record, as provided by V.T.C.A., Texas Government Code § 30.00014, as amended. The state has the right to appeal from a judgment in the court of record in the manner provided for by V.T.C.A., Texas Criminal Procedure Code § 44.01, as amended. The appropriate county court of Grayson County, Texas, shall have jurisdiction of appeals from the court of record. All

appeals shall be conducted in the manner provided for by V.T.C.A., Texas Government Code Chapter 30, as amended. Upon the enactment of this article, all cases for offenses alleged to have been committed on or after September 1, 2018, shall be appealed in accordance with V.T.C.A., Texas Government Code Chapter 30, as amended. An offense committed before September 1, 2018, shall be appealed in accordance with the law in effect before such date.

Sec. 7.04.016 Perfecting right to appeal

- (a) The City Council specifically adopts state law, as amended, relative to appeals.*
- (b) In order to perfect a right to appeal, the appellant must file a written motion for new trial with the clerk of court and must also give notice of the appeal to the appellee and to the court.*
- (c) The written motion for new trial must be filed with the clerk of court not later than the tenth day after the date on which judgment is rendered. The motion must set forth the points of error of which the appellant complains. The motion or amended motion may be amended with leave of court at any time before action on the motion is taken, but may not be amended later than the 20th day after the date on which the original or amended motion is filed. The court may for good cause extend the time for filing or amending, but the extension may not exceed 90 days from the original filing deadline. If the court does not act on the motion before the expiration of the 30 days allowed for determination of the motion, the original or amended motion is overruled by operation of law.*
- (d) If the appellant requests a hearing on the motion for new trial, the appellant may give the notice of appeal orally in open court after the motion is overruled. If there is no hearing, the appellant must file the notice with the court not later than the tenth day after the date on which the motion is overruled. The court may for good cause extend the time period for providing notice; however, the extension shall not exceed 90 days from the original filing deadline. If the defendant is in custody, the appeal is perfected when the notice of appeal is given as provided by V.T.C.A., Texas Criminal Procedure Code § 44.13, as amended.*

Sec. 7.04.017 Appeal bond

If the defendant is not in custody, the defendant may not take an appeal until the defendant files an appeal bond with the municipal court of record. The bond must be approved by the court and must be filed not later than the tenth day after the date on which the motion for new trial is overruled. The appeal bond must be in the amount of \$100.00 or double the amount of the fines and costs adjudged against the defendant, whichever is greater. The bond must state that the defendant was convicted in the case and has appealed and must be conditioned on the defendant's immediate and daily personal appearance in the court to which the appeal is taken. If the defendant is in custody, the defendant shall be committed to jail unless the defendant posts the appeal bond.

Sec. 7.04.018 Record

- (a) *The record on appeal must substantially conform to the provisions relating to the preparation of a record on appeal in the Texas Rules of Appellate Procedure and the Texas Code of Criminal Procedure, as amended.*
- (b) *Not later than the 60th day after the date on which the notice of appeal is given or filed, the parties must file with the clerk of court the statement of facts; a written description of material to be included in the transcript in addition to the required material; and any material to be included in the transcript that is not in the custody of the clerk of court. Upon completion of the record, the municipal judge shall approve the record in the manner provided for record completion, approval and notification in the court of appeals. After the municipal judge approves the record, the clerk of court shall promptly send the record to the appellate court clerk for filing. V.T.C.A., Government Code § 30.00020, as amended, charges the appellate court clerk with the responsibility of notifying the defendant and the prosecuting attorney that the record has been filed.*

Sec. 7.04.019 Statement of facts

The statement of facts must substantially conform to the provisions relating to the preparation of a statement of facts in the Texas Rules of Appellate Procedure and the Texas Code of Criminal Procedure, as amended. The appellant shall pay for the statement of facts.

Sec. 7.04.020 Transcript

The transcript must substantially conform to the provisions relating to the preparation of a transcript in the Texas Rules of Appellate Procedure and the Texas Code of Criminal Procedure, as amended.

Sec. 7.04.021 Bills of exception

Bills of exception must substantially conform to the provisions relating to the preparation of bills of exception in the Texas Rules of Appellate Procedure and the Texas Code of Criminal Procedure, as amended.

Sec. 7.04.022 Brief

- (a) *Both the appellant and the appellee are required to file briefs with the appellate court clerk. Each party, on the filing of the party's brief with the appellate court clerk, shall deliver a copy of the brief to the opposing party and to the municipal judge. The record and the brief, on appeal, shall be limited as far as possible to the questions relied on for reversal. The municipal judge shall decide from the briefs of the parties whether the appellant should be permitted to withdraw the notice of appeal and be granted a new trial by the court of record. The court of record may grant a new trial at any time before the record is filed with the appellate court.*

- (b) *The appellant must file a brief with the appellate court clerk not later than the 15th day after the date on which the transcript and statement of facts are filed with that clerk. The appellant or the appellant's attorney must certify that the brief has been properly mailed to the appellee.*
- (c) *The appellee must file its brief with the appellate clerk not later than the 15th day on which the appellant's brief is filed.*

SECTION 2. That it is the intention of the City Council of the City of Sherman, Texas, that the provisions of this ordinance shall become a part of the Code of Ordinances of the City of Sherman, Texas, and that sections of this ordinance may be renumbered or re-lettered to accomplish such intention.

SECTION 3. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity of effectiveness of the remainder of the ordinance.

SECTION 4. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 5. 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 _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S SHELBY,
CITY ATTORNEY**



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.7.

Meeting Date: 08/06/2018

Prepared By: Brandon Shelby, City Attorney

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6142

Amending Chapter 3 of the Code of Ordinances, entitled "Building Regulations", at Article 3.06, entitled "Housing Code", Division 2, entitled "Dangerous Buildings", at Sections 3.06.010, 3.06.012, 3.06.014, 3.06.015, 3.06.016, and 3.06.017

Issue:

Amending the Code of Ordinances to make the Municipal Court of Record the authority for ordering abatement of substandard structures.

Background:

The City's substandard structure ordinance has the objective of encouraging property owner maintenance and reducing blight throughout the City. While there have been some successes, absentee ownership has made enforcement difficult on certain properties. Empowering the Municipal Court of Record with the authority to order abatement of substandard structures streamlines the process and removes responsibility for ordering abatement from the City Council.

Origination:

City Manager and City Attorney

Financial Consideration:

There is no financial impact to be considered.

Staff Recommendation:

It is recommended that the Council adopt the proposed ordinance.

Alternatives:

The Council could opt not to approve the proposed ordinance.

Attachments

Ordinance No. 6142

ORDINANCE NO. 6142

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 3 OF THE CODE OF ORDINANCES, ENTITLED "BUILDING REGULATIONS", AT ARTICLE 3.06, ENTITLED "HOUSING CODE", DIVISION 2, ENTITLED "DANGEROUS BUILDINGS", AT SECTIONS 3.06.010, 3.06.012, 3.06.014, 3.06.015, 3.06.016, AND 3.06.017; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That Chapter 3, Article 3.06, Division 2, Section 3.06.010 of the Code of Ordinances of the City of Sherman, Texas be and is hereby amended so that such section shall read as follows:

Sec. 3.06.010 Definitions

The words and phrases contained herein shall have the following meaning ascribed to them unless the context states otherwise:

Building. Includes, but is not limited to, any building, fence, awning, canopy, sign, shed, garage, house, tent, trailer or other structure whatsoever.

Dangerous building. Any building that does not comply with the minimum standards, as defined herein.

Minimum standard. The minimum standards for continued use and occupancy of a building as set forth in section 3.06.013 herein.

Municipal Court of Record. *The Municipal Court of Record of Sherman, Texas.*

Owner of record. Any person, agent, firm, corporation or governmental agency shown to be the owner or owners of a building in:

- (1) The real property, assumed name, or appraisal district record of the county;
- (2) The tax or utility records of the city; or
- (3) The records of the secretary of state.

Public nuisance.

- (1) Whatever is dangerous to human life or health; whatever renders the ground, water, air or food hazardous to human life, or health, or that is offensive to the senses; or that is or threatens to become detrimental to the public health; or
- (2) Any building that creates a hazard to health, safety, comfort or welfare is a public nuisance.

SECTION 2. That Chapter 3, Article 3.06, Division 2, Section 3.06.012 of the Code of Ordinances of the City of Sherman, Texas be and is hereby amended so that such section shall read as follows:

Sec. 3.06.012 Abatement of substandard structures

- (a) It shall be unlawful for any owner or other person in control of a building to allow that building to be in a condition that does not conform to the minimum standards.
- (b) Any building that does not conform to the minimum standards is hereby declared to be a public nuisance and shall be subject to abatement by repair, demolition, or removal as necessary upon the issuance of an order to abate issued by the ~~city council~~ *Municipal Court of Record* in accordance with the procedures specified in this article.

SECTION 3. That Chapter 3, Article 3.06, Division 2, Section 3.06.014 of the Code of Ordinances of the City of Sherman, Texas be and is hereby amended so that such section shall read as follows:

Sec. 3.06.014 Inspection and notice of abatement

- (a) The city manager shall designate an appropriate official (“~~building~~ *inspecting* official”) of the city to inspect or cause to be inspected any building that he has probable cause to believe does not meet the minimum standards. If the inspecting official is unable to obtain permission to search the building from the owner or a person in control of the premises, the city shall apply for an administrative search warrant pursuant to Texas Code of Criminal Procedure section 18.05, as amended, unless an exception to the warrant requirement exists.
- (b) After completing the inspection, the inspecting official shall determine if the building is a substandard structure.
- (c) After an initial determination that a building is a substandard structure, the inspecting official will notify the owner of record of the building, by certified mail, return receipt requested, of the nature of the violation(s) of the minimum standards.
- (d) The inspecting official shall also notify the owner of record of the building, by certified mail, return receipt requested, that the building is a substandard structure and that the owner must repair, demolish, or remove the building for the good of the public health, safety and welfare.

(e) The inspecting official shall also notify the owner of record of the building, by certified mail, return receipt requested, that if said violations have not been cured after a period of thirty (30) days the inspection official may cause a hearing to be held before the ~~city council~~ *Municipal Court of Record* in accordance with this article.

(f) A notice shall be posted on the dangerous building as follows:

“THIS BUILDING IS A SUBSTANDARD STRUCTURE ACCORDING TO THE MINIMUM STANDARDS SET FORTH IN THE OFFICIAL CODE OF THE CITY OF SHERMAN, CHAPTER 3, ARTICLE 3.06 AND THE OWNER MUST REPAIR, DEMOLISH OR REMOVE IT.

CONTACT _____ AT _____ FURTHER INFORMATION.

DATE: _____”

SECTION 4. That Chapter 3, Article 3.06, Division 2, Section 3.06.015 of the Code of Ordinances of the City of Sherman, Texas be and is hereby amended so that such section shall read as follows:

Sec. 3.06.015 Order to Abate

(a) General. Whenever the ~~building~~ *inspecting* official has inspected or caused to be inspected any structure or lot and has found and determined that such structure or lot is substandard, he may commence proceedings to cause repair, rehabilitation, or demolition of the structure or lot.

(b) Notice and administrative order to abate. The ~~building~~ *inspecting* official shall issue a notice and administrative order to abate a substandard structure or lot. The notice and administrative order shall contain:

- (1) The street address and a legal description sufficient for identification of the premises upon which the structure is located.
- (2) A statement that the ~~building~~ *inspecting* official has found the structure or lot to be substandard with a brief and concise description of the conditions found to render the structure or lot substandard under the provisions of this chapter.
- (3) A statement of the action recommended to be taken as determined by the ~~building~~ *inspecting* official as follows:
 - (A) If the ~~building~~ *inspecting* official has determined that the structure or lot must be repaired or remediated, the administrative order shall require that all required permits be secured and work physically commenced within thirty (30) days from the date of the administrative order.

- (B) If the ~~building~~ *inspecting* official has determined that the structure must be demolished, the administrative order shall require that all required permits be secured and work physically commenced within thirty (30) days from the date of the administrative order.
- (4) A statement advising that a notice of hearing is forthcoming and a description of the hearing. The hearing shall provide the ~~city council~~ *Municipal Court of Record* the means to consider or determine whether a structure or lot complies with the standards set forth herein and to consider or determine whether a structure or lot must be repaired or demolished, as recommended by the ~~building~~ *inspecting* official in the notice and administrative order.
- (5) Statements advising that if the owner or owners of record are in full agreement with a demolition order, and that if the owner or owners of record are financially unable to abate such nuisance, then the owner or owners of record may grant the city written permission to abate said nuisance, and, in doing so shall grant the city a lien against the real property as described in this article.
- (c) Notice of hearing. The ~~building~~ *inspecting* official shall give notice of a public hearing to all known owners; lienholders, or mortgagees for the ~~city council~~ *Municipal Court of Record* to consider or determine whether a structure or lot complies with this code and to consider or determine whether a structure or lot must be repaired, secured or demolished. The notice shall be mailed and posted as provided herein, and published in the official newspaper of the city on one occasion, on or before the tenth (10th) day before the date of the hearing. The notice of hearing shall contain:
- (1) The name and address of the owner of the affected property, if known;
- (2) A legal description of the property, as well as the physical address;
- (3) A description of the hearing;
- (4) The date, time, and place of the public hearing. This date shall be established not less than ten (10) days from the date of the administrative order;
- (5) A statement advising that securing the required permits and physically commencing the required action shall be considered as intent to comply with the administrative order to abate, and that the hearing shall be temporarily postponed. Should abatement halt, or not progress at a rate determined to be reasonable by the ~~building~~ *inspecting* official, the hearing shall be recalled; and
- (6) Statement that the owner; lienholder; or mortgagee will be required to submit at the hearing proof of the scope of any work that may be required to comply with this article and the time it will take to reasonably perform the work.

(d) Service of notice and administrative order to abate and notice of hearing. The notice of the administrative order to abate, the notice of hearing and any supplemental notices or orders shall be served upon the owner; lessor, lienholder; and mortgagees of record and occupant, if different than the owner of the structure or lot. Service of these notices and orders shall be made upon all persons entitled thereto either personally or by mailing a copy of such notice by certified mail, return receipt requested, and an optional second copy by regular mail, to each such person at his address as it appears on the county tax rolls, or as discovered by due diligence, as defined by subsections (d)(1)–(d)(6) of this section, and the notice shall be posted on the front door of each improvement situated on the affected property or as close to the front door as practical. The following of these procedures shall be prima facie evidence of notification. If a certified notice is returned as refused or unclaimed, the validity of the notice is not affected, and the notice shall be deemed delivered. The city has satisfied the requirements of this section to make a diligent effort to determine the identity and address of an owner, a lienholder, or a mortgagee if the city searches the following records:

- (1) County real property records of the county in which the building is located;
- (2) Appraisal district records of the appraisal district in which the building is located;
- (3) Records of the secretary of state;
- (4) Assumed name records of the county in which the building is located;
- (5) City tax records; and
- (6) City utility records.

(e) Filing of notice and administrative order at the county. A copy of the notice and any administrative orders, or such orders as may be issued pursuant to these provisions, shall be filed with the county deed records in the county where the property is located. The notice must contain the name and address of the owner of the affected property if that information can be determined from a reasonable search of the instruments on file in the office of the county clerk, or upon a due diligence search as set forth herein, a legal description of the affected property, and a description of the proceeding. The filing of said notice and any said orders, is binding on subsequent grantees, lienholders, or other transferees of an interest in the property who acquire such interest after the filing of said notice or any said orders, and constitutes notice of said hearing and notice of any said orders, on any subsequent recipient of any interest in the property who acquires such interest after the filing of said notice or filing of any said orders.

(f) ~~Meeting/public~~ Public hearing.

- (1) During an officially ~~convened meeting~~ *noticed hearing*, the ~~city council~~ *Municipal Court of Record* shall hold a public hearing on each case and shall hear such testimony as may be presented by any department of the city, the housing inspector, or the owner, occupant, mortgagee or any other person having an interest in such building to determine whether a building complies with the standards of this code.

The owner, lienholder, or mortgagee has the burden of proof to demonstrate the scope of any work that may be required to comply with this code and the time it will take to perform the work. After all testimony has been received, the public hearing shall be closed and the ~~city council shall deliberate on the case in open session~~ *Municipal Court of Record shall render its decision.*

- (2) If a building is found in violation of the standards set forth herein, the ~~city council~~ *Municipal Court of Record* may order that the building be secured, repaired, removed, or demolished by the owner within a reasonable time *in accordance with state law and City ordinances.* ~~The city council reserves the right to determine what is a reasonable amount of time to perform the ordered work.~~

(g) Post meeting procedure. The city attorney shall, within ten (10) days after the date the order is issued:

- (1) File a copy of the order in the office of the city clerk;
- (2) Publish in a newspaper of general circulation in the city a notice containing:
 - (A) The street address or legal description of the property;
 - (B) The date of the hearing;
 - (C) A brief statement indicating the results of the order; and
 - (D) Instructions stating where a complete copy of the order may be obtained; and
- (3) Shall promptly mail by certified mail, return receipt requested, and an optional second copy by regular mail, a copy of the order to the owner; any lienholder, and any mortgagee of the building, as determined by due diligence, as defined herein.

SECTION 5. That Chapter 3, Article 3.06, Division 2, Section 3.06.016 of the Code of Ordinances of the City of Sherman, Texas be and is hereby amended so that such section shall read as follows:

Sec. 3.06.016 Enforcement

(a) Criminal.

- (1) A person who violates a provision of this code, or who fails to perform an act required of him by this code, or who, fails to adhere to an order issued by the ~~city council~~ *Municipal Court of Record* under this code, commits a class C misdemeanor offense. A person commits a separate offense each day or portion of a day during which a violation is committed, permitted, or continued.

- (2) An offense under this code is punishable by a fine of \$500.00 per day per violation.
- (3) Allegation and evidence of a culpable mental state is not required for the commission of an offense under this code.

(b) Civil.

- (1) The city may, in accordance with sections 54.012 et seq. of the Texas Local Government Code, as amended, bring a civil action against a person violating a provision of this code relating to dangerously damaged or deteriorated structures or improvements or for conditions caused by accumulations of trash, garbage, refuse, vegetation, or other matter that creates breeding and living places for insects and rodents.
- (2) The civil action may include, but is not limited to, a suit to recover a civil penalty not to exceed \$1,000.00 for each day or portion of a day during which the violation is committed, continued, or permitted by the owner or occupant of the property, as provided below.
- (3) The city, by resolution of the city council, may assess and recover a civil penalty against a property owner, if the owner fails to take the requisite action as ordered by the ~~city council~~ *Municipal Court of Record*, after ~~an administrative~~ a hearing on the matter. The civil penalty may not exceed \$1,000.00 a day for each violation if the city proves:
 - (A) The property owner was notified of the requirements of this code and the owner's need to comply with the requirements; and
 - (B) After notification, the property owner committed an act in violation of this code or failed to take an action necessary, for compliance with this code.
- (4) A determination by the city council which involves the establishment of an amount and duration of a civil penalty shall be final and binding and constitute prima facie evidence of the penalty in any court of competent jurisdiction in a civil suit brought by the city for final judgment in accordance with the established penalty.
- (5) To enforce any civil penalty under this section, the city must file in the district clerk's office in which the municipality and property is located, a certified copy of the resolution of the city council establishing the amount and duration of the penalty. No other proof is required for a district court to enter final judgment on the penalty.

(c) Other available remedies. The city shall have all other available remedies at law and in equity to enforce the provisions of this article.

SECTION 6. That Chapter 3, Article 3.06, Division 2, Section 3.06.017 of the Code of Ordinances of the City of Sherman, Texas be and is hereby amended so that such section shall read as follows:

Sec.3.06.017 Authority to secure unoccupied, unsecured, substandard, open buildings and structures

(a) Purpose. The owner or person in control of an unoccupied structure shall ensure that the building is in such condition that an unauthorized person cannot enter the structure through missing or unlocked doors or windows or through other openings into the building. The city may secure unoccupied, unsecured structures, or structures occupied by persons who do not have the right of possession to the building. A lien may be filed on real property to ensure the cost of securing the structure as set forth in this article.

(b) Definitions.

Unoccupied structure. Any structure or building that appears vacant or abandoned as evidenced by: no active utility accounts, absence of personalty, general conditions of neglect and any other substantiated evidence of vacancy or abandonment that may be presented by the ~~building~~ inspecting official.

Unsecured structure. Any structure or building that currently has no occupant with the right of possession of the building and which has missing or unlocked doors or windows, or other unsecured openings into the building through which unauthorized persons can enter. Any unoccupied, unsecured structure or building is hereby declared to be a danger to public health and safety and is hereby declared to be a public nuisance.

(c) City may secure.

(1) The ~~building~~ inspecting official may secure a building that:

- (A) Violates the standards of this code; and
- (B) Is an unsecured structure.

(2) This authority is in addition to that regarding substandard structures.

(d) Notice.

(1) Before the eleventh (11th) day after the date the building is secured, the ~~building~~ inspecting official shall give notice to the owner of record by:

- (A) Personally serving the owner with written notice;
- (B) Sending a copy of the notice certified mail, return receipt requested, and an optional copy by regular mail, at the owner's post office or physical address;

- (C) Publishing the notice at least twice within a ten (10) day period in the city's official newspaper if personal service cannot be obtained and the owner's post office or physical address is unknown; or
 - (D) Posting the notice on or near the front door of the building if personal service cannot be obtained or the owner's post office or physical address is unknown.
- (2) The notice must contain the following:
- (A) An identification, which is not required to be a legal description, of the building and the property on which it is located;
 - (B) A description of the violation of this code that is present at the building;
 - (C) A statement that the city will secure or has secured, as the case may be, the building; and
 - (D) A statement that the owner may request a hearing about any matter related to the city's securing of the building, and that if such a hearing is requested, it shall be held pursuant to Texas Local Government Code section 214.0011(e), as amended.
- (3) The city shall conduct a hearing before the ~~city council~~ *Municipal Court of Record* at which the owner may testify or present witnesses or written information about any matter relating to the city's securing of the building if within thirty (30) days after the date the city secures the building, the owner files with the city secretary, a written request for the hearing. The city shall conduct the hearing within thirty (30) days after the date the request is filed.

SECTION 7. That it is the intention of the City Council of the City of Sherman, Texas, that the provisions of this ordinance shall become a part of the Code of Ordinances of the City of Sherman, Texas, and that sections of this ordinance may be renumbered or re-lettered to accomplish such intention.

SECTION 8. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity of effectiveness of the remainder of the ordinance.

SECTION 9. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 10. 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 _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S SHELBY,
CITY ATTORNEY**



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.8.

Meeting Date: 08/06/2018

Prepared By: Brandon Shelby, City Attorney

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6143

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

Issue:

The appointment of an Alternate Municipal Court of Record Judge

Background:

Article IV, Section 4 of the Sherman City Charter and Section 29.007(g) of the Texas Government Code grant the City Council authority, and the method by which, to appoint alternate municipal court judges, as follows:

Section 4. Municipal court.

There is hereby created and established in the city a court to be known as the Municipal Court of the City of Sherman, which court shall have all the powers and duties that are given and prescribed by the Laws of the State of Texas and shall have the greater possible power in both original and concurrent jurisdiction under the Laws of the State of Texas.

From nominations made by the city manager, the city council shall appoint a judge to preside over said court and to be known as the Municipal Judge of the City of Sherman. The judge shall be an attorney currently licensed under the Laws of the State of Texas, a member in good standing of the State Bar of Texas, and shall be responsible to the city manager. The judge of said court may, with the advice and consent of the city manager, appoint bailiffs and clerical assistants as may be needed in said court. Alternate Judges shall be appointed in the same manner, as needed, and shall have the same qualifications. Such alternate municipal judges shall be authorized to act for and on behalf of the Municipal Judge.

Trial by jury in said court shall be and remain inviolate, and all matters of procedure, writs, fees, fines, and costs shall be as provided by the Statutes of the State of Texas.

Sec. 29.007. MUNICIPAL COURT PANELS OR DIVISIONS; TEMPORARY JUDGES.

(g) The municipality may provide by charter or by ordinance for the appointment of one or more temporary judges to serve if the regular judge, the presiding judge, or an associate judge is temporarily unable to act. A temporary judge must have the same qualifications as the judge he replaces and has the same powers and duties as that judge.

This agenda item follows the creation of a Municipal Court of Record at the August 6th City Council meeting.

Origination:

City Manager

Financial Consideration:

There is no financial impact to making this appointment.

Staff Recommendation:

The staff recommends the City Council appoint an Alternate Municipal Court of Record Judge for the City of Sherman, Texas.

Alternatives:

No alternatives are recommended.

Attachments

Ordinance No. 6143

ORDINANCE NO. 6143

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPOINTING AN ALTERNATE MUNICIPAL COURT OF RECORD JUDGE FOR THE CITY OF SHERMAN, TEXAS; PROVIDING FOR A REPEALER CLAUSE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, it has come to the attention of the City Council of the City of Sherman, Texas, that there is a need to appoint an Alternate Municipal Court Judge to serve in the capacity of Municipal Court of Record Judge; and

WHEREAS, Article IV, Section 4 of the Sherman City Charter and Section 29.007 of the Texas Government Code authorizes the City Council to make such appointment; and

WHEREAS, the City Council of the City of Sherman, Texas, hereby finds and determines that _____, Attorney, possesses the qualifications and experience necessary for such position;

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

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

SECTION 2. That _____, Attorney, be and is hereby appointed to serve in the capacity of Municipal Court of Record Judge and to have all the powers and duties of said office as conferred by Article IV, Section 4 of the Sherman City Charter and Section 29.007 of the Texas Government Code.

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

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

INTRODUCED on this the _____ day of _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.9.

Meeting Date: 08/06/2018

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers: 6136, 6137, 6138, 6139, 6140, 6141, 6142 and 6143

Issue:

- B. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6136**
Designating a Certain Area as Industrial Reinvestment Zone, Number 082018-01, City of Sherman, Texas, Providing for the Establishment of Agreements within the Zone, and Other Matters Relating Thereto; Providing Findings of Fact; Providing an Effective Date for the Commencement of the Reinvestment Zone and this Ordinance
- B. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6137**
Authorizing the Issuance of "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2018"; Specifying the Terms and Features of Said Certificates; Providing for the Payment of Said Certificates of Obligation by the Levy of an Ad Valorem Tax Upon All Taxable Property within the City and a Limited Pledge of the Net Revenues from the Operation of the City's Waterworks and Sewer System; Resolving Other Matters Incident and Relating to the Issuance, Payment, Security, Sale and Delivery of Said Certificates, Including the Approval and Execution of a Paying Agent/Registrar Agreement and the Approval and Distribution of an Official Statement; and Providing an Effective Date
- B. 3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6138**
Providing for a Permanent "Stop" Sign on Dry Creek Road at North Creek Drive within the City Limits of the City of Sherman, Texas; Providing for a Penalty Provision

- B. 4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6139**
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District in the 400 block of East Brockett Street, being all of Lot 3 and part of Lots 4-6, Block 2, G.W. Bond's Supplement No. 2 Addition, containing 0.465 acres (Lazy L Enterprises, Owners; and Underwood Drafting and Surveying, Surveyor)
- B. 5. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6140**
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow Patio Homes in an R-1 (One Family Residential) District in the 2800-3100 Blocks of North Hickory Street, being 3.556 acres in the J.B. McAnair Survey, Abstract No. 763, also being Lots 1-28, Block 1 of the Proposed McAnair Estates (Westar Home Builders, LLC, Owners; Cross Engineering Consultants, Civil Engineer, and Underwood Drafting and Surveying, Surveyor); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00
- B. 6. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6141**
Amending Chapter 7 of the Code of Ordinances, entitled "Municipal Court", creating a New Article 7.04 to be entitled "Municipal Court of Record"
- B. 7. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6142**
Amending Chapter 3 of the Code of Ordinances, entitled "Building Regulations", at Article 3.06, entitled "Housing Code", Division 2, entitled "Dangerous Buildings", at Sections 3.06.010, 3.06.012, 3.06.014, 3.06.015, 3.06.016, and 3.06.017
- B. 8. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6143**
Appointing an Alternate Municipal Court of Record Judge for the City of Sherman, Texas
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SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.10.

Meeting Date: 08/06/2018

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

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

Issue:

C. 2. * RESOLUTION NO. 6390

Authorizing the Execution of an Unimproved Property Contract with Brookstone Estates Development JV for the Purchase of a 6.920 acre tract of land, more or less, situated in the Elizabeth Jones Survey,
Abstract No. 625, City of Sherman, County of Grayson, State of Texas, being more fully described by metes and bounds in the attached Exhibit "A" and illustrated in the attached Exhibit "B"

C. 3. * OTHER BUSINESS 6391

Authorizing Execution of an Agreement with Habitat For Humanity of Grayson County for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 611 South Montgomery Street

E. 6. * OTHER BUSINESS

Approve Quarterly Investment Report for Quarter Ended June 30, 2018

E. 7. * OTHER BUSINESS

Consider Calling a Special Meeting of the City Council for Tuesday, September 4, 2018, due to Conflict with a Federal Holiday

E. 8. * 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 27, 2018, to Review and Approve SEDCO's Annual Budget and Work Plan

E. 9. * OTHER BUSINESS

Site Plan Approval and Exceptions for Yellow Equipment & TRMS, Owners; YRC Freight, Tenant; Shaw Services, LLC, Contractor/Representative; and Helvey-Wagner Surveying, Inc., Surveyor under Ordinance No. 2252, Article IV, Section 410(2)(j) for Site Plan Approval for an Equipment and Terminal Building for YRC Freight and Exceptions under Section 410 (2) (m) to allow "BPR" Type Panels on the Sides of the Freight Terminal Building and Stucco Finish on the Office viewable from the street; Section 410 (2) (j) and Ordinance No. 2280, Section 7, Subsection (10)(h) to allow a Granite Parking Lot in lieu of the required Concrete or Asphalt; and Section 410 (2) (h) & (l) to allow a 6' EnviroScreen Fence on the Property Line in lieu of the required 55.7' Setback in the Blalock Industrial Park at 211 Dorsett Drive

E. 10. * OTHER BUSINESS

Final Plat Approval of Flanary Road Business Addition, being 23.115 acres in the William Martin Survey, Abstract No. 765; Sherman Economic Development Corporation, Owners; Sherman RE, LLC, an Ohio Limited Liability Company, Developer; Benchmark Design Group, LLC, Ed Snodgrass, Civil Engineer; and Thompson & Associates, Inc., Surveyor [1426 West F.M. 1417 (Heritage Parkway)]

E. 11 * OTHER BUSINESS

Final Plat Approval of Erika Lopez Addition in the City of Sherman's Extra Territorial Jurisdiction (ETJ), being 2.976 acres in the Joseph Deaver Survey, Abstract No. 359; Erika Lopez, Owner; and Underwood Drafting & Surveying, Surveyor (600-700 blocks of North Friendship Road)

E. 12. * OTHER BUSINESS

Replat Approval of College Park Estates Addition, being a Replat of Lot 3 and Parts of Lots 4, 5 and 6 of Bond's 2nd Addition, being all of Lot 3 and part of Lots 4-6, Block 2, G.W. Bond's Supplement No. 2 Addition, containing 0.465 acres; Lazy L Enterprises, Owners; and Underwood Drafting and Surveying, Surveyor (400 block of East Brockett Street)



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C.1.

Meeting Date: 08/06/2018

Prepared By: Zachary Flores, Police Chief

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6389

Authorizing Execution of a School Resource Officer Interlocal Agreement between the City of Sherman, Texas, and the Sherman Independent School District

Issue:

Consideration of an Interlocal Agreement with the Sherman Independent School District (SISD) for the Sherman Police Department to provide SISD with a School Resource Officer (SRO) for the 2018-2019 school year

Background:

By entering into an Interlocal Agreement with the Sherman Independent School District, the SISD and the City will share the costs associated with providing an SRO to the school as a full-time assignment. This will allow the school and the police department to reduce barriers in communication and improve school security by providing consistency in the personnel that are assigned by the police department to provide security at SISD campuses.

Origination:

Sherman Police Department

Financial Consideration:

The SISD will fund 70% of the salary and benefits associated with the SRO position. The City of Sherman will fund 30% of the costs. This cost is in the City's budget.

Staff Recommendation:

Staff recommends that the City Council authorize execution of an Interlocal Agreement between the City of Sherman and SISD.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6389

School Resource Officer Interlocal Agreement

RESOLUTION NO. 6389

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A SCHOOL RESOURCE OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE SHERMAN INDEPENDENT SCHOOL DISTRICT; 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 Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Interlocal Agreement with the Sherman Independent School District ("SISD"), for the Sherman Police Department's provision of a School Resource Officer for SISD's 2018-2019 school year, in accordance with the terms and provisions of all contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

STATE OF TEXAS

§
§
§
§

COUNTY OF GRAYSON

SCHOOL RESOURCE OFFICER INTERLOCAL AGREEMENT

This interlocal agreement (“Agreement”) is entered into this _____ day of August, 2018, between the City of Sherman, a home rule municipality in Grayson County, Texas (“City”) and the Sherman Independent School District, an independent school district in Grayson County, Texas (“SISD” or “District”). Together the City and SISD shall be referred to as the “parties”.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code (the “Act”), provides the authority to political subdivisions for contracts by and between each other to facilitate the governmental functions and services of said political subdivisions under the terms of the Act, and

WHEREAS, the City and SISD have the authority to enter into this Agreement under the Interlocal Cooperation Act (Chapter 791 of the Texas Government Code); and

WHEREAS, it is mutually beneficial for the parties to enter into an agreement which establishes the duties, assignment, responsibilities and obligations of the School Resource Officer(s), the City, and SISD.

NOW, THEREFORE, for and in consideration of the payments and mutual covenants contained herein, and for other good and valuable considerations, the parties agree as follows:

I. SCOPE OF AGREEMENT & PURPOSE

This Agreement establishes and delineates the mission of the School Resource Officer (“SRO”) Program, herein referred to as the SRO Program, as a cooperative effort. Additionally, the Agreement formalizes relationships between the parties in order to foster an efficient and cohesive SRO Program that will build a positive relationship between police officers and the youth of our community, in addition to reducing crime involving juveniles and young adults. Nothing in this Agreement should be construed as limiting or impeding the basic spirit of cooperation, which exists between the parties listed above.

II. MISSION & GOALS

The mission of the SRO Program is fostering a positive relationship and rapport with students as well as the reduction and prevention of school-related violence and crime committed by juveniles and young adults. The SRO Program accomplishes this mission by assigning Sherman police officers to SISD school facilities to assist with creating and maintaining safe, secure, and orderly learning environments for students, teachers, and staff. The SROs will establish a trusting channel of communication with students, parents, and teachers. The SROs will serve as a positive role model to instill in students good moral standards, good judgement, discretion, and respect for other students, and a sincere concern for the school community. SROs will promote awareness of the law to enable students to become better informed and effective citizens, while empowering students with the knowledge of law enforcement efforts as well as consequences for violations of the law. SROs will serve as an initial point of contact for students and parents concerning some of the problems they face as well as providing information on community resources available to them. SRO Program goals and objectives will be designed to develop and enhance rapport between youth, police officers, school administrators, and parents.

Goals of the SRO Program

- Foster positive relationships and rapport with students.
- Establish rapport with parents, faculty, staff, administrators, and other adults.
- Create, start and expand programs with vision and creativity, which will benefit the students, school district, police department, and the community.
- Provide safety for students, faculty, staff, and all persons involved with the school district.
- Reduce incidents of school violence and criminal offenses committed by juveniles and young adults.

III. ORGANIZATIONAL STRUCTURE

A. Compositions

The SRO program will consist of the City providing SISD with one (1) full time Sherman Police personnel that is a certified Peace Officer for the State of Texas, licensed by the Texas Commission on Law Enforcement (TCOLE), licensed as provided by Occupations Code Chapter 1701, and meet all requirements as set forth by the City and Sherman Police Department Rules and Regulations for the 2018-2019 school year. The SROs shall be assigned to campuses during scheduled instructional days which generally includes 174 days during each calendar year. The SROs shall act as any other Sherman paid police professional. The SROs are governed by the same laws, policies, and procedures and will use discretionary powers in enforcing all local, state, and federal laws, including the Texas Education Code. The SROs shall follow the policies and procedures of SISD to the extent those policies do not conflict with the policies and procedures of the City or the Chief of Police. The SROs shall provide services consistent with the terms of this Agreement, SISD comprehensive safety programs, and SISD Board policy to include, but not limited to:

1. Education of teachers and students regarding the law, investigation of criminal activity on school grounds, drug prevention, and crisis intervention.
2. Interaction with the student body, faculty, and visitors by providing the following: education in crime prevention, student awareness of drugs and crimes, and an enhanced communication between the police and the student body.
3. Assist in security efforts at the designated school.
4. A SRO in a public elementary school shall at least once each school year offer to provide instruction to students in a firearms accident prevention program, as determined by SISD. A firearms prevention program must include the safety message, "Stop! Don't Touch. Leave the Area. Tell an Adult.", and may include instructional materials from the National Rifle Association Eddie Eagle Gun Safe Program, including animated videos and activity books. Texas Occupations Code 1701.603.

B. Supervision

The day-to-day operation and administrative control of the SRO Program will be the responsibility of the City's Police Department. Responsibility for the conduct of the SRO personnel, both personally and professionally, shall remain with the City's Police Department. The City's Police Department shall retain supervisory personnel who will work with SISD personnel to oversee the program. The SISD and City will discuss and agree on any special circumstances.

IV. PROCEDURES

A. City Responsibilities

The City shall provide law enforcement training and certification, Basic SRO training, a police vehicle, and other police equipment including communication equipment necessary to allow each officer to communicate with the City's Police Department and other officers.

SROs are first and foremost law enforcement officers of the City's Police Department and employees of the City. SROs shall be responsible for carrying out all duties and responsibilities of a police officer and shall remain at all times under the control, through the chain of command, of the City's Police Department. SROs are enforcement officers and handle criminal matters. SROs report directly to the assigned Police Department supervisor or their designee regarding after hour assignments and normal law enforcement duties. While on campus, the SRO will report directly to the principal and assistant principal regarding the daily routine and communication issues on campus and then, if additional support is requested, shall report to the Assistant Superintendent of Student Support and Engagement. SROs are not formal counselors, however, they are a resource to assist students, faculty, staff, and all persons involved with SISD. SROs can teach a variety of subjects to students and staff, ranging from alcohol and drug education to formalized academy classes, and other classes as deemed necessary by SISD and the City. The SROs should arrive on time (a minimum of thirty (30) minutes before school starts) at and remaining on duty a minimum of thirty (30) minutes after the last school bus departs off campus. SROs should not leave early except for unforeseen circumstances. The exact work schedule for SROs will be determined and agreed upon between the City's Police Department and SISD officials.

Except in an extreme emergency, SROs should not be called away from SRO duties. If such an emergency occurs, SISD must be advised prior to departure.

B. Selection

SRO selection will be the responsibility of the City subject to approval by the SISD Superintendent or designee. The selection process will follow the normal steps established by the City. City will provide SISD, without cost, sufficient criminal background information to comply with state law and local procedure to confirm SROs criminal history status.

C. Duties and Responsibilities

The responsibilities of the SRO will include but are not be limited to:

1. Enforce criminal law and protect the students, staff, and public at large against criminal activity.
2. Provide information concerning questions about law enforcement topics to students and staff.
3. Provide classroom instruction on a variety of topics including, but not limited to, narcotics, safety, public relations, occupational training, leadership, and life skills.
4. Be present on campus during the hours agreed upon by City and SISD, Monday through Friday, and attend school special events and extra-curricular events as needed or as requested by SISD.
5. Supporting, but not enforcing, student adherence to SISD's Student Code of Conduct. Infractions of school rules, policies, or any behavior deemed inappropriate by the SRO will be reported by the SRO to the appropriate school officials within a practical time frame.

Any disputes regarding assigned duties and responsibilities will be resolved between the principal and the SROs supervisor. Should an agreement not be reached the dispute will be resolved between the SISD Superintendent or designee and the City's Chief of Police or designee.

D. Enforcement

Although SROs have been placed in a formal education environment, they are not relieved of their official duties as enforcement officers. Decisions to intervene normally will be made when it is necessary to prevent any criminal act. Citations should be issued and arrests made when appropriate and in accordance with the law and City's Police Department Policy.

The City's Police Department agrees to respond to all calls for service and enforce or investigate any violations of the law at all SISD campuses located within the city limits of the Sherman. The City's Police Department will respond to all calls for service and enforce or investigate Class B misdemeanor offenses and above at any SISD campus not located within the city limits of Sherman. If the campus is not in the city limits of Sherman, the municipality in which the campus is located will be responsible for all Class C violations.

E. Information Sharing

1. The Sherman Police Department will share all information to the extent permitted by law, pertinent to the safety of any related party or facility of SISD, and all information pertinent to investigation.
2. SISD will share all information to the extent permitted by law that is needed to resolve an issue. If any health or safety emergency exception for release of information is requested, it is recognized that such discretionary release is to be determined by SISD. In the event that educational records or personally identifiable information (as defined by the Family Education Rights and Privacy Act or "FERPA"), is provided to a SRO, the SRO and the Sherman Police Department agree not to disclose such information to any other party, without prior consent of the parent, or as required or allowed by law. If a student is involved in illegal activity regardless whether school is in session, the SISD and the SRO, and vice versa, will to the extent permitted by law share the information; but only in compliance with all laws and regulations. If confidential educational records or personally identifiable information is requested, including records or video, but no emergency situation exists, the information may be released only upon the issuance of a judicial order or subpoena to produce the records or video and SISD may exercise its right to request such procedures at any time.

V. SCHOOL RESPONSIBILITIES

SISD shall provide the SRO an appropriately furnished office, which is deemed necessary to the performance of the SRO duties, but all other operational expenses shall be paid by the City. The City of Sherman Chief of Police ("Chief") or designee shall meet and confer with the campus principals from time to time, to establish mutually agreeable operational policies for the SROs. However, nothing in this Agreement shall abridge the right and responsibility of the Chief to assign, replace, discipline, or otherwise supervise the activities of the SRO. The SROs assigned to SISD shall be subject to the approval of the SISD Superintendent or designee. SISD understands that the Chief may rotate or change any officer assigned to serve as an SRO; provided, however that SISD may refuse any particular officer assigned as SRO and request assignment of a different officer.

VI. TERM & COST CONSIDERATIONS

The term of this Agreement shall commence on the 15th day of August 2018, and will automatically renew from year to year, unless earlier terminated as provided herein.

The City of Sherman and the Sherman Independent School District (SISD) shall share the expenses that are related to the SRO. The City will pay any expenses that are strictly City related; in turn the SISD will pay any expenses that are strictly SISD related. The SRO salary and overhead shall be paid at 30% by the City and 70% by the SISD with exception of training and SISD extracurricular school events. The City will cover the costs of training and SISD will cover the costs of SISD extra-curricular events. The City will bill SISD each quarter; July, November, March, and June.

SISD shall pay CITY the total sum of \$65,945.75 for services rendered for 2018-19. The Payment formula and calculation for this payment is set forth in Addendum 2018-2019 attached hereto and incorporated by reference herein. The calculation is based upon 70% of the estimated cost of the current salary and benefits of the full-time officer(s) assigned to SRO positions as established by the City's FY19 budget. SISD will not be responsible for any overtime pay or any other costs or expenses not specifically set out herein.

For subsequent school years of this Agreement, on or before each April 30, the City shall provide SISD an invoice of the costs to be paid for funding the SROs for the following fiscal year. SISD shall notify the City in writing, of its election to terminate the Agreement by May 31. If the number of SROs is changed, the amount owed under this Agreement shall be changed by mutual agreement of the parties.

If an SRO is absent more than five (5) school days, the SRO shall be replaced with a suitable replacement and payment shall be reduced or refunded on a prorated basis. The parties agree that every effort should be made to schedule and/or designate training, vacation days, compensatory time, and other days off at times when school is not in session or at other times when the absence of a SRO will not otherwise create an unnecessary risk or hamper school operations.

The City shall assign a replacement for the SRO when absent from duty on all scheduled SISD instructional days at no additional charge to the SISD. In the event that a replacement is not available, payment for SRO services shall be reduced on a prorated basis.

VII. TERMINATION

Should either party (City or SISD) decide to stop participating in the program at any time, with or without cause, a ninety (90) day notice will be provided to the other party.

No termination will relieve the obligation of SISD to pay City of any amounts due and payable for services performed hereunder prior to termination. City shall refund to SISD any pro rata pre-paid amounts for services after the date of termination. This Agreement may be terminated by any party upon no less than thirty (30) days written notice to the other party should the other party fail substantially to perform in accordance with the terms of this Agreement.

VIII. MUTUAL HOLD HARMLESS

To the extent allowed by law, SISD does hereby agree to waive all claims against, release, and hold harmless City and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees,

including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

To the extent allowed by law, City does hereby agree to waive all claims against, release and hold harmless SISD and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees, including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

It is the intention of both parties that this mutual hold harmless clause shall be interpreted to mean each party shall be responsible for the actions of each party's own employees, officials, officers, and agents. The parties hereby agree that they have not waived their sovereign and/or governmental immunity by entering into and performing its obligations under this agreement. No joint enterprise is created and no third-party beneficiaries are intended or created.

IX. MISCELLANEOUS

- A. Independent Contractor: City is and at all times deemed to be an independent contractor and shall be wholly responsible for the manner in which it determines which officer is assigned to the SRO Program and the way City performs the services required by the terms of this Agreement. Nothing herein shall be construed as creating the relationship of employer and employee, or principal and agent, between SISD and City or any of City's agents or employees, or between SISD and a SRO. City assumes exclusive responsibility for the acts of its employees as they relate to the services provided during the course and scope of their employment. City, its agents and employees, including a SRO, shall not be entitled to any rights or privileges of SISD employees and shall not be considered in any manner to be a SISD employee.
- B. Insurance: City is self-insured, and shall provide SISD documentation of its coverages, said coverages to meet the approval of SISD. City shall maintain, during the term of this Agreement, workers' compensation insurance, general liability coverage, and auto liability coverage for its employees engaged in work under this Agreement. Upon request, City shall provide SISD with Certificates of Insurance indicating such coverage prior to the beginning of any activities under this Agreement.
- C. Availability of Funds: All expenditures made by City and SISD, in fulfilling their obligations hereunder, shall be paid only from current revenues legally available to each party.
- D. Assignment: Neither party shall assign, transfer, or subcontract any of its rights, burdens, duties or obligations under this Agreement without the prior written permission of the other party to this Agreement. This Agreement inures to the benefit of and obligates only the parties executing this Agreement. No term or provision of this Agreement is intended to benefit any benefit.
- E. Waiver: No waiver of a breach or any provision of the Agreement by either party shall constitute a waiver of any subsequent breach of such provision. Failure of either party to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waive thereof.
- F. Choice of Law and Venue: All obligations of each party shall be performed in Grayson County, Texas. The laws of the State of Texas shall govern the interpretation, validity, performance, and

enforcement of this Agreement and the exclusive venue for any legal proceedings involving this Agreement shall be Grayson County, Texas.

- G. Notices: Notices to SISD shall be deemed given when delivered in person to the Superintendent of Schools or on the next business day after the mailing of said notice addressed to said SISD by United States mail, certified or registered mail, return receipt requested, to 2701 Loy Lake Road, Sherman, TX 75090.

Notices to City shall be deemed given when delivered in person to the City Manager or on the next business day after mailing of said notice addressed to said City by United States mail, certified or registered mail, return receipt requested, to 220 W Mulberry St, Sherman, TX, 75090.

The place for mailing notices for a party may be changed only upon written notice given to the other in the manner herein prescribed for notices sent to the last effective place of mailing for the notifying party.

- H. Legal Construction, Entire Agreement: If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, (1) such provision shall be fully severable, (2) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been a part of this Agreement, and (3) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. This Agreement is the entire agreement between SISD and City as to the subject matter thereof, and is the sole and only agreement of the parties and supersedes any prior understanding or written or oral agreement relative to the subject matter hereof. This Agreement may be amended only by written instrument duly approved and executed by both parties.

Robby Hefton, City Manager
City of Sherman

Date

Dr. David Hicks, Superintendent
Sherman Independent School District

Date

**SHERMAN INDEPENDENT SCHOOL DISTRICT AND SHERMAN POLICE DEPARTMENT
SCHOOL RESOURCE OFFICER ADDENDUM 2018-2019**

Effective for the 2018-2019 school year, the Sherman Police Department (SPD) will provide one (1) School Resource Officer (SRO) and one (1) police vehicle for the School Resource Officer Program.

The City of Sherman has projected the annual cost of \$94,208.22 for this service including salaries and benefits. Sherman Independent School District (SISD) portion would be \$65,945.75.

Salary Level	PP8
Base and Seniority	\$64,690.95
Longevity	\$600.00
Certifications:	
Master Peace Officer	\$3,300.00
Salary Total	\$69,790.95
Retirement (TMRS)	\$10,015.00
Insurance	\$7,682.40
FICA/Medicare	\$5,339.01
Worker's Compensation	\$1,380.86
Benefits Total	\$24,417.27
Total Yearly Cost	\$94,208.22

Effective on August 15, 2018, one (1) SRO will be assigned to the Sherman High School or as agreed per the terms of the agreement.

Robby Hefton, City Manager
City of Sherman

Date

Dr. David Hicks, Superintendent
Sherman Independent School District

Date



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C.2.

Meeting Date: 08/06/2018

Prepared By: Brandon Shelby, City Attorney

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6390**

Authorizing the Execution of an Unimproved Property Contract with Brookstone Estates Development JV for the Purchase of a 6.920 acre tract of land, more or less, situated in the Elizabeth Jones Survey, Abstract No. 625, City of Sherman, County of Grayson, State of Texas, being more fully described by metes and bounds in the attached Exhibit "A" and illustrated in the attached Exhibit "B"

Issue:

To consider a contract for the purchase of an approximately 6.920 acre tract of land on F.M. 1417 (Heritage Parkway) for park purposes

Background:

In order to meet the growing need for park space for recreational sports use, the City has negotiated the purchase of 6.920 acres of land to be dedicated for park use. This space is adjacent to the existing Baker Park and is also adjacent to a utility right-of-way recently acquired that is expected to be part of the City's expanding trails system.

Origination:

City Manager Robby Hefton

Financial Consideration:

The contract reflects a purchase price of \$62,300.00 for the tract of park land. The purchase is being funded through bonds to be issued by the City in August.

Staff Recommendation:

It is recommended that the City Manager be authorized to execute the Unimproved Property Contract to purchase the 6.920 acres of park land.

Alternatives:

No alternatives are recommended.

Attachments

Resolution No. 6390

Unimproved Property Contract

Exhibit "A"

Exhibit "B"

Aerial Location Map

RESOLUTION NO. 6390

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN UNIMPROVED PROPERTY CONTRACT WITH BROOKSTONE ESTATES DEVELOPMENT JV FOR THE PURCHASE OF A 6.920 ACRE TRACT OF LAND, MORE OR LESS, SITUATED IN THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625, CITY OF SHERMAN, COUNTY OF GRAYSON, STATE OF TEXAS, BEING MORE FULLY DESCRIBED BY METES AND BOUNDS IN THE ATTACHED EXHIBIT "A" AND ILLUSTRATED IN THE ATTACHED EXHIBIT "B"; 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, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Unimproved Property Contract with Brookstone Estates Development JV for the purchase of a 6.920 acre tract of land, more or less, being more fully described by metes and bounds in the attached Exhibit "A" and illustrated in the attached Exhibit "B", in the same or substantially same form as the contract documents and exhibits 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 _____, 2018.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

2-12-18

UNIMPROVED PROPERTY CONTRACT

NOTICE: Not For Use For Condominium Transactions



1. **PARTIES:** The parties to this contract are Brookstone Estates Development JV (Seller) and _____ (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. **PROPERTY:** Lot _____, Block _____, Addition, _____, City of Sherman, County of Grayson, Texas, known as 6.92 acres FM 1417 75092 (address/zip code), or as described on attached exhibit together with all rights, privileges and appurtenances pertaining thereto, including but not limited to: water rights, claims, permits, strips and gores, easements, and cooperative or association memberships (the Property).

RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. **SALES PRICE:**

- A. Cash portion of Sales Price payable by Buyer at closing. \$ 62,300.00
 B. Sum of all financing described in the attached: ☐ Third Party Financing Addendum, ☐ Loan Assumption Addendum, ☐ Seller Financing Addendum. \$ _____
 C. Sales Price (Sum of A and B) \$ 62,300.00

4. **LICENSE HOLDER DISCLOSURE:** Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: Joe Gilbert, Dean Gilbert, Sr. and Bill Westhoff

5. **EARNEST MONEY:** Within 3 days after the Effective Date, Buyer must deliver \$ 630.00 as earnest money to RED RIVER, as escrow agent, at 421 N CROCKETT (address). Buyer shall deposit additional earnest money of \$ _____ to escrow agent within _____ days after the effective date of this contract. If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money. If the last day to deliver the earnest money falls on a Saturday, Sunday, or legal holiday, the time to deliver the earnest money is extended until the end of the next day that is not a Saturday, Sunday, or legal holiday. **Time is of the essence for this paragraph.**

6. **TITLE POLICY AND SURVEY:**

- A. **TITLE POLICY:** Seller shall furnish to Buyer at ☐ Seller's ☒ Buyer's expense an owner's policy of title insurance (Title Policy) issued by RED RIVER (Title Company) in the amount of the Sales Price, dated at or near closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
- (1) Restrictive covenants common to the platted subdivision in which the Property is located.
 - (2) The standard printed exception for standby fees, taxes and assessments.
 - (3) Liens created as part of the financing described in Paragraph 3.
 - (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
 - (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
 - (6) The standard printed exception as to marital rights.
 - (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
 - (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:
- ☐ (i) will not be amended or deleted from the title policy; or
☒ (ii) will be amended to read, "shortages in area" at the expense of ☒ Buyer ☐ Seller.
- (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.
- B. **COMMITMENT:** Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address _____

TAR 1607 Initialed for identification by Buyer _____ and Seller JS

TREC NO. 9-13

Contract Concerning 6.92 acres FM 1417 Sherman, Tx 75092 Page 2 of 9 2-12-18
(Address of Property)

shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)

- ☒ (1) Within 1 days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit promulgated by the Texas Department of Insurance (T-47 Affidavit). If Seller fails to furnish the existing survey or affidavit within the time prescribed, Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date. If the existing survey or affidavit is not acceptable to Title Company or Buyer's lender(s), Buyer shall obtain a new survey at ☐ Seller's ☒ Buyer's expense no later than 3 days prior to Closing Date.
- ☐ (2) Within _____ days after the Effective Date of this contract, Buyer shall obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier.
- ☐ (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.

D. OBJECTIONS: Buyer may object in writing to (i) defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; or disclosed in the Commitment other than items 6A(1) through (9) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity:

Buyer must object the earlier of (i) the Closing Date or (ii) _____ days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or Survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or Survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, Survey, or Exception Document(s) is delivered to Buyer.

E. TITLE NOTICES:

(1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.

(2) MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S): The Property ☐ is ☒ is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2 in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.

If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in 24 Property Owners Association should be used.

Contract Concerning 6.92 acres FM 1417 Sherman, Tx 75092 Page 3 of 9 2-12-18
 (Address of Property)

- (3) **STATUTORY TAX DISTRICTS:** If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.
- (4) **TIDE WATERS:** If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.
- (5) **ANNEXATION:** If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (6) **PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) **PUBLIC IMPROVEMENT DISTRICTS:** If the Property is in a public improvement district, §5.014, Property Code, requires Seller to notify Buyer as follows: As a purchaser of this parcel of real property you are obligated to pay an assessment to a municipality or county for an improvement project undertaken by a public improvement district under Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the municipality or county levying the assessment. The amount of the assessments is subject to change. Your failure to pay the assessments could result in a lien on and the foreclosure of your property.
- (8) **TEXAS AGRICULTURAL DEVELOPMENT DISTRICT:** The Property ☐ is ☒ is not located in a Texas Agricultural Development District. For additional information, contact the Texas Department of Agriculture.
- (9) **TRANSFER FEES:** If the Property is subject to a private transfer fee obligation, §5.205, Property Code requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (10) **PROPANE GAS SYSTEM SERVICE AREA:** If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. An addendum containing the notice approved by TREC or required by the parties should be used.
- (11) **NOTICE OF WATER LEVEL FLUCTUATIONS:** If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."

7. PROPERTY CONDITION:

- A. **ACCESS, INSPECTIONS AND UTILITIES:** Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.

NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

- B. **ACCEPTANCE OF PROPERTY CONDITION:** "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7B (1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

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(Check one box only)

- ☒ (1) Buyer accepts the Property As Is.
☐ (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections" that do not identify specific repairs and treatments.)

- C. **COMPLETION OF REPAIRS:** Unless otherwise agreed in writing: (i) Seller shall complete all agreed repairs and treatments prior to the Closing Date; and (ii) all required permits must be obtained, and repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. At Buyer's election, any transferable warranties received by Seller with respect to the repairs and treatments will be transferred to Buyer at Buyer's expense. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days, if necessary, for Seller to complete repairs and treatments.
- D. **ENVIRONMENTAL MATTERS:** Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.
- E. **SELLER'S DISCLOSURES:** Except as otherwise disclosed in this contract, Seller has no knowledge of the following:
- (1) any flooding of the Property which has had a material adverse effect on the use of the Property;
 - (2) any pending or threatened litigation, condemnation, or special assessment affecting the Property;
 - (3) any environmental hazards that materially and adversely affect the Property;
 - (4) any dumpsite, landfill, or underground tanks or containers now or previously located on the Property;
 - (5) any wetlands, as defined by federal or state law or regulation, affecting the Property; or
 - (6) any threatened or endangered species or their habitat affecting the Property.
8. **BROKERS' FEES:** All obligations of the parties for payment of brokers' fees are contained in separate written agreements.
9. **CLOSING:**
- A. The closing of the sale will be on or before August 30, 2018, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.
 - B. At closing:
 - (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
 - (2) Buyer shall pay the Sales Price in good funds acceptable to the escrow agent.
 - (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
 - (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
10. **POSSESSION:**
- A. **Buyer's Possession:** Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.
 - B. **Leases:**
 - (1) After the Effective Date, Seller may not execute any lease (including but not limited to mineral leases) or convey any interest in the Property without Buyer's written consent.
 - (2) If the Property is subject to any lease to which Seller is a party, Seller shall deliver to Buyer copies of the lease(s) and any move-in condition form signed by the tenant within 7 days after the Effective Date of the contract.
11. **SPECIAL PROVISIONS:** (Insert only factual statements and business details applicable to the sale. TREC rules prohibit license holders from adding factual statements or business details for which a contract addendum or other form has been promulgated by TREC for mandatory use.)
1. Legal description attached and identified as exhibit 'a'
 2. Buyer agrees to cooperate with seller, at no cost to buyer, in order to file two drainage easements as identified on exhibit 'b' prior to closing.

12. SETTLEMENT AND OTHER EXPENSES:**A. The following expenses must be paid at or prior to closing:****(1) Expenses payable by Seller (Seller's Expenses):**

(a) Releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; and other expenses payable by Seller under this contract.

(b) Seller shall also pay an amount not to exceed \$ _____ to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veterans Land Board or other governmental loan programs, and then to other Buyer's Expenses as allowed by the lender.

(2) Expenses payable by Buyer (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; and other expenses payable by Buyer under this contract.

B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.

13. PRORATIONS AND ROLLBACK TAXES:

A. PRORATIONS: Taxes for the current year, interest, maintenance fees, assessments, dues and rents will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.

B. ROLLBACK TAXES: If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Assessments are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

17. ATTORNEY'S FEES: A Buyer, Seller, Listing Broker, Other Broker, or escrow agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. ESCROW:

A. ESCROW: The escrow agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as escrow agent.

B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, escrow

- agent may: (i) require a written release of liability of the escrow agent from all parties, (ii) require payment of unpaid expenses incurred on behalf of a party, and (iii) only deduct from the earnest money the amount of unpaid expenses incurred on behalf of the party receiving the earnest money.
- C. **DEMAND:** Upon termination of this contract, either party or the escrow agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the escrow agent. If either party fails to execute the release, either party may make a written demand to the escrow agent for the earnest money. If only one party makes written demand for the earnest money, escrow agent shall promptly provide a copy of the demand to the other party. If escrow agent does not receive written objection to the demand from the other party within 15 days, escrow agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors. If escrow agent complies with the provisions of this paragraph, each party hereby releases escrow agent from all adverse claims related to the disbursement of the earnest money.
- D. **DAMAGES:** Any party who wrongfully fails or refuses to sign a release acceptable to the escrow agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- E. **NOTICES:** Escrow agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by escrow agent.
19. **REPRESENTATIONS:** All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.
20. **FEDERAL TAX REQUIREMENTS:** If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.
21. **NOTICES:** All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by fax or electronic transmission as follows:

To Buyerat: Attn Robbie Hefton220 W Mulberry Sherman, Tx 75090Phone: (903)892-7200

Fax: _____

E-mail: robbyh@ci.sherman.tx.us**To Seller**at: Attn Joe Gilbert801 E Taylor St. Sherman, Tx 75090Phone: (903)821-6514

Fax: _____

E-mail: joe@deangilbert.com

22. **AGREEMENT OF PARTIES:** This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are (check all applicable boxes):

- | | |
|---|---|
| ☐ Third Party Financing Addendum | ☐ Addendum for Coastal Area Property |
| ☐ Seller Financing Addendum | ☐ Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum |
| ☐ Addendum for Property Subject to Mandatory Membership in a Property Owners Association | ☐ Addendum for Property Located Seaward of the Gulf Intracoastal Waterway |
| ☐ Buyer's Temporary Residential Lease | ☐ Addendum for Sale of Other Property by Buyer |
| ☐ Seller's Temporary Residential Lease | ☐ Addendum for Property in a Propane Gas System Service Area |
| ☐ Addendum for Reservation of Oil, Gas and Other Minerals | ☒ Other (list): <u>Exhibit 'a' legal description</u> |
| ☐ Addendum for "Back-Up" Contract | <u>Exhibit 'b' proposed drainage</u> |
| ☐ Addendum Concerning Right to Terminate Due to Lender's Appraisal | <u>easement locations.</u> |

Contract Concerning 6.92 acres FM 1417 Sherman, Tx 75092 Page 7 of 9 2-12-18
 (Address of Property)

23. TERMINATION OPTION: For nominal consideration, the receipt of which is hereby acknowledged by Seller, and Buyer's agreement to pay Seller \$ _____ (Option Fee) within 3 days after the Effective Date of this contract, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If no dollar amount is stated as the Option Fee or if Buyer fails to pay the Option Fee to Seller within the time prescribed, this paragraph will not be a part of this contract and Buyer shall not have the unrestricted right to terminate this contract. If Buyer gives notice of termination within the time prescribed, the Option Fee will not be refunded; however, any earnest money will be refunded to Buyer. The Option Fee ☐ will ☐ will not be credited to the Sales Price at closing. Time is of the essence for this paragraph and strict compliance with the time for performance is required.

24. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate license holders from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's
 Attorney is: Brandon Shelby
220 W Mulberry St
Sherman TX 75090-5832

Phone: (903)892-7305

Fax: _____

E-mail: _____

Seller's
 Attorney is: Dean Gilbert, Jr.
801 E Taylor St
Sherman Tx 75090

Phone: (903)327-5188

Fax: _____

E-mail: chief@deangilbert.com

EXECUTED the _____ day of _____, _____ (Effective Date).
 (BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

81CFC700803D43E

Joe Gilbert

DocuSigned By: Joe Gilbert

Buyer _____

Seller
 Brookstone Estates Development JV

Buyer _____

Joe Gilbert
 Authorized
 Signer for
 Brookstone
 Estates
 Development
 JV



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. 9-13. This form replaces TREC NO. 9-12.

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BROKER INFORMATION
 (Print name(s) only. Do not sign)

Other Broker Firm	License No.	Listing Broker Firm	License No.
represents ☐ Buyer only as Buyer's agent		represents ☐ Seller and Buyer as an intermediary	
☐ Seller as Listing Broker's subagent		☐ Seller only as Seller's agent	

Associate's Name	License No.	Listing Associate's Name	License No.
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Associate's Email Address	Phone	Listing Associate's Email Address	Phone
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Licensed Supervisor of Associate	License No.	Licensed Supervisor of Listing Associate	License No.
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Other Broker's Address	Phone	Listing Broker's Office Address	Phone
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City	State	Zip	City	State	Zip
------	-------	-----	------	-------	-----

Selling Associate's Name	License No.
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Selling Associate's Email Address	Phone
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Licensed Supervisor of Selling Associate	License No.
--	-------------

Selling Associate's Office Address

City	State	Zip
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Listing Broker has agreed to pay Other Broker _____ of the total sales price when the Listing Broker's fee is received. Escrow agent is authorized and directed to pay Other Broker from Listing Broker's fee at closing.

Contract Concerning 6.92 acres FM 1417 Sherman, Tx 75092 Page 9 of 9
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OPTION FEE RECEIPTReceipt of \$ _____ (Option Fee) in the form of _____
is acknowledged._____
Seller or Listing Broker_____
Date**EARNEST MONEY RECEIPT**Receipt of \$ _____ Earnest Money in the form of _____
is acknowledged._____
Escrow Agent Received by Email Address Date/Time_____
Address Phone_____
City State Zip Fax**CONTRACT RECEIPT**

Receipt of the Contract is acknowledged.

Escrow Agent Received by Email Address Date_____
Address Phone_____
City State Zip Fax**ADDITIONAL EARNEST MONEY RECEIPT**Receipt of \$ _____ additional Earnest Money in the form of _____
is acknowledged._____
Escrow Agent Received by Email Address Date/Time_____
Address Phone_____
City State Zip Fax

Exhibit A pg
2

BEING all of that certain tract or parcel of land situated in the Elizabeth Jones Survey, Abstract No. 625, City of Sherman, Grayson County, Texas, and being part of a called 136.88 acre tract of land described as Tract 2 in the deed to SSCGC Holdings, LLC, recorded in Volume 5232, Page 220, Official Records of Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a bent 1/2-inch iron rod found for a re-entrant corner on the southerly line of said 136.88 acre tract, common to the northeast corner of Pebblebrook Phase II, an addition to the City of Sherman according to the plat thereof recorded in Volume 8, Page 117, Plat Records of Grayson County, Texas;

THENCE North 15°16'36" West, crossing said 136.88 acre tract, a distance of 611.18 feet to a 1/2-inch iron rod with a plastic cap stamped "PRESTON TRAILS LAND SURVEYING RPLS 6585" (hereinafter referred to as Capped Iron Rod) set for the northwest corner of the herein described tract of land, on the southerly line of a 100-foot wide electric easement described in Volume 798, Page 31, Deed Records of Grayson County, Texas;

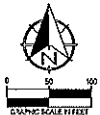
THENCE North 89°25'18" East, continuing across said 136.88 acre tract, with the southerly line of said easement, a distance of 441.50 feet to a Capped Iron Rod set for the northeast corner of the herein described tract of land, on the easterly line of said 136.88 acre tract, and on the westerly line of a called 83.311 acre tract of land described in the deed to the City of Sherman, recorded in Volume 1488, Page 684, said Deed Records;

THENCE with the easterly line of said 136.88 acre tract, and with the westerly line of said 83.311 acre tract, the following five (5) courses:

1. South 05°44'02" East, along or near a fence, a distance of 161.97 feet to a Capped Iron Rod set for corner;
2. South 13°59'58" West, along or near a fence, a distance of 170.10 feet to a Capped Iron Rod set for corner;
3. South 05°50'02" East, along or near a fence, a distance of 480.20 feet to a Capped Iron Rod set for the eastern-most southeast corner of said 136.88 acre tract;
4. South 30°42'58" West, along or near a fence, a distance of 262.90 feet to a Capped Iron Rod set for the southern-most southeast corner of said 136.88 acre tract;
5. South 54°12'58" West, a distance 52.69 feet to a Capped Iron Rod set for the southern-most southwest corner of said 136.88 acre tract, common to the salient corner of said 83.311 acre tract, and on the easterly line of aforesaid Pebblebrook Phase II Addition;

THENCE North 15°15'08" West, with the westerly line of said 136.88 acre tract, and with the easterly line of said Pebblebrook Phase II Addition, passing en route at a distance of 418.09 feet a 1/2-inch iron rod with a plastic cap stamped "RPLS 6578" found for witness at the southeast corner of Lot 10 in Block 8 of said Pebblebrook Phase II Addition, and continuing on said course, a total distance of 483.75 feet to the POINT OF BEGINNING and enclosing 6.920 acres (301,453 square feet) of land, more or less.



Exhibit A pg.
1

All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4203), North American Datum of 1983.

LEGEND

●	FOUND MONUMENT
○	SET MONUMENT
RSC	1/2" IRON ROD W/ PRESTON TRAIL LAND SURVEYING, RPLS 6585" CAP SET
RF	IRON ROD FOUND
RFC	IRON ROD FOUND W/ PLASTIC CAP
CM	CONTROLLING MONUMENT
1	DEED OR PLAT CALL
1	BOUNDARY LINE
PR.D.C.T.	PLAT RECORDS, GRAYSON COUNTY, TEXAS
D.R.G.C.T.	DEED RECORDS, GRAYSON COUNTY, TEXAS
D.R.G.C.T.	OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS
VOL. PG.	VOLUME, PAGE
U.E.	UTILITY EASEMENT
D.E.	DRAINAGE EASEMENT
U.P.	UTILITY POWER POLE
T	TRANSFORMER
S	SAINTARY SEWER MANHOLE
SD	STORM DRAIN MANHOLE
BL	BOUNDARY LINE
AD	ADJACENT LINE
E	EASEMENT
W	WIRE FENCE
W	WOOD FENCE
W	OVERHEAD ELECTRIC UTILITY

ELIZABETH JONES SURVEY ABSTRACT NO. 625

REMAINDER CALLED 136.88 ACRES
SSCGC HOLDINGS, LLC
TRACT 2
VOL. 5322, PG. 229
O.R.G.C.T.

N 89°25'18" E 441.50'

N 15°16'36" W 611.18'

6.920 ACRES
PART OF A CALLED 136.88 ACRES
SSCGC HOLDINGS, LLC
TRACT 2
VOL. 5322, PG. 229
O.R.G.C.T.

CALLLED 83.311 ACRES
CITY OF SHERMAN
VOL. 1458, PG. 684
D.R.G.C.T.

POINT OF BEGINNING

1/2" IRON ROD

1/2" IRON ROD

1/2" IRON ROD

1/2" IRON ROD

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NOTES ADDRESSING SCHEDULE 'B' EXCEPTIONS:

Only those easements and/or other matters of record, as listed in Title Commitment OF No. 1804-20SH, Issued by Fidelity National Title Insurance Company, countersigned by Security Title Company, with an effective date of April 29, 2018, and an issued date of May 9, 2018, and related below were considered for this Survey. The surveyor did not perform an abstract of title.

- 10a. Right-of-way easement to Grayson County, of record in Volume 120, at Page 591 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10f. Easement to Denison and Sherman Railway Company, of record in Volume 227, Page 58 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10g. Easement to Texas Power & Light Company, of record in Volume 245, at Page 393 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10h. Easement to The Texas Company, of record in Volume 245, at Page 152 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10i. Easements to Texas Power & Light Company, of record in Volume 248, at Pages 350, 355, 357 and 359 of the Deed Records of Grayson County, Texas. (Vol. 248, Pg. 350: Does not affect the surveyed property) (Vol. 248, Pg. 355: Does not affect the surveyed property) (Vol. 248, Pg. 357: Unable to be located) (Vol. 248, Pg. 359: Unable to be located)
- 10j. Easement to Texas Power & Light Company, of record in Volume 260, at Page 500 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10k. Easements to Texas Power & Light Company, of record in Volume 317, at Pages 431 and 432 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10l. Easement to Texas Power & Light Company, of record in Volume 367, at Page 310 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10m. Easement to Texas Power & Light Company, of record in Volume 458, at Page 485 of the Deed Records of Grayson County, Texas. (Unable to be located)
- 10n. Perpetual easement granted to the United States of America in Volume 459, at Page 549 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10p. Easement to Texas Power & Light Company, of record in Volume 622, at Page 309 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10q. Texas Power and Light Company One Hundred Foot (100 Ft.) Easement and Right-of-Way, of record in Volume 788, at Pages 27, 31 and 33 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10r. Channel Easement to the State of Texas, of record in Volume 885, at Pages 100 and 102 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10s. Right of Way Deed to the State of Texas, of record in Volume 885, at Page 109 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10t. The surveyed property is subject to Terms and Provisions of the Choctaw Watershed Water Improvement District, as shown by Act of record in Volume 890, at Page 115 of the Deed Records of Grayson County, Texas, and further detailed in annual information forms and/or disclosure statements filed of record in Grayson County, Texas; Information Form recorded in Volume 2063, Page 703, of the Real Property Records of Grayson County, Texas; Statements of Facts recorded in Volume 2075, Page 661, of the Real Property Records, Grayson County, Texas; Utility Disclosure Addendum recorded in Volume 2435, at Page 698 of the Real Property Records of Grayson County, Texas.
- 10u. Easement to Texas Power & Light Company, of record in Volume 901, at Page 83 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10v. Easement for Highway purposes granted to the State of Texas, of record in Volume 930, at Page 192 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10w. Easement to the City of Sherman, of record in Volume 938, at Pages 250 and 254 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10x. Easement to Texas Power & Light Company, of record in Volume 939, at Page 193 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10y. Easement to Texas Power & Light Company, of record in Volume 968, at Page 245 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10z. Easement to Texas Power & Light Company, of record in Volume 1030, at Page 768 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10aa. Easement to Texas Power & Light Company, of record in Volume 1104, at Page 447 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10ab. Easement to Texas Power & Light Company, of record in Volume 1280, at Page 351 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10ad. Easement to the City of Sherman, of record in Volume 1457, at Page 793 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10ae. Easement to the City of Sherman, of record in Volume 1452, at Page 753 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10ap. City of Sherman Twenty Foot (20 Ft.) Utility Easement, of record in Volume 1455, at Page 612 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10ah. City of Sherman Flood Control Recreation and Park Purposes of record in Volume 1488, at Page 684 of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10g. Easement to the City of Sherman, of record in Volume 1892, at Page 693 of the Real Property Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10ik. City of Sherman Twenty Foot (20 Ft.) Sewer Line Easement recorded in Volume 1892, at Page 696, of the Deed Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10el. Easement to the City of Sherman, of record in Volume 1888, at Page 871 of the Real Property Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10m. Access Easement to Sherman-Tex Associates, L.P. of record in Volume 2455, Page 531 of the Official Public Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10oo. Easement and Right of Way granted to TXU Electric Delivery Company of record in Volume 3746, at Page 439 of the Official Public Records, Grayson County, Texas. (Does not affect the surveyed property)
- 10pp. Easement and Right of Way granted to TXU Electric Delivery Company of record in Volume 4107, at Page 649 of the Official Public Records, Grayson County, Texas. (Does not affect the surveyed property)
- 10qq. Easement and Right of Way granted to Oncor Electric Delivery Company of record in Volume 4476, at Page 406 of the Official Public Records, Grayson County, Texas. (Does not affect the surveyed property)
- 10rr. Grant of Easement to Enterprise Texas Pipeline, LLC. of record in Volume 4503, at Page 330 of the Official Public Records, Grayson County, Texas. (Does not affect the surveyed property)
- 10ss. Easement, Right of Way, and Access Corridor Agreement granted by Instrument dated January 8, 2014 executed by SSCGC HOLDINGS, LLC to GULF CROSSING PIPELINE COMPANY LLC recorded in Volume 5412, Pages 453 et seq of the Official Records of Grayson County, Texas. (Does not affect the surveyed property)
- 10ll. Easement granted by Instrument dated January 8, 2014 executed by SSCGC HOLDINGS, LLC to GULF CROSSING PIPELINE COMPANY LLC recorded in Volume 5412, Pages 453 et seq of the Official Records of Grayson County, Texas. (Does not affect the surveyed property)

LAND DESCRIPTION:

BEING all of that certain tract or parcel of land situated in the Elizabeth Jones Survey, Abstract No. 625, City of Sherman, Grayson County, Texas, and being part of a called 136.88 acre tract of land described as Tract 2 in the deed to SSCGC Holdings, LLC, recorded in Volume 5322, Page 220, Official Records of Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a bear 1/2-inch iron rod found for a re-entrant corner on the southerly line of said 136.88 acre tract, common to the northeast corner of Pebblebrook Phase II, an addition to the City of Sherman according to the plat thereof recorded in Volume 8, Page 117, Plat Records of Grayson County, Texas;

THENCE North 15°16'36" West, crossing said 136.88 acre tract, a distance of 511.18 feet to a 1/2-inch iron rod with a plastic cap stamped "PRESTON TRAIL LAND SURVEYING RPLS 6585" (hereinafter referred to as Capped Iron Rod) set for the northwest corner of the herein described tract of land, on the southerly line of a 100-foot wide electric easement described in Volume 788, Page 31, Deed Records of Grayson County, Texas;

THENCE North 89°25'18" East, continuing across said 136.88 acre tract, with the southerly line of said easement, a distance of 441.50 feet to a Capped Iron Rod set for the northeast corner of the herein described tract of land, on the easterly line of said 136.88 acre tract, and on the westerly line of a called 83.311 acre tract of land described in the deed to the City of Sherman, recorded in Volume 1488, Page 684, said Deed Records;

THENCE with the easterly line of said 136.88 acre tract, and with the westerly line of said 83.311 acre tract, the following five (5) courses:

1. South 05°44'02" East, along or near a fence, a distance of 161.97 feet to a Capped Iron Rod set for corner;
2. South 12°59'58" West, along or near a fence, a distance of 170.10 feet to a Capped Iron Rod set for corner;
3. South 85°50'02" East, along or near a fence, a distance of 480.20 feet to a Capped Iron Rod set for the eastern-most southeast corner of said 136.88 acre tract;
4. South 30°42'58" West, along or near a fence, a distance of 262.90 feet to a Capped Iron Rod set for the southern-most southeast corner of said 136.88 acre tract;
5. South 54°12'58" West, a distance 52.69 feet to a Capped Iron Rod set for the southern-most southwest corner of said 136.88 acre tract, common to the southeast corner of said 83.311 acre tract, and on the easterly line of a called Pebblebrook Phase II Addition;

THENCE North 15°16'36" West, with the westerly line of said 136.88 acre tract, and with the easterly line of said Pebblebrook Phase II Addition, passing on route at a distance of 418.09 feet a 1/2-inch iron rod with a plastic cap stamped "RPLS 6585" found for redness at the southeast corner of Lot 10 in Block 8 of said Pebblebrook Phase II Addition, and continuing on said course, a total distance of 483.75 feet to the POINT OF BEGINNING and enclosing 6.920 acres (301,453 square feet) of land, more or less.

FLOOD STATEMENT:

I have examined the F.E.M.A. Flood Insurance Rate Map for the City of Sherman, Grayson County, Texas, Community Number 48509, effective date 09/28/2010 and that map indicates that this property is within "Non-shaded Zone X" defined as "Areas determined to be outside the 0.2% annual chance flood" as shown on Panel 0400 F of said map. This flood statement does not imply that the property and/or structures thereon will be free from flooding or flood damage, on rare occasions, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor.

Certify to: Brookstone Estates Development Joint Ventures, SSCGC Holdings, LLC;
Fidelity National Title Insurance Company, Security Title Company;

I, Chris R. Noah, a Registered Professional Land Surveyor in the State of Texas, do hereby certify that this survey has been prepared from an actual on-the-ground survey of the premises depicted hereon and described in the land description attached hereto, conducted under my direction and supervision on 05/07/2018, and there are no discrepancies, conflicts, shortages in area or boundary line conflicts, or any intrusions of visible improvements from adjoining tracts, or protrusions of visible improvements onto adjoining tracts, to the best of my knowledge and belief, except as shown. I further certify that this survey meets or exceeds the minimum standards established by the Texas Board of Professional Land Surveying.

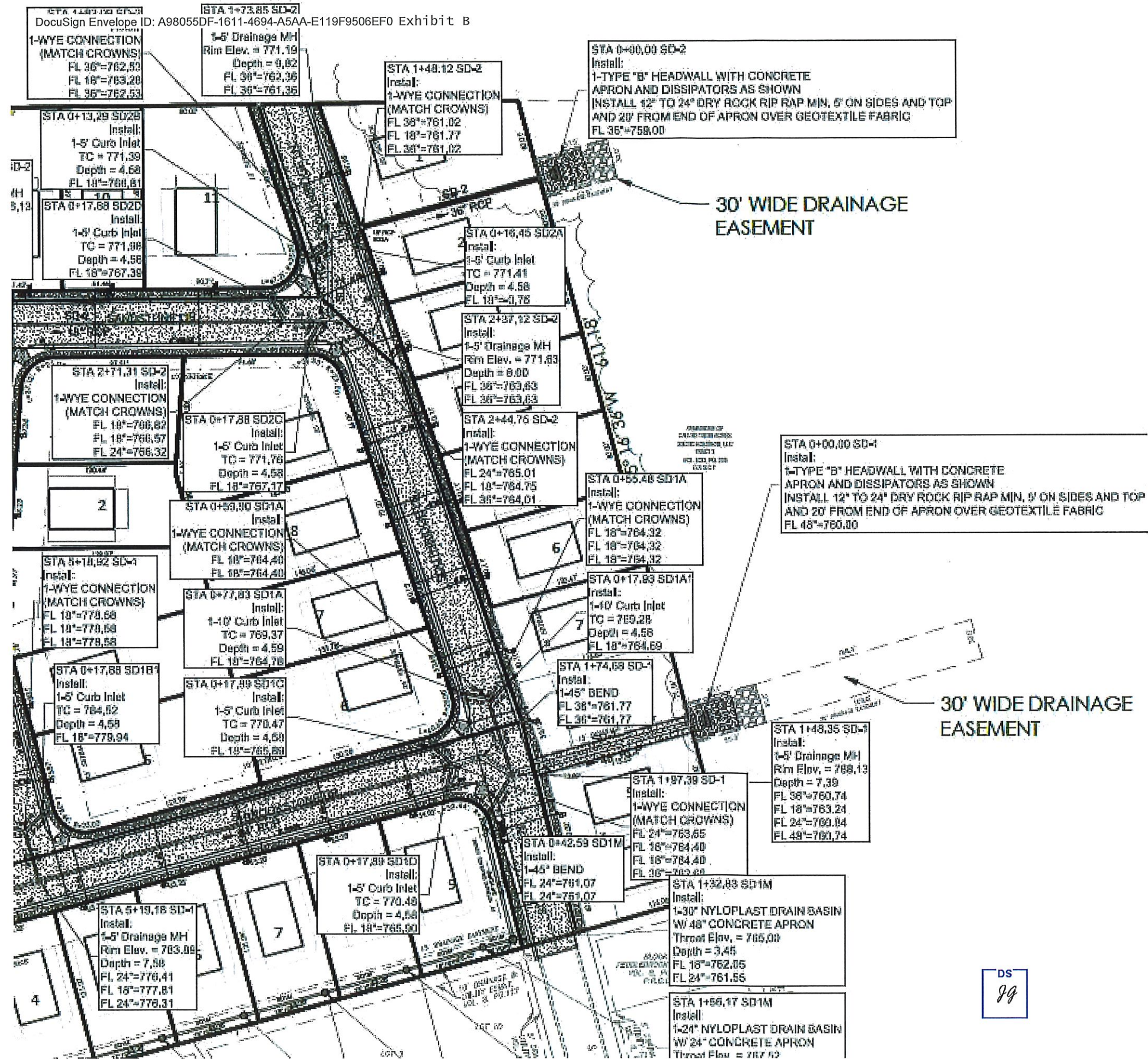
Chris R. Noah, R.P.L.S. No. 6585



DS
99

TITLE SURVEY
6.920 ACRES
ELIZABETH JONES SURVEY, ABSTRACT NO. 625
TBD Farm to Market 1417, Sherman
Grayson County, Texas

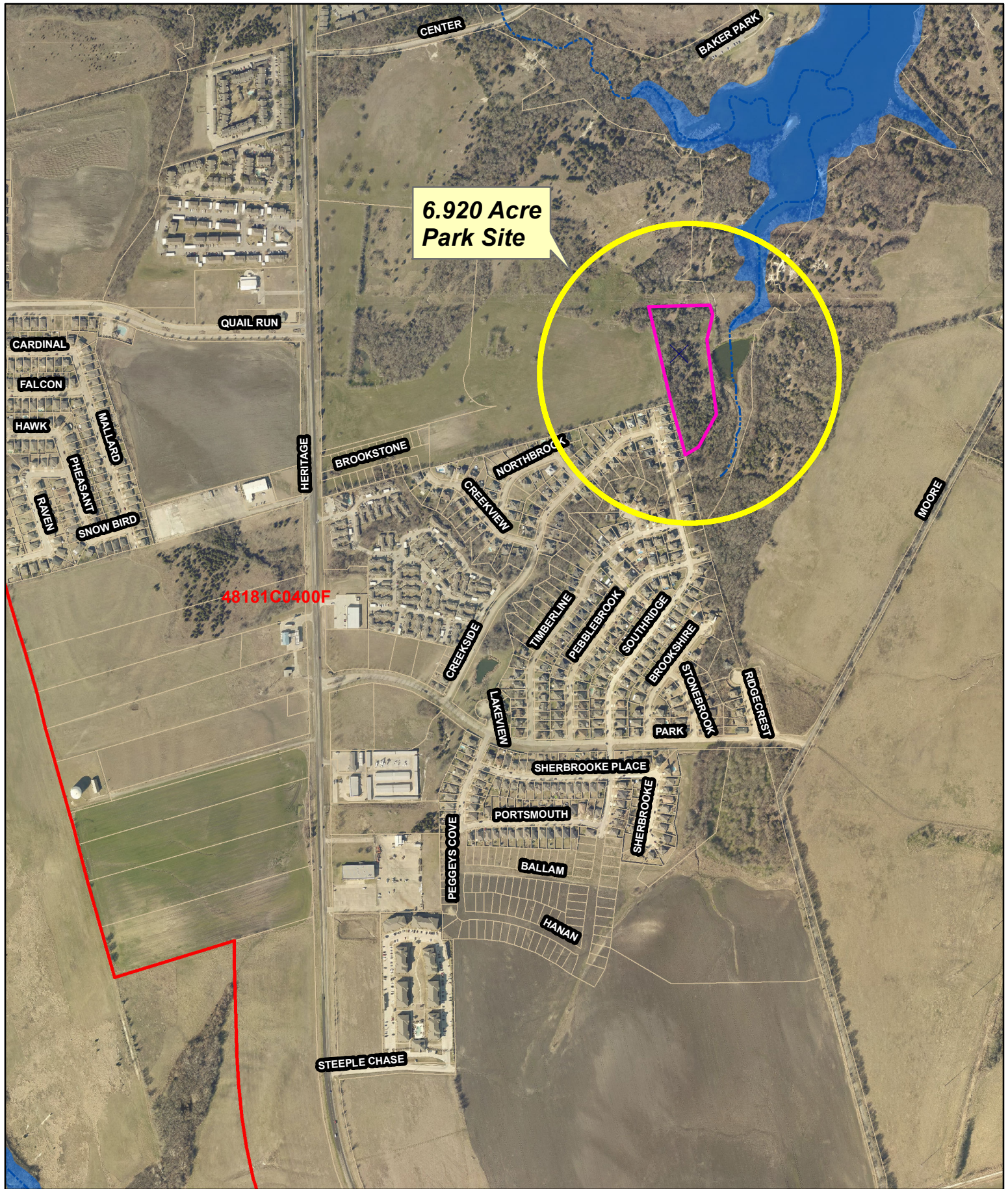
Preston Trail LAND SURVEYING		83430 N. State Hwy 289, Suite 5 Patterson, TX 75076 www.prestontrailandsurveying.com 903-788-8029	
TBPLS Plot No. 10194115	Drawn by: BHH Checked by: CHN	Scale: 1"=400' Date: 05/12/2018	Project No. 180195 Sheet No. 1 of 1



VILBIG & ASSOCIATES, INC.
CONSULTING ENGINEERS & SURVEYORS
517 W WOODWARD STREET DENISON, TX 75020
(214) 352-7333 fax (214) 352-0999
TEC-5 ENG. FIRM # F-5814 & SURVEYING FIRM # 10030000



BROOKSTONE ESTATES
Development Joint Venture
CITY OF SHERMAN, GRAYSON COUNTY, TX



6.920 Acre
Park Site

48181C0400F





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C.3.

Meeting Date: 08/06/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6391**

Authorizing Execution of an Agreement with Habitat For Humanity of Grayson County for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 611 South Montgomery Street

Issue:

This item is to consider property tax abatement for the construction of a new single-family residence at 611 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 current designated zone for residential tax abatement.

Origination:

Habitat For Humanity of Grayson County, Owner

Financial Consideration:

A \$75.00 application fee has been received for this residential lot. If granted, the initial abatement for this property will be approximately \$320.47 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. 6391

Residential Tax Abatement Agreement

Application

Warranty Deed

Survey

Building Permit

Site Plan

Photo

Location Map

Reinvestment Zone Map

RESOLUTION NO. 6391

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH HABITAT FOR HUMANITY OF GRAYSON COUNTY FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 611 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 Habitat For Humanity of Grayson County and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an agreement with Habitat For Humanity of Grayson County 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 611 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 _____, 2018.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

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 **HABITAT FOR HUMANITY OF GRAYSON COUNTY**, hereinafter referred to as OWNER,

WITNESSETH:

WHEREAS, on the 18th day of April, 2011, the City Council of Sherman, Texas, passed Ordinance No. 5692 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. 6210) 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 18th day of April, 2011;

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, 2017, and continuing for tax years 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025,

2026 and 2027, 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 2018, sometimes referred to herein as the Base Tax Year.

SCHEDULE OF TAXES ASSESSED

<u>TAX YEAR</u>	<u>ABATEMENT</u>
2018	100%
2019	100%
2020	100%
2021	100%
2022	100%
2023	100%
2024	80%
2025	60%
2026	40%
2027	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 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026 and 2027, 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 611 South Montgomery Street, Sherman, Texas, and as more particularly described by the following:

ALL that certain tract or parcel of land, situated in the City of Sherman, Grayson County, Texas, being a part of the Samuel Blagg Survey, also being the same land actually conveyed by deed from L.J. Leigh and wife, Christina Kolb Leigh, to Thomas Roy Farris and wife, Clodie Nolece Farris, as recorded in Volume 881, Page 404, of the Deed Records of Grayson County, Texas, this being the same lot conveyed by Clodie N. Farris, a widow, to Sherman Development Company, Inc. by deed dated November 3, 1969, as recorded in Volume 1147, Page 422, Deed Records, Grayson County, Texas, and described by metes and bounds as follows:

BEGINNING at an iron pipe in the east line of Montgomery Street at a point 100 feet South 16 deg. East from the intersection of said east line with the south line of East King Street;

THENCE South 16 deg. East with said east line for a distance of 90 feet to a fence and hedge;

THENCE North 74 deg. 30' East with said fence and hedge for a distance of 150 feet to a point in Channel of Creek;

THENCE with the meanders of said Creek Channel as follows: North 43 deg. 02' East for 46.6 feet; North 88 deg. 02' East for 41.2 feet; and North 87 deg. 14' East for a distance of 61.1 feet to the southwest corner of the tract conveyed to the City of Sherman by deed recorded in Volume 870, Page 560, of said records;

THENCE North 16 deg. West with the west line of said City tract for a distance of 34 feet to an angle in said west line;

THENCE North 01 deg. 35 West with said line for a distance of 57.8 feet to an iron pipe at the southeast corner of the 100 feet x 102.8 feet owned by W.B. Lawrence as shown by deed recorded in Volume 429, Page 479, of said Records;

THENCE South 74 deg. 30 West with a fence 100 feet South 16 deg. East from and parallel with the south line of East King Street, passing an iron pipe at said Lawrence's southwest corner at 102.8 feet, for a total distance of 302.8 feet to the **PLACE OF BEGINNING, CONTAINING 25,340 SQUARE FEET (0.582 ACRES) OF LAND.....**

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 512 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

Habitat for Humanity of Grayson County
PO Box 2725
Sherman, TX 75091
(903) 893-0009

Copy to: Grayson Appraisal District
512 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 _____, 2018.

CITY:
CITY OF SHERMAN, TEXAS

OWNER:
HABITAT FOR HUMANITY OF
GRAYSON COUNTY

BY: _____
ROBBY HEFTON
CITY MANAGER

BY: _____
DEAN HAMBRECHT
REPRESENTATIVE,
HABITAT FOR HUMANITY

ATTEST:

BY: _____
LINDA ASHBY
CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
BRANDON S. SHELBY
CITY ATTORNEY

THE STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared **DEAN HAMBRECHT** 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 _____, 2018 A.D.

**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**

**CITY OF SHERMAN
APPLICATION FOR RESIDENTIAL TAX ABATEMENT**

Property Owner:

Name: Habitat for Humanity of Grayson Co.

Mailing Address: PO Box 2725 901 N Grand Ave Sherman TX 75091

Telephone Number: 903 893 0009

Contact (if different than owner):

Name: _____

Mailing Address: _____

Telephone Number: _____

Property:

Physical Address: 611 S Montgomery Sherman TX

Summary Legal Description: Lot: _____ Block: _____ Addition: _____

Full Legal Description: G-0056 Bigger Samuel 0.582 Acres
Include as an attachment a full legal description with metes and bounds.

Improvements:

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

Estimated Value of Improvements: 75000.00

Estimated Date of Start of Construction: 8/1/18

Estimated Date of Completion of Project: 100 days

Description of Project: _____

New 3 bed 2 bath Home

Applicant(s): Dan Lambert

Date: 7/10/2018

Date: _____

Grayson County
Wilma Bush
Grayson County Clerk
Sherman, Texas 75090



70 2013 00023194

Instrument Number: 2013-00023194

As

Recorded On: October 31, 2013

Recordings

Parties: EVANS NELL J

Billable Pages: 2

To HABITAT FOR HUMANITY

Number of Pages: 4

Comment: WD

(Parties listed above are for Clerks reference only)

**** Examined and Charged as Follows: ****

Recordings	20.00
Total Recording:	20.00

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

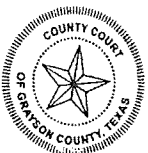
Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2013-00023194
Receipt Number: 388838
Recorded Date/Time: October 31, 2013 04:28:31P
Book-Vol/Pg: BK-OR VL-5381 PG-820
User / Station: J CARYOL - Cashiering Station 2

Record and Return To:

GILLESPIE AND GILLESPIE
200 N. TRAVIS
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 OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

WARRANTY DEED

Date: October 7, 2013

Grantor: Nell J. Evans

Grantor's Mailing Address (including county):

10006 Trailpine Circle
Dallas, Dallas County, Texas 75238

Grantee: Habitat for Humanity

Grantee's Mailing Address (including county):

P.O. Box 2725
Sherman, Grayson County, Texas 75091

Consideration: Ten Dollars and other valuable consideration to the undersigned paid by the Grantee herein named, the receipt of which is hereby acknowledged.

Property (including any improvements):

All that certain tract or parcel of land, situated in the City of Sherman, Grayson County, Texas, being a part of the Samuel Blagg Survey, also being the same land actually conveyed by deed from L.J. Leigh and wife, Christina Kolb Leigh, to Thomas Roy Farris and wife, Clodie Nolece Farris, as recorded in Volume 881, Page 404, of the Deed Records of Grayson County, Texas, this being the same lot conveyed by Clodie N. Farris, a widow, to Sherman Development Company, Inc. by deed dated November 3, 1969, as recorded in Vol. 1147, Page 422, Deed Records, Grayson County, Texas, and described by metes and bounds as follows:

BEGINNING at an iron pipe in the east line of Montgomery Street at a point 100 feet S. 16 deg. E. From the intersection of said east line with the south line of East King Street;

THENCE S. 16 deg. E. With said east line for a distance of 90 feet to a fence and hedge;

THENCE N. 74 deg. 30'E. with said fence and hedge for a distance of 150 feet to a point in Channel of Creek;

THENCE with the meanders of said Creek Channel as follows: N. 43 deg. 02'E for 46.6 feet; N. 88 deg. 02'E. for 41.2 feet; and N. 87 deg. 14'E. for a distance of 61.1 feet to the southwest corner of the tract conveyed to the City of Sherman by deed recorded in Vol. 870, Page 560, of said records;

THENCE N. 16 deg. W. With the west line of said City tract for a distance of 34 feet to an angle in said west line;

THENCE N. 01 deg. 35'W. with said line for a distance of 57.8 feet to an iron pipe at the southeast corner of the 100 feet x 102.8 feet owned by W.B. Lawrence as shown by deed recorded in Vol. 429, Page 479, of said Records;

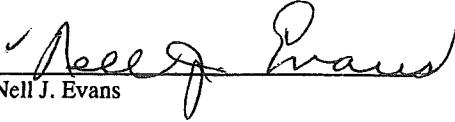
THENCE, S. 74 deg. 30'W. with a fence 100 feet S. 16 deg. E. from and parallel with the south line of East King Street, passing an iron pipe at said Lawrence's southwest corner at 102.8 feet, for a total distance of 302.8 feet to the place of beginning, containing 25,340 square feet (0.582 acres) of land.

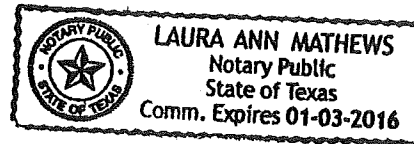
Reservations from and Exceptions to Conveyance and Warranty:

All otherwise valid reservations and conveyances of the mineral estate, oil, gas, and other mineral leases, easements, rights-of-way, and restrictions of record in the office of the County Clerk of Grayson County, Texas.

Grantor, for the consideration and subject to the reservations from, and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to warranty.

When the context requires, singular nouns and pronouns include the plural.

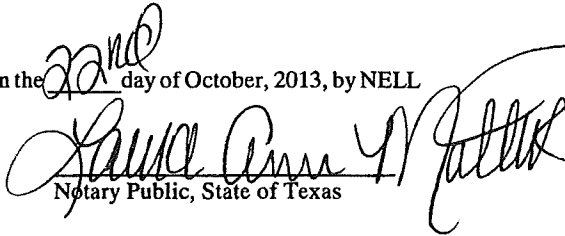

Nell J. Evans



(Acknowledgment)

STATE OF TEXAS
COUNTY OF DALLAS

This instrument was acknowledged before me on the 22nd day of October, 2013, by NELL J. EVANS.


Notary Public, State of Texas

Bk Vol Pg
00023194 OR 5381 823

Filed for Record in:
Grayson County

On: Oct 31, 2013 at 04:28P

As a
Recording

Document Number: 00023194

Amount: 20.00

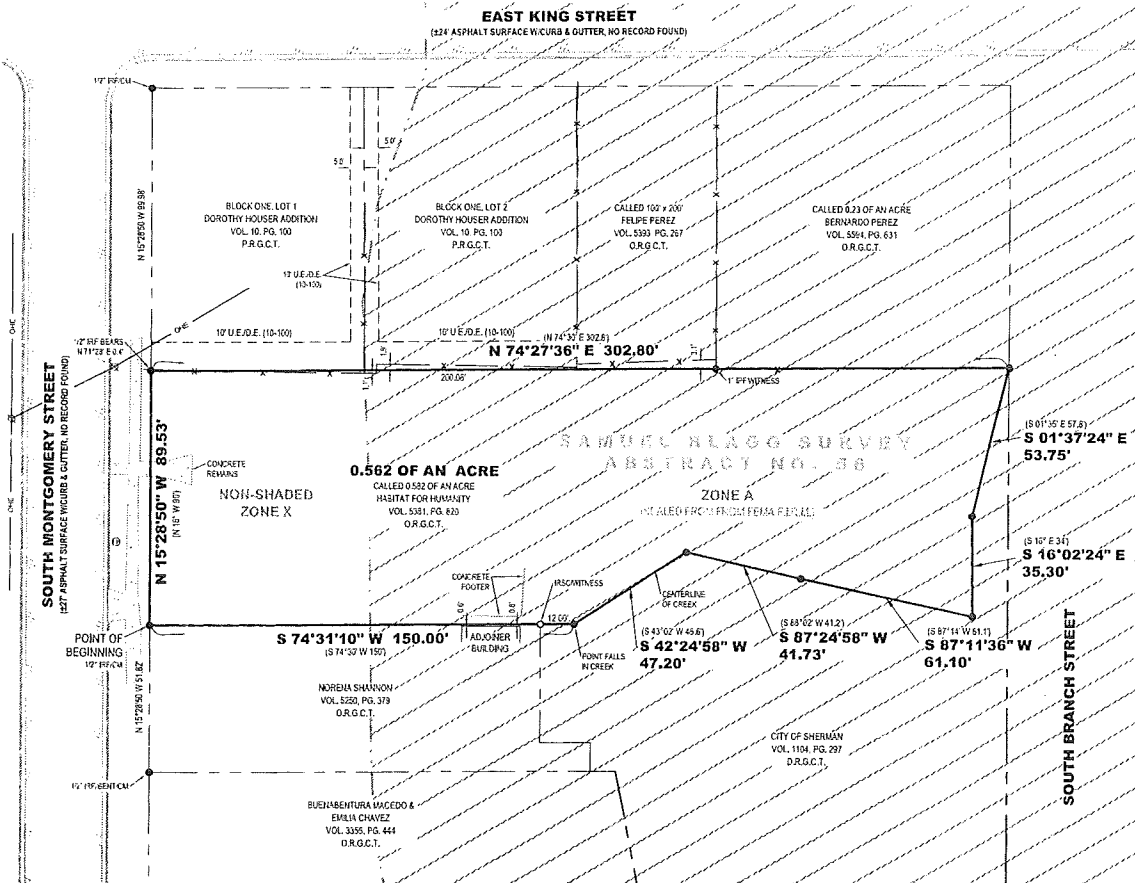
Receipt Number - 388838

By,
JANA CARYOL

STATE OF TEXAS COUNTY OF GRAYSON
I hereby certify that this instrument was
filed on the date and time stamped hereon by me
and was duly recorded in the volume and page
of the named records of:
Grayson County
as stamped hereon by me.

Oct 31, 2013

Wilma Bush, Grayson County Clerk
Grayson County



All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4203), North American Datum of 1983.

LAND DESCRIPTION:

BEING all of that certain tract or parcel of land situated in the Samuel Blagg Survey, Abstract No. 56, City of Sherman, Grayson County, Texas, and being a re-tracement survey of a called 0.582 acre tract of land described in the deed to Habitat for Humanity, recorded in Volume 5381, Page 820, Official Records of Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found for the south-west corner of said 0.582 acre tract, common to the northwest corner of a tract of land described in the deed to Lorena Shannon, recorded in Volume 5250, Page 379, said Official Records, and on the easterly right-of-way line of South Montgomery Street;

THENCE North 15°28'50" West, with the westerly line of said 0.582 acre tract, and with the easterly right-of-way line of said South Montgomery Street, a distance of 89.53 feet to the northwest corner of said 0.582 acre tract, common to the southwest corner of Lot 1 in Block 1 of Dorothy Houser Addition, according to the plat thereof recorded in Volume 10, Page 100, Plat Records of Grayson County, Texas, and from which a found 1/2-inch iron rod bears North 74°28' East, a distance of 0.4 feet;

THENCE North 74°27'38" East, with the northerly line of said 0.582 acre tract, and with the southerly line of said Dorothy Houser Addition, and with the southerly line of a called 100-foot by 200-foot tract of land described in the deed to Felipe Perez, recorded in Volume 5393, Page 267, said Official Records, passing en route at a distance of 200.08 feet a 1-inch iron pipe found for the southeast corner of said Felipe Perez Tract, and continuing on said course, with a southerly line of a called 0.23 acre tract of land described in the deed to Bernardo Perez, recorded in Volume 5594, Page 631, said Official Records, a total distance of 302.00 feet to the northeast corner of said 0.582 acre tract, common to the southeast corner of said 0.23 acre tract;

THENCE with the easterly line of said 0.582 acre tract, the following two (2) courses:

1. South 01°37'24" East, a distance of 53.75 feet to a point for corner;
2. South 16°02'24" East, a distance of 35.30 feet to the southeast corner of said 0.562 acre tract;

THENCE South 87°11'36" West, with the southerly line of said 0.582 acre tract, a distance of 61.10 feet to a point for corner at the centerline of a creek;

THENCE in a westerly direction, continuing with the southerly line of said 0.582 acre tract, with the centerline of said creek, the following two (2) courses:

1. South 87°24'58" West, a distance of 41.73 feet to a point for corner;
2. South 42°24'58" West, a distance of 47.20 feet to a point for corner;

THENCE South 74°31'10" West, continuing with the southerly line of said 0.582 acre tract, passing en route a distance of 12.00 feet a 1/2-inch iron rod with a plastic cap stamped "PRESTON TRAIL LAND SURVEYING RPLS 6585" set for witness, and continuing on said course, with the northerly line of a called Preston Trail Land Surveying RPLS 6585 Tract, a total distance of 150.00 feet to the POINT OF BEGINNING and enclosing 0.562 of an acre (24,472 square feet) of land, more or less.

GENERAL NOTES:

This survey was completed without the benefit of a title commitment. Easements and/or other matters of record may affect the surveyed property. The Surveyor did not perform an Abstract of Title.

FLOOD STATEMENT:

I have examined the F.E.M.A. Flood Insurance Rate Map, for the City of Sherman, Grayson County, Texas, Community Number 485509, effective date 08/29/2010 and that map indicates that a portion of this property is within "Zone A" defined as "Special Flood Hazard Areas (SFHAs) subject to inundation by the 1% annual chance flood with no base flood elevations determined," as shown on Panel 0290 F of said map. This flood statement does not imply that the property and/or structures thereon will be free from flooding or flood damage, on rare occasions, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor.

LEGEND

● FOUND MONUMENT	--- BOUNDARY LINE
○ SET MONUMENT	--- ADJACENT LINE
IRSC 1/2" IRON ROD TO PRESTON TRAIL LAND SURVEYING RPLS 6585 CAP SET	--- EASEMENT
IRF IRON ROD FOUND	--- UTILITY POWER POLE
() DEED OR PLAT CALL	--- WATER METER
VOL. PG. VOLUME PAGE	---
P.R.G.C.T. PLAT RECORDS, GRAYSON COUNTY, TEXAS	---
D.R.G.C.T. DEED RECORDS, GRAYSON COUNTY, TEXAS	---
O.R.G.C.T. OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS	---
	--- ASPHALT
	--- OVERHEAD ELECTRIC/UTILITY

Certify to: Habitat for Humanity;

I, Chris R. Noah, a Registered Professional Land Surveyor in the State of Texas, do hereby certify that this survey has been prepared from an actual on-the-ground survey of the premises depicted hereon and described in the land description attached hereto, conducted under my direction and supervision on 05/05/2018, and there are no discrepancies, conflicts, shortages in area or boundary line conflicts, or any intrusions of visible improvements from adjoining tracts, or protrusions of visible improvements onto adjoining tracts, to the best of my knowledge and belief, except as shown. I further certify that this survey meets or exceeds the minimum standards established by the Texas Board of Professional Land Surveying.



Chris R. Noah, R.P.L.S. No. 6585

TITLE SURVEY
0.562 OF AN ACRE
SAMUEL BLAGG SURVEY, ABSTRACT NO. 56
611 South Montgomery Street, Sherman
Grayson County, Texas



83493 N. State Hwy 289, Suite 5
 Pottsboro, TX 75076
 www.prestontrailandsurveying.com
 903-768-6029

18715 Firm No. 107405	Drawn by: BKH Checked by: CRN	Scale: 1"=30' Date: 05/08/2018	Project No. 18-008 Sheet No. 1 of 1
--------------------------	----------------------------------	-----------------------------------	--

CITY OF SHERMAN

RESIDENTIAL BUILDING PERMIT

PERMIT #: 181503 SUBCONTRACTOR: HABITAT FOR HUMANITY
DATE ISSUED: 7/11/2018

PROJECT ADDRESS: 611 S MONTGOMERY ST
PARCEL ID: 163431
SUBDIVISION:

LOT #:
BLK #:
ZONE ORD:

ISSUED TO: HABITAT FOR HUMANITY
ADDRESS: PO BOX 2725
CITY, ST ZIP: SHERMAN TX 75091-2725
PHONE: 903-893-0009

CONTRACTOR: HABITAT FOR HUMANITY
ADDRESS: PO BOX 2725
CITY, ST ZIP: SHERMAN TX 75091-2725
PHONE:

PROP. USE: SINGLE FAMILY RESIDENTIAL
WORK: NEW RESIDENTIAL
CONSTRUCTION
VALUATION: \$ 75,000.00
OCCP TYPE: SINGLE FAMILY RESIDENTIAL
CNST TYPE: WOOD FRAME

SQ FT: 1,120.00
BEDROOMS: 3
BATHROOMS: 2
STORIES: 1

FEE CODE	DESCRIPTION	AMOUNT
	TOTAL	

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.

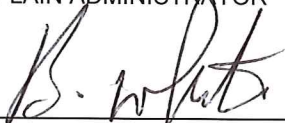
I HEREBY CERTIFY THAT I HAVE READ AND EXAMINED THIS DOCUMENT AND KNOW THE SAME TO BE TRUE AND CORRECT. ALL PROVISIONS OF LAWS AND ORDINANCES GOVERNING THIS TYPE OF WORK WILL BE COMPLIED WITH WHETHER SPECIFIED HEREIN OR NOT. GRANTING OF A PERMIT DOES NOT PRESUME TO GIVE AUTHORITY TO VIOLATE OR CANCEL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


(SIGNATURE OF CONTRACTOR OR AUTHORIZED AGENT)

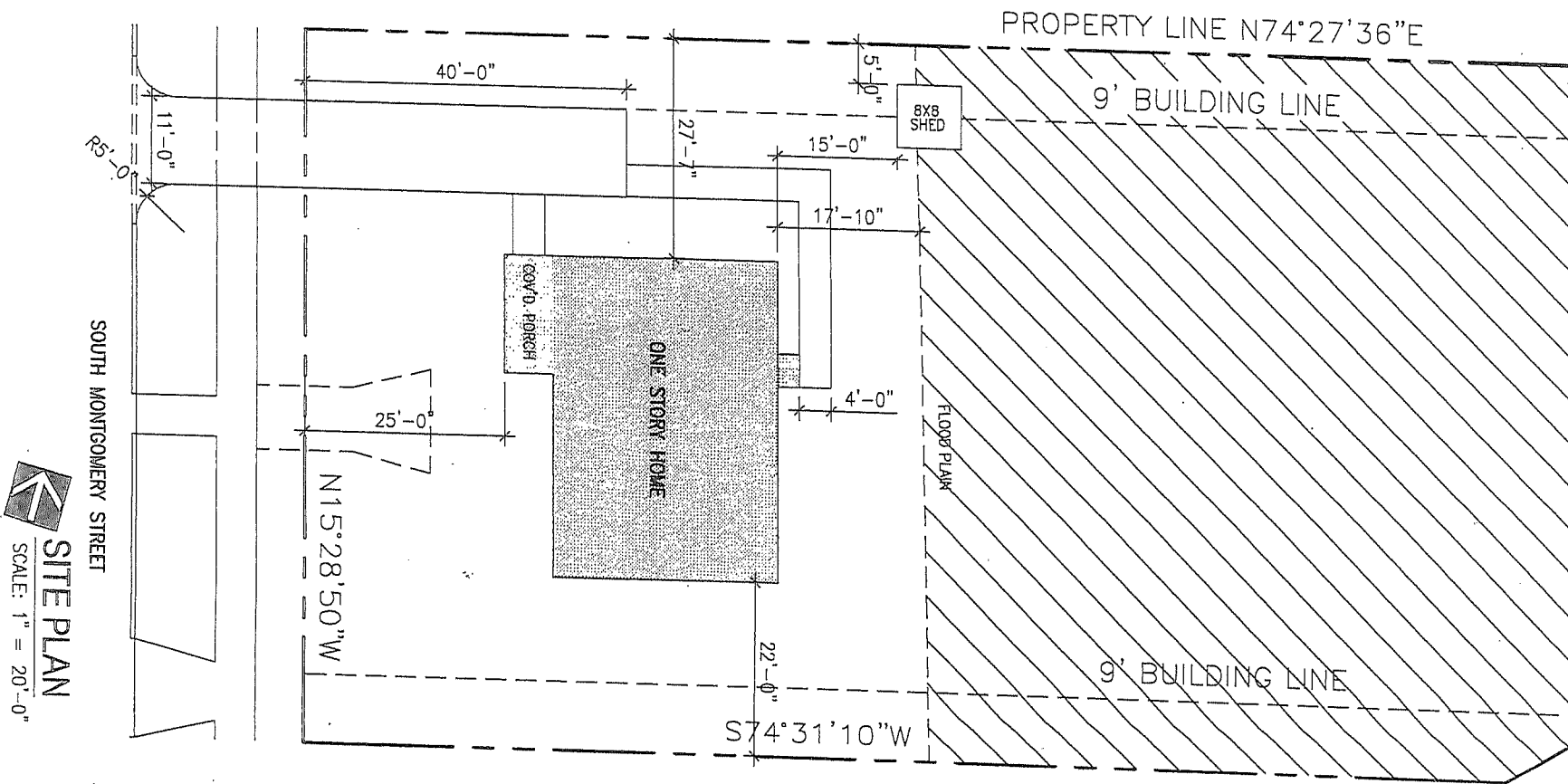
7/11/2018
DATE


(APPROVED BY) FLOOD PLAIN ADMINISTRATOR

7/17/18
DATE


(APPROVED BY) BUILDING & ZONING

7.18.18
DATE



SITE PLAN
SCALE: 1" = 20'-0"

Site and Floor Plan

A1.0	SHEET NUMBER	PROJECT NUMBER
	5.20.18	1817
	DATE	



Medina Residence

611 S. Montgomery St, Sherman, TX 75092

davidbacastudio
STUDIO

100 NORTH TRAVIS STREET, NO. 500A, SHERMAN, TEXAS 75090 903 893 5800 903 893 5866 david@davidbacastudio.com

SCHEMATIC DESIGN REVIEW
NOT FOR CONSTRUCTION
PERMIT, RESUBMIT, OR
REVISION

ELECTRICAL NOTE:
ALL ELECTRICAL WORK & MATERIAL
TO COMPLY W/2017 NEC

GENERAL NOTE:
ALL CONSTRUCTION / MATERIALS
TO MEET 2009 IRC

611 S. Montgomery

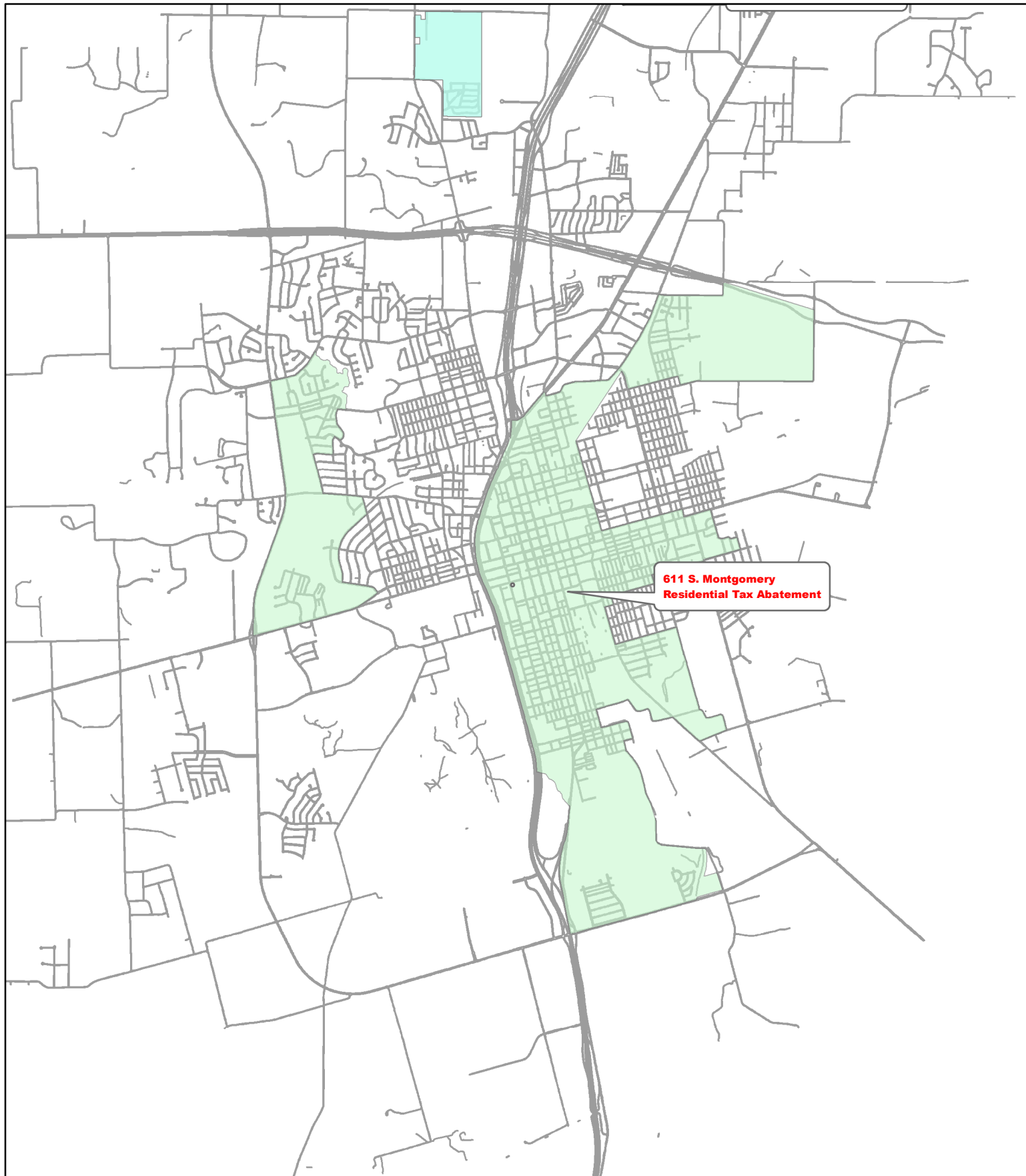
611 S. Montgomery





NOT TO SCALE

City of Sherman, Texas
Developmental Services Department



611 S. Montgomery Street Residential Tax Abatement



City of Sherman, Texas
Developmental Services Department



NOT TO SCALE
1 inch = 5,000 feet



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D.1.

Meeting Date: 08/06/2018

Prepared By: Clint Philpott, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

REQUEST TO ADVERTISE

Construction of West Travis Street, Phase 4 within the Sherman Crossroads

Issue:

Requesting permission to advertise for bids the construction of West Travis Street, Phase 4 near the Future Sherman Independent School District (SISD) High School development

Background:

SISD is finalizing the design of their high school facilities. In order to ensure that the roadway is in place when they are ready to begin construction, staff is seeking permission to advertise for bids on construction of the West Travis Street expansion. This phase includes construction of a four-lane median divided section along the existing O.B. Groner Road from Moore Street west to F.M. 1417.

Origination:

Engineering Department

Financial Consideration:

This phase of the project will cost approximately \$3 million and is funded in the Capital Improvement Program. The cost of advertising is expected to be less than \$200.00.

Staff Recommendation:

It is recommended that the City Council authorize the staff to advertise the project for bid.

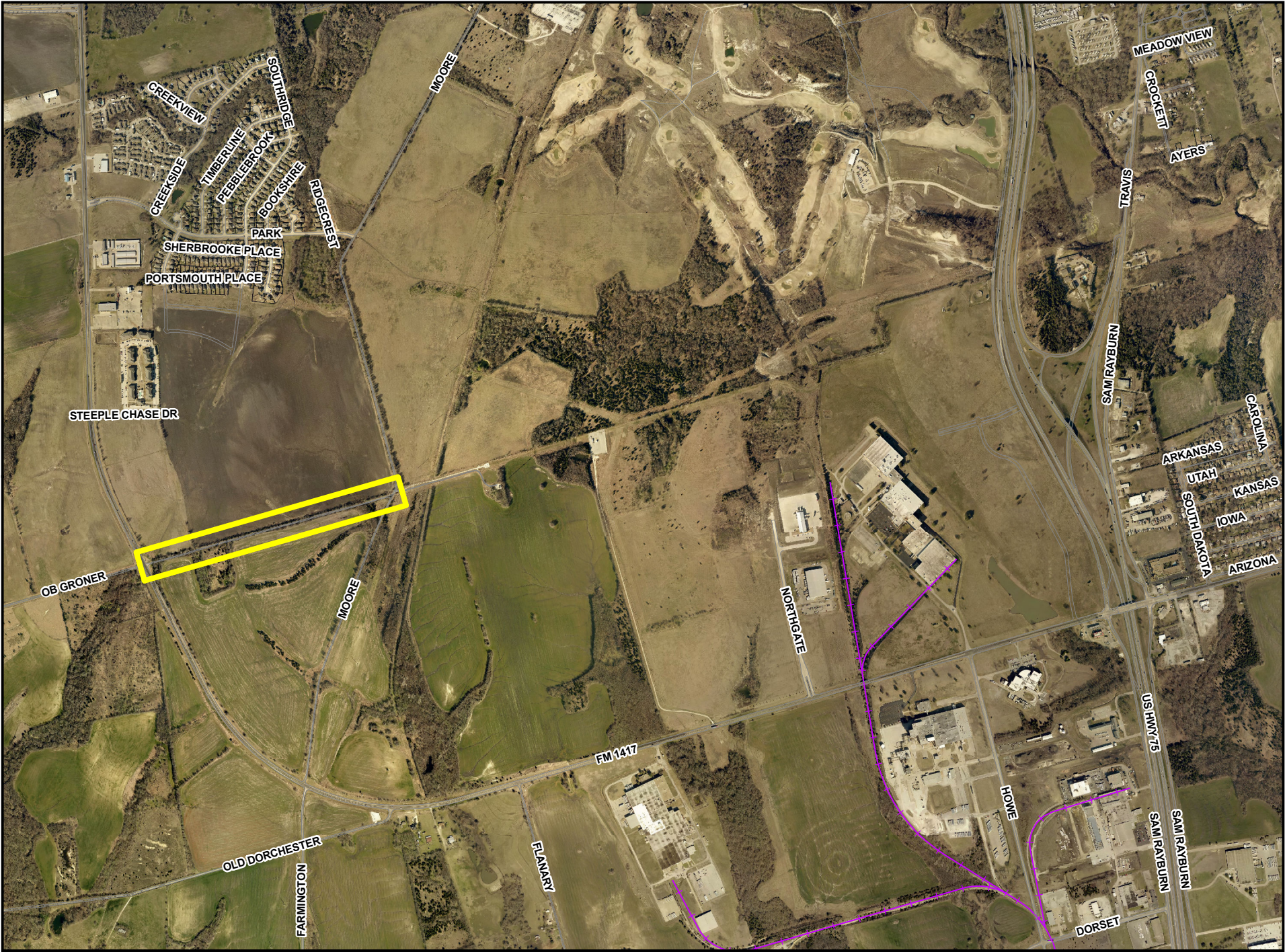
Alternatives:

As may be directed by the City Council

Attachments

Aerial Location Map

West Travis Street, Phase 4





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.1.

Meeting Date: 08/06/2018

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Receive Quarterly Progress Report from Sherman Economic Development Corporation Board Chairman John Sild

Issue:

To receive the Sherman Economic Development Corporation (SEDCO) quarterly progress report from Board Chairman John Sild

Background:

The brief presentation by the SEDCO Board Chairman will provide the City Council with an overview of SEDCO's activities and accomplishments during the last three (3) months. SEDCO's last update was presented at the City Council's April 2, 2018 regular meeting.

Origination:

City Council

Financial Consideration:

This presentation is for informational purposes only and has no impact on the City's revenues or expenses.

Staff Recommendation:

No action is required of the City Council.

Alternatives:

None recommended

Attachments

SEDCO's Quarterly Progress Report

REPORTING FORM FOR BOARDS AND COMMISSIONS

Name of Board: Sherman Economic Development Corporation

Name of Chairman: John Sild

Name of Vice Chairman: Brad Douglass

Date of Report to City Council: August 6, 2018

1. In simple terms and as briefly as possible, please describe the mission of your board.

- *The mission of the Sherman Economic Development Corporation (SEDCO) is to grow and diversify the Sherman and surrounding area economies through the addition of new jobs and investment.*

**2. Please list the top accomplishments of your board within the past quarter.
(Please limit the list to five or fewer items).**

- *The SEDCO Board completed a Performance Agreement with Emerson for the addition of 45 new employees.*
- *SEDCO paid a total of \$306,750 in incentive payments to Elevate Recoveries, LLC, GlobiTech Inc., and Robit USA, LLC towards a total capital investment of \$9,970,000 and 78 jobs.*
- *On May 15th, the SEDCO Board approved a land agreement that states GlobiTech Inc. will purchase 1.31 acres abutting Howe Drive for \$10,000.*
- *On June 21st, SEDCO closed on 23.51 acres for the new FedEx Freight facility in Progress Park II for \$931,474.*

3. What are your plans for this board in the next quarter?

- *SEDCO will work to compete aggressively for the attraction of new jobs and investments to the city from existing Sherman employers and new companies, both nationally and internationally.*
- *SEDCO will work closely with companies that have announced new investments in Sherman to ensure they have the support to meet their goals and receive the incentives as identified in the Economic Development Performance Agreements.*
- *Current infrastructure projects include the Northgate Drive extension, a new 12" sewer line in Progress Park II, and the realignment of an existing 14" sewer line in Progress Park VI.*
- *SEDCO will continue to assist the existing industries in filling their open positions by maintaining ShermanTXJobs.com and marketing the website through social media and two local billboards.*
- *The Dallas Business Journal contract will continue with ads on July 13th, July 20th, and August 10th.*
- *SEDCO will complete production of the incentives marketing video and existing industry videos for 903 Brewers and Mueller Construction Company.*
- *In July, SEDCO assisted with the planning of the Finisar Ribbon Cutting.*
- *SEDCO sponsored a Safety Leaders Forum on July 19th.*
- *In August, Ashton Ghaemi will attend the International Economic Development Council's Business Retention and Expansion certification course in Denver, CO.*
- *SEDCO will sponsor a Plant Managers Forum in September.*

- *SEDCO will launch a new initiative to market the Advanced Manufacturing Program (AMP) called Swap It Up. AMP students from Sherman, Pottsboro, and Whitesboro will swap products and services with Chamber businesses over the course of six weeks. The winning team will be announced at the AMP Mid-Semester Celebration, and the final traded items will be donated to local non-profits.*
- *In September, a Check Presentation Ceremony will be held for Finisar's \$25,000 contribution to the Advanced Manufacturing Program.*
- *On September 18th, there will be a kick-off event for the AMP mentors, parents, and students.*
- *Careers in Texas Industries Day will be held on September 21st at Grayson College. This is a statewide initiative to introduce a variety of careers to high school juniors and seniors.*
- *SEDCO staff will host an open house for the Sherman industries and community partners to see the office, board room, and restrooms after the remodel is completed.*
- *SEDCO will distribute a monthly report in September with a Company Spotlight over J.P. Hart Lumber Company.*
- *Stacey Jones will attend an economic development conference.*
- *The IMT program will start this school year with 7 Sherman High School seniors, their mentors and five industry sponsors.*

4. How often did this board meet in the last quarter?

- *The SEDCO Board meets on the second Tuesday of each month and holds special called meetings when needed. Since our last report, the SEDCO Board held two regularly scheduled meetings (May 15th and June 12th).*

5. In what percentage of those meetings was a quorum of board members present?

- *100%*

6. Did any member attend less than 75% of those meetings? If so, which member and how often did they attend.

- *Our Chairman attended one of the two meetings held during this quarter.*

7. What other information would your board like to communicate to the City Council? (please be concise in your response).

- *SEDCO is presently working 8 active projects with an estimated \$145,000,000 in investments and 493 new jobs.*
- *SEDCO continued hosting site visits from companies interested in a possible Sherman location and spoke with site selectors, consultants, and real estate professionals interested in learning more about our community.*
- *On April 11th, Frank Gadek presented on economic development to the Greater Texoma Association of Realtors.*
- *On April 11th, representatives from Finisar, the City of Sherman, Binswanger, and SEDCO attended the Dallas Business Journal's Best Real Estate Deals of 2017 Awards Dinner. SEDCO submitted the Finisar/Apple project, and it was selected as one of three finalists in the Rehab or Reuse category.*
- *On May 5th, SEDCO hosted the Sherman Industry Appreciation Picnic at Pecan Grove Park West for the industries, their employees, and families. This was an opportunity for SEDCO to say, "Thank you" for their contribution to Sherman. The picnic featured snacks and drinks, family-friendly activities, and the 1st Annual Sherman Industry Showdown. Eight Sherman industries competed in a bracket-style competition including: Five-Legged Race, Limbo, and Tug-of-War. GlobiTech took the title, trophy, and bragging rights!*

- *Frank Gadek attended the Industrial Asset Management Council's Spring Professional Forum in Savannah, GA from May 7th-9th. During the forum, SEDCO served as a Texas Dinner Host to approximately 60 site selectors and real estate professionals.*
- *On May 16th, the SEDCO staff presented to the Leadership Sherman Class of 2018 during Economic Development Day.*
- *The Summer Leadership Breakfast was held on May 22nd.*
- *On June 7th, Stacey Jones and Emerson Plant Manager and Chairman of the Texoma Manufacturing Consortium, Mark Anderson visited the corporate headquarters of Finisar in Sunnyvale, California to discuss the Advanced Manufacturing Program with Michael Hurlston, CEO.*
- *On June 12th, the SEDCO Board approved a sewer line construction agreement that states Benchmark Design Group will provide civil engineering and surveying services for the new 12" sewer line in Progress Park II and the realignment of an existing 14" sewer line in Progress Park VI.*
- *On June 29th, we celebrated Executive Vice President Frank Gadek's 23 years of service and dedication to SEDCO at his Farewell Reception.*
- *SEDCO continued the Business Retention and Expansion (BRE) Program with the following:*
 - *On April 12th SEDCO sponsored the Workforce Solutions Texoma Career Connection job fair. There were 783 job seekers visiting with 46 employers, and 10 of those were Sherman industries.*
 - *Safety Leaders Forum on April 25th*
 - *Plant Managers Forum on June 13th*
 - *Human Resources Group Meeting on May 31st and June 28th*
 - *Existing industry visits: CertainTeed, Emerson, Finisar, GlobiTech, J.P. Hart Lumber, Kaiser Aluminum, Panda Sherman Power, Progress Rail, Robit USA, and Texas Instruments*
- *SEDCO continued to serve and assist with the following student workforce development programs:*
 - *On April 24th, school counselors and CTE Directors from the Sherman, Denison & Gunter ISDs toured Eaton and Spectrum Brands to learn more about opportunities in manufacturing to help them market AMP to their students.*
 - *On April 27th, we interviewed Sherman High School juniors for the IMT Program and offered seven scholarships for the 2018-19 school year.*
 - *May 7th was the AMP End of Year Celebration where the consortium, industry sponsors and mentors celebrated with the students and teachers of the AMP program.*
 - *On May 10th, SEDCO hosted an IMT Graduate Reception where industry sponsors, mentors, and the SEDCO Board and Staff celebrated with Sherman's first IMT graduates and their families. The reception was followed by the Center for Workplace Learning Recognition Ceremony where the five SHS seniors walked across the stage in cap and gown to receive their IMT certificate.*
 - *On May 16th, Douglass Distributing donated gas cards to Whitesboro High School for transportation to a summer Grayson College AMP course for the instructor and four students.*
 - *AMP students started a summer internship at Emerson sponsored by the Governor's Internship Grant.*
 - *One of our IMT graduates, Catherine Cenicerros, interviewed at Emerson for a summer internship and was offered a temp to hire position. She accepted and is doing a great job.*

- *SEDCO continued to update the existing industry and marketing videos. Four of the nine contracted videos have been completed and three more are currently in production.*
- *SEDCO placed ads in the Dallas Business Journal on April 20th, May 11th, and June 29th.*
- *The Ace of North Texas marketing campaign launched this quarter. The marketing video, available property data sheets, aerials, community demographics, etc. and a deck of branded playing cards were uploaded to a branded USB and mailed to over 100 site selectors, commercial brokers, and real estate professionals.*
- *SEDCO continued its partnership with Texas Aviation Partners, Grayson County, and Denison Development Alliance on marketing the North Texas Regional Airport.*
- *The SEDCO office was repainted, and the bathrooms were remodeled.*
- *The staff attended the following events and meetings:*
 - *2018 Nonprofit Symposium*
 - *Athena Awards Luncheon*
 - *Business and Professional Women Networking Event*
 - *Business Education for Teachers (BET) Wrap-Up Meeting*
 - *BET - Employer Wrap-Up Meeting*
 - *Careers in Texas Industries Planning Meeting*
 - *Child and Family Guidance Board Meeting*
 - *Child and Family Guidance Center Open House*
 - *Children's Advocacy Center's Cattlemen's Ball*
 - *City Council Meeting*
 - *CJ's Coffee Grand Opening & Ribbon Cutting*
 - *Coffee with the Mayor*
 - *Crisis Center Board Meeting*
 - *Crisis Center's Denim & Dollars Gala*
 - *Crisis Center's Law Enforcement Appreciation Lunch*
 - *Days Inn Ribbon Cutting*
 - *Global Outreach (GO!) Forum – Convocation and Luncheon*
 - *Groundbreaking Ceremony for Schulman's MBG*
 - *Leadership Sherman Mural Unveiling*
 - *Presco's 75th Anniversary Celebration*
 - *Sherman Boys and Girls Club Board Meeting*
 - *Sherman Chamber Events Committee Meeting*
 - *Sherman Chamber Golf Tournament*
 - *Sherman Chamber Lunch & Learn*
 - *Sherman Cultural District Town Hall Meeting*
 - *Sherman Education Foundation's Circle of Success Dinner*
 - *Sherman P&Z Meeting*
 - *Sherman Rotary*
 - *Sherman Service League Charity Ball*
 - *Steve Jones' Retirement Reception*
 - *Tax Reinvestment Committee Meeting*
 - *United Way Open House*
 - *Wok Kitchen Soft Opening*
 - *Workforce Solutions Texoma Board*



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.2.

Meeting Date: 08/06/2018

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Setting the Public Hearing on the Proposed Agreement with GlobiTech Incorporated, a Delaware Corporation, for the Abatement of Ad Valorem Property Taxes for Improvements within Industrial Reinvestment Zone, Number 082018-01, City of Sherman, Texas

Issue:

To consider setting a public hearing on a proposed tax abatement agreement for the City Council's regular meeting on Monday, August 20, 2018

Background:

On Friday, July 6, 2018, the Tax Reinvestment Committees of the City of Sherman, the Sherman Independent School District, Grayson County, and Grayson College (the "Committee") met to consider a request from GlobiTech Incorporated, a Delaware Corporation, for the first phase of a projected three phased project, to expand its operations by adding 78,000 square feet, including 10,000 square feet of cleanroom space. This would be in addition to GlobiTech's existing cleanroom space of 8,000 square feet in each of its Fab 1 and Fab 2 facilities. The first phase of the project would start in the fall of 2018 and would be completed in 2020. The initial investment would be \$23 million in real property and about \$24 million in equipment and personal property at GlobiTech's facility located at 200 F.M. 1417 West in Sherman. The taxable value of GlobiTech's current property is \$56 million. The first phase of this project is expected to create 32 additional jobs, including direct labor operators, indirect labor, and exempt salaried positions.

The Committee voted to recommend an abatement and creation of the Zone to the City Council and other taxing entities. The law requires that a reinvestment zone be established prior to a tax abatement being granted for eligible projects. Ordinance No. 6136 creating Industrial Reinvestment Zone, Number 082018-01, City of Sherman, Texas, is the first step in accomplishing the creation of a new commercial/industrial reinvestment zone, which would cover only GlobiTech's property. Prior to its adoption, a public hearing must be held to allow for interested parties to speak to the issue. The Committee agreed to propose an eight (8) year tax abatement of 60%, 60%, 60%, 50%, 50%, 50%, 50% and 25%, in accordance with the City's current tax abatement matrix. With the City Council's approval of this agenda item, a public hearing will be scheduled followed by consideration for final approval of this abatement agreement, by resolution, at the August 20, 2018 Council meeting.

Origination:

GlobiTech Incorporated, Applicant
Tax Reinvestment Committee

Financial Consideration:

There is no direct cost associated with the public hearing.

Staff Recommendation:

The staff recommends that the City Council set a public hearing on the proposed tax abatement agreement for the regular Monday, August 20, 2018 Council meeting.

Alternatives:

No alternatives are recommended.

Attachments

Proposed Tax Abatement Agreement

Memo to Tax Reinvestment Committee with New Tax Abatement Request

TAX ABATEMENT AGREEMENT

THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §

THIS TAX ABATEMENT AGREEMENT (“Agreement”) is made and entered into as of the ____ day of _____, 2018 (the “Effective Date”), by and among the City of Sherman, Texas, a home rule city and municipal corporation of Grayson County, Texas, duly acting herein by and through its Mayor (“City”); and GlobiTech Incorporated (“GlobiTech”), acting by and through its authorized officers, for the purposes and considerations stated below:

W I T N E S S E T H:

WHEREAS, on the 6th day of August, 2018, the City Council of the City (“City Council”) passed Ordinance No. 6136 (“Ordinance”) establishing Industrial Reinvestment Zone, Number 082018-01, City of Sherman, Texas (“Zone”), for commercial-industrial tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended (“Code”); and

WHEREAS, the City has adopted Guidelines and Criteria for the Industrial Tax Abatement Program (“Guidelines”), by the passage of Resolution No. 6378, on the 14th day of June, 2018; and

WHEREAS, the City’s current Guidelines are attached as **Exhibit A** hereto; and

WHEREAS, the Guidelines constitute appropriate guidelines and criteria governing tax abatement agreements to be entered into by the City as contemplated by Chapter 312 of the Code; and

WHEREAS, the City has adopted a resolution stating that it elects to be eligible to participate in tax abatement; and

WHEREAS, GlobiTech currently owns the Premises, as hereinafter defined, and GlobiTech expects to invest approximately \$23 million in real property and about \$24 million in equipment and personal property (“The Improvements”) on the Premises. The Improvements and use of the Premises is expected to significantly enhance the economic base of the City; and

WHEREAS, the City Council also finds that the improvements sought are feasible and practical and would be of benefit to the land to be included in the Zone and to the City after expiration of this Agreement; and

WHEREAS, the City Council finds that the terms of this Agreement and the Premises and proposed Qualified Facilities, as hereinafter defined, meet the applicable guidelines and criteria heretofore adopted by the City Council; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Code, to the presiding officers of the governing bodies of each of the taxing units in which the Premises is located;

NOW, THEREFORE, the City, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the expansion of primary employment, the attraction of major investment in the Zone that contributes to the economic development of the City and enhancement of the tax base in the City and Grayson County, Texas; and

GlobiTech, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the tax abatement set forth herein below, as authorized by Sections 312.201 through 312.211 of the Code, does hereby contract, covenant and agree as follows:

I. DEFINITIONS

Wherever used in this Agreement, the following capitalized terms shall have the meanings ascribed to them:

- A. “GLOBITECH AFFILIATE” shall mean any Person, directly or indirectly controlling, controlled by, or under common control with GlobiTech. As used in this definition, the term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.
- B. “EFFECTIVE DATE” shall have the meaning given it in the introductory paragraph of this Agreement.
- C. “ELIGIBLE PROPERTY VALUE” shall mean (i) with respect to each Qualified Facility for a particular tax year, the value of such Qualified Facility on the tax rolls of the Grayson Appraisal District as of such tax year; and (ii) with respect to business personal property located on the Premises for a particular tax year, the value of such business personal property on the tax rolls of the Grayson Appraisal District as of such tax year.
- D. “FORCE MAJEURE” shall mean, without limitation, acts of God, or the public enemy, war, terrorism, criminal acts by unrelated third parties, riot, civil commotion, insurrection, governmental or de facto governmental action other than the City’s legislative zoning authority, fire, explosions, floods, strikes, adverse weather, or any other extraordinary event beyond the control of GlobiTech (including, without limitation, broad based extraordinary economic events) that makes it reasonably impracticable to accomplish a desired objective.
- E. “PERSON” shall mean an individual or a corporation, partnership, trust, estate, unincorporated organization, association, or other entity.

- F. "PREMISES" shall mean all that parcel of land owned by GlobiTech as hereinafter described in **Exhibit B** attached hereto.
- G. "QUALIFIED FACILITIES" shall mean any building, improvement, structure, fixture, parking or paving constructed on the Premises.
- H. "REAL PROPERTY" and "PERSONAL PROPERTY" shall, for the purposes of this agreement, be defined by the Texas Tax Code.

II. GENERAL PROVISIONS

- A. All procedures followed by the City shall conform to the requirements of the Code, and shall be undertaken in coordination with GlobiTech's corporate, public, employee, and business relations requirements.
- B. The Premises will be owned by GlobiTech or a GlobiTech Affiliate, which Premises are located solely within the city limits of the City and solely within the Zone.
- C. The Premises are not in an improvement project financed by tax increment bonds.
- D. This Agreement is entered into subject to the rights of the holders of outstanding bonds of the City; provided, however, that this section shall not be construed to create a security interest in the Premises or Qualified Facilities in favor of such holders of outstanding bonds of the City.
- E. The Premises are not owned or leased by any member of the City Council or any member of the Planning and Zoning Commission of the City or any member of the governing body of any taxing unit joining in or adopting this Agreement.
- F. This Agreement is intended to comply with the requirements of Section 312.204 of the Code and is authorized by the Texas Property Redevelopment and Tax Abatement Act of the Texas Tax Code, Chapter 312, by the Guidelines and by resolution of the City Council authorizing execution of this Agreement.
- G. During the period of the tax abatement herein authorized, GlobiTech shall be subject to all applicable City taxation not specifically abated or exempted, including but not limited to, sales tax and ad valorem taxation on land, inventory and supplies.

III. CONDITION PRECEDENT TO TAX ABATEMENT

As a condition precedent to a tax abatement under this Agreement, GlobiTech or a GlobiTech Affiliate must substantially locate all Improvements to the Premises by January 1, 2020.

**IV.
TERM AND ABATEMENT PERIOD**

An eight (8) year tax abatement period permitted by law is hereby granted with respect to all Improvements located therein or otherwise on the Premises, as indicated in Section VI below. The tax abatement period shall commence to run beginning no later than January 1, 2019.

**V.
INITIAL AND MINIMUM TAX LIABILITY**

A. For the purposes of this Agreement, the Improvements shall reflect a minimum original acquisition cost of \$47.5 million.

B. During the period of tax abatement herein authorized, GlobiTech shall be liable to the City for a minimum taxable value assigned under Sec. V.A. for all property covered under this Agreement.

**VI.
RATE, SCOPE, CONDITIONS AND COVENANTS**

The rate and scope and additional conditions of tax abatement shall be as follows:

A. Annual Rates of Abatement – The following shall be the annual rates of tax abatement on the Improvements for the real property and the business personal property located therein and subject to this Agreement:

<i>Year</i>	<i>Percentage of Property Taxes Abated</i>
1	60%
2	60%
3	60%
4	50%
5	50%
6	50%
7	50%
8	25%

B. Operation Covenant. GlobiTech shall operate the Facility in accordance with prudent industry standards and applicable law.

C. Property Tax Covenant. Throughout the term of this Agreement, GlobiTech shall timely pay all property taxes for the Premises and real and business personal property located therein due and owing by it to all relevant taxing jurisdictions.

D. Management Change Notice Covenant. During the term of this Agreement, GlobiTech shall notify the City in writing of any change of the manager of GlobiTech within seven (7) days of such change.

VII. REPORTING AND MONITORING

GlobiTech agrees to the following reporting and monitoring provisions, and failure to fully and timely comply with any one requirement shall constitute an event of default:

A. Not later than January 31 of each applicable year, GlobiTech shall submit to the City a certification from GlobiTech as to the conditions set forth in Section VI.B., C., and D.

B. GlobiTech shall provide to the City a semi-annual report certifying the status of compliance through the life of the Agreement of new investments and any other relevant information.

C. GlobiTech, during normal business hours, at its headquarters or at the Sherman plant location, shall allow to the City, its agents and employees, reasonable access to its books and records that are related to the described economic development consideration and incentives, to verify records related to economic development considerations and incentives, but the confidentiality of such records will be maintained.

D. GlobiTech further covenants and agrees that the City, its agents and employees, shall have a continuing and reasonable right of access to the real property, together with all Premises, Qualified Facilities and Improvements, at reasonable times and with reasonable notice to GlobiTech, and in accordance with GlobiTech's visitor access and security policies, in order to inspect the Premises, Qualified Facilities and Improvements to insure that the installation of the Improvements is in accordance with this Agreement and that all applicable state and local laws, ordinances and regulations are being followed. City, its agents and employees, shall defend, indemnify, and hold harmless GlobiTech from any damages or liability to persons or property arising from City, its agents and employees, entry upon GlobiTech's Property, unless such injury is caused by the sole negligence of GlobiTech, to the extent permitted by law.

E. The Premises at all times shall be used in a manner that is consistent with the general purpose of encouraging development within the Zone.

VIII. BREACH/FAILURE TO MEET CERTAIN CONDITIONS

In the event that GlobiTech breaches any of the terms or conditions of this Agreement, then GlobiTech shall be in default of this Agreement. In the event GlobiTech defaults in its

performance, the City shall give GlobiTech written notice of such default/failure of condition and, if GlobiTech has not cured such default/failure of condition within sixty (60) days of said written notice, then this Agreement may be terminated by the City; provided, however, that if such default is not reasonably susceptible of cure within such sixty (60) day period and GlobiTech has commenced and is pursuing the cure of same, then, after first advising the City Council of GlobiTech's efforts to cure same, GlobiTech may utilize an additional ninety (90) days for such purposes. Additional time, i.e., time in addition to the foregoing one hundred fifty (150) days, may be authorized by the City Council. City's sole and exclusive remedy against any Person for any breach or failure of condition under this Agreement, in the event of default after the expiration of the applicable notice and cure periods, shall be that this Agreement shall terminate and all future tax abatements under this Agreement shall be void (it being understood that the City shall not be entitled to any repayment of tax abatements under this Agreement, except as provided in Section IX below, and it being further understood that the failure to meet a covenant set forth in Section VI.B., C. or D. for any year is not a breach and results only in the loss to the right to abatement for such year). Notwithstanding any provision in this Agreement to the contrary, neither GlobiTech nor any other Person shall be required to pay any amounts to the City under this Agreement, with the only remedy being the loss of future tax abatements.

IX. CONTINUITY OF OPERATIONS

Notwithstanding Section VI.A. above, if for any reason operations are suspended or cease at any point during the term of this Agreement, then no tax abatements under this Agreement shall be provided. Further, in the event of any cessation of operations, or abandonment of Premises by GlobiTech, all previously abated taxes are immediately due to the City.

X. EFFECT OF SALE, ASSIGNMENT OR LEASE OF PROPERTY

This Agreement shall be binding on and inure to the benefit of the Parties and all GlobiTech Affiliates, their respective successors and assigns. Neither Party may assign its rights and duties hereunder, in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, that GlobiTech may assign this Agreement and all of its rights hereunder to any Affiliate. In addition, this Agreement and all rights hereunder may be assigned for the benefit of any Financing Party including, but not limited to, an assignment to such Parties upon a foreclosure. Any assignment in violation of this Section X shall not affect any rebates with respect to which GlobiTech or any GlobiTech Affiliate is already entitled.

XI. NOTICE

All notices called for or required by this Agreement shall be addressed to the following, or such other Party or address as either Party designates in writing, by certified mail, postage prepaid or by hand delivery:

GlobiTech:

Terry Kluesner
Administrative Manager
GlobiTech Incorporated
200 F.M. 1417 West
Sherman, Texas 75092

City:

City Manager
City of Sherman
220 West Mulberry Street
P. O. Box 1106
Sherman, Texas 75091-1106

**XII.
CITY COUNCIL AUTHORIZATION**

This Agreement was authorized by resolution of the City Council that was approved by the affirmative vote of a majority of the City Council at its regularly scheduled City Council meeting on the _____ day of _____, 2018, authorizing the Mayor to execute this Agreement on behalf of the City.

**XIII.
GLOBITECH AUTHORIZATION**

An authorized representative of GlobiTech entered into this Agreement.

**XIV.
SEVERABILITY**

In the event any section, subsection, paragraph, sentence, phrase or word is held invalid, illegal, or unenforceable, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

**XV.
ESTOPPEL CERTIFICATE**

Any Party hereto may request an estoppel certificate from another Party hereto so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which will upon request be addressed to a subsequent purchaser or assignee of GlobiTech, shall include, but not necessarily be limited to, statements (to the actual knowledge of the Party providing such) that this Agreement is in full force and effect without default (or if default exists, the nature of default and curative action, which should be undertaken to cure same), the remaining term of this Agreement, the levels of tax abatement in effect, and such other matters reasonably requested by the Party(ies) to receive the certificate. The City Manager for the City shall provide any such certificate on behalf of the City.

**XVI.
APPLICABLE LAW**

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be in a court located in Grayson County, Texas.

XVII. INDEMNIFICATION

A. IN ADDITION TO THE OTHER REMEDIES AFFORDED TO THE CITY IN THIS AGREEMENT, GLOBITECH SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY, ITS COUNCILMEMBERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, OR AGENTS (HEREINAFTER "CITY'S INDEMNIFIED PARTY") FOR, FROM AND AGAINST ANY AND ALL LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS), ENVIRONMENTAL OR OTHERWISE OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM, OR RELATED TO (IN WHOLE OR IN PART) GLOBITECH'S PERFORMANCE OF ITS OBLIGATIONS PURSUANT TO THIS AGREEMENT.

B. Notice of Indemnified Loss. The City's Indemnified Party shall promptly notify GlobiTech of any indemnified Losses or Claim for indemnified Losses in respect of which the City's Indemnified Party may be entitled to indemnification under this Section XVII. Such notice shall be given as soon as reasonably practicable after the City's Indemnified Party becomes aware of the Loss or Claim for Losses.

C. Defense of Third Party Claims. In the event any action or proceeding shall be brought against the City's Indemnified Party by reason of any matter for which the City's Indemnified Party is indemnified hereunder, GlobiTech shall, upon notice from the City's Indemnified Party or its authorized agents or representatives, at GlobiTech's sole cost and expense, resist and defend the same with legal counsel selected by GlobiTech; provided, however, that GlobiTech shall not admit liability in any such matter on behalf of the City's Indemnified Party. GlobiTech's obligation to defend shall apply regardless of whether the City's Indemnified Party is solely or concurrently negligent. Nothing herein shall be deemed to prevent the City's Indemnified Party at its election and at its own expense from cooperating with GlobiTech and participating in the defense of any litigation by their own counsel. If GlobiTech fails to retain defense counsel within seven (7) business days after receipt of City's Indemnified Party written notice that the City's Indemnified Party is invoking its right to indemnification under this Agreement, the City's Indemnified Party shall have the right to retain defense counsel on their own behalf, and GlobiTech shall be liable for all usual and customary defense costs incurred by the City's Indemnified Party.

D. Limitation on Indemnity. The amount owing to an Indemnified Party will be the amount of the Indemnified Party's Losses net of any insurance proceeds received by the indemnified Party following a reasonable effort by the Indemnified Party to obtain such insurance proceeds.

XVIII. ENTIRE AGREEMENT

This Agreement constitutes the entire Tax Abatement Agreement between the Parties, supersedes any prior understanding or written or oral tax abatement agreements or representations between the Parties, and can be modified only by written instrument subscribed to by all Parties.

Notwithstanding the foregoing provision, this Agreement does not modify, alter, or amend any other agreement or instrument among the City and GlobiTech relating to matters other than the abatement of real property taxes with respect to the Premises and the Qualified Facilities and business personal property located on the Premises. This Agreement may be executed in multiple counterparts (and may be delivered by telecopy, in addition to other means, with originals to follow), each of which shall be considered an original.

EXECUTED the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

By: _____
David Plyler, Mayor

ATTEST:

By: _____
Linda Ashby, City Clerk

CITY OF SHERMAN, TEXAS
APPROVED AS TO FORM:

By: _____
Brandon S. Shelby, City Attorney

GLOBITECH INCORPORATED

By: _____
Name: Terry Kluesner
Title: Administrative Manager
Address: 200 F.M. 1417 West
Sherman, Texas 75092

ATTEST:

By: _____

Name: _____

Title: _____

MAYOR'S ACKNOWLEDGEMENT

**THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §**

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared David Plyler, Mayor of the City of Sherman, Texas, a municipal corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said City of Sherman, Texas, a municipal corporation, that she was duly authorized to perform the same by appropriate resolution of the City Council for the City of Sherman and that she executed the same as the act of the said City for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, A.D., 2018.

Notary Public in and for the State of Texas

(Typed/Printed Name of Notary)

My Commission Expires:

GLOBITECH'S ACKNOWLEDGEMENT

THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Terry Kluesner, Administrative Manager, GlobiTech Incorporated, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me he executed the same as a duly authorized officer of such corporation, and as the act and deed of such corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, A.D., 2018.

Notary Public in and for the State of Texas

(Typed/Printed Name of Notary)

My Commission Expires:

**EXHIBIT A
TO TAX ABATEMENT AGREEMENT**

Comprehensive Guidelines

RESOLUTION NO. 6378

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RENEWING GUIDELINES AND CRITERIA FOR THE CITY OF SHERMAN'S INDUSTRIAL AND COMMERCIAL TAX ABATEMENT PROGRAM TO PROMOTE DEVELOPMENT/ REDEVELOPMENT IN CERTAIN AREAS OF THE CITY; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, by Resolution No. 6080, passed and approved on May 16, 2016, the City of Sherman declared its eligibility and intention to participate in the Tax Abatement Program to promote development/redevelopment in certain areas of the City and adopted Tax Abatement Guidelines and Criteria for use in all Tax Abatement Programs; and

WHEREAS, the City of Sherman is required to renew the guidelines and criteria adopted for this program every two years;

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

SECTION 1. That the City Council of the City of Sherman, Texas, hereby renews the following Tax Abatement Guidelines and Criteria for use in all Industrial and Commercial Tax Abatement Programs, as required by law:

**CITY OF SHERMAN'S
RENEWED INDUSTRIAL AND COMMERCIAL
TAX ABATEMENT GUIDELINES AND CRITERIA**

1. A tax abatement agreement must be reasonably likely to contribute to the retention or expansion of primary employment or to attract a primary employer to make a major capital investment that will benefit the City of Sherman's economic development. Primary employers are those companies whose sales, service and shipments are ultimately used in statewide, national or international markets.
2. A tax abatement agreement will not be entered into where a company is only changing its location within Grayson County, without increasing the number of employees, significantly expanding the facilities, or unless failure to grant such abatement would mean the loss of the business operation in Grayson County.
3. Tax abatement agreements will be considered for both new facilities and structures and for the expansion or modernization of existing facilities and structures.
4. The City Council of the City of Sherman will approve or deny a tax abatement request based upon the subjective evaluation of the following guidelines and criteria. The Council may consider any advisory recommendations received from the Tax Reinvestment Advisory Committee as it may choose:

- **Employment Impact**

How many jobs will be brought to Sherman?

What types of jobs will be created?

List the number of jobs by class that will be created and the wage range of each class of job.

What will the total annual payroll be? Include current and increase factors.

Expectation for jobs filled by transfers from other company locations vs. locally-filled jobs.

- **Fiscal Impact**

How much real and personal property-value will be added to the tax rolls, in square footage and in estimated value?

What is the economic life of the personal property?

What is the expected depreciation of the taxable value of the real and personal property?

How much direct sales tax will be generated for the City of Sherman during construction and after operations have commenced?

How will this project affect existing businesses and/or office facilities?

What infrastructure construction would be required?

What is the total annual operating budget of this facility projected to be? (For expansion, state current and projected increase.)

What is the estimated water use?

- **Community Impact**

What effect would the project have on the local housing market?

Is the project compatible with existing long-range or comprehensive plans?

What is the environmental impact of the project?

SECTION 2. That these Renewed Industrial and Commercial Tax Abatement Guidelines and Criteria shall be effective immediately upon the passage of this resolution.

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

PASSED AND APPROVED on this the 4th day of June, 2018.

CITY OF SHERMAN, TEXAS

BY: 
DAVID PLYLER, MAYOR

ATTEST:

BY: 
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

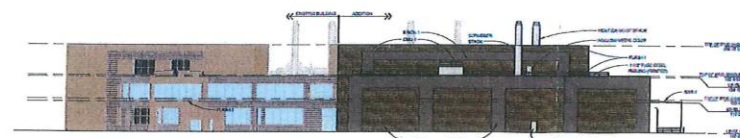
BY: 
BRANDON S. SHELBY,
CITY ATTORNEY

The Premises

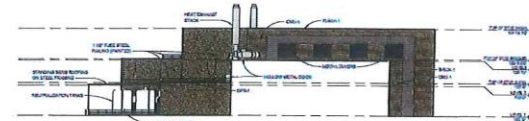


EXTERIOR MATERIAL FINISH SCHEDULE					
SCHEDULE	MATERIAL	MANUFACTURER	FINISH	COLOR	LOCATION
MS-1	FACE BRICK	MAW	WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-2	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-3	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-4	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-5	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-6	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-7	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-8	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-9	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-10	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-11	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-12	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-13	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-14	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-15	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-16	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-17	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-18	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-19	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW
MS-20	GLAZED TERRAZZO		WEDGE DOWNS	RED BRICK (ANTHROPOMETRIC)	MAW

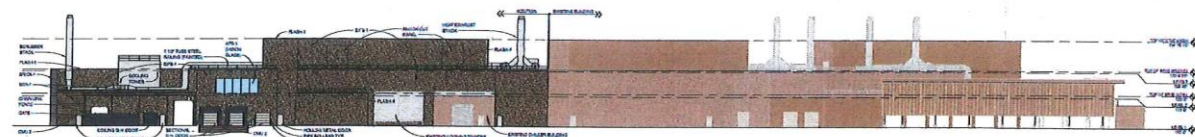
NOTE: THE NAME OF THE SUPPLIER FOR THE PROJECT IS LISTED ON THE SCHEDULE ABOVE. SEE SPECIFICATIONS FOR ADDITIONAL MATERIAL INFORMATION AND OTHER APPROPRIATE ILLUSTRATIONS.



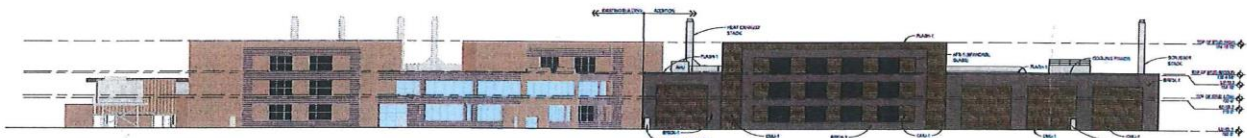
1 WEST BUILDING ELEVATION (RIGHT SIDE)
1" = 20'-0"



2 EAST BUILDING ELEVATION (LEFT SIDE)
1" = 20'-0"



3 SOUTH BUILDING ELEVATION (REAR)
1" = 20'-0"



4 NORTH BUILDING ELEVATION (FRONT)
1" = 20'-0"

PROJECT
GLOBITECH INCORPORATED
10000 GLOBITECH DRIVE
DALLAS, TEXAS 75243

OWNER
GLOBITECH INCORPORATED
10000 GLOBITECH DRIVE
DALLAS, TEXAS 75243

ARCHITECT
DUNHAM
10000 GLOBITECH DRIVE
DALLAS, TEXAS 75243

ENGINEER
POPE ASSOCIATES, INC.
10000 GLOBITECH DRIVE
DALLAS, TEXAS 75243

DATE
10/1/2010

PROJECT
GLOBITECH INCORPORATED
10000 GLOBITECH DRIVE
DALLAS, TEXAS 75243

NOT FOR CONSTRUCTION

REVISIONS

NO.	DATE	DESCRIPTION
1	10/1/2010	ISSUED FOR PERMIT

EXTERIOR ELEVATIONS, EXTERIOR MATERIAL FINISH SCHEDULE

Sheet Number
A3.1

Project Name
GLOBITECH INCORPORATED



NOT TO SCALE

City of Sherman, Texas
Developmental Services Department



Replat Northgate Technology Park Addition Lot 1R, Block 1



1 in = 1,250 ft

City of Sherman, Texas
Developmental Services Department



memorandum

DATE: Monday, July 2, 2018

TO: **The Tax Reinvestment Committee**
The Honorable Council Member Willie Steele
The Honorable Council Member Josh Stevenson

MC: The Honorable David Plyler, Sherman Mayor
The Honorable Bill Magers, Grayson County Judge
The Honorable David Whitlock, Grayson County Commissioner
Bruce Stidham, Grayson County Tax Assessor-Collector
Dr. Jeremy McMillen, Grayson College President
Dr. David Hicks, Sherman Independent School District Superintendent
John Sild, Chairman of the SEDCO Board of Directors
Mary Lawrence, Director of Finance

FROM: Robby Hefton, City Manager 

SUBJECT: Tax Abatement Request

The Tax Reinvestment Committee will meet at 12:00 noon on Friday, July 6th in the City Council Chambers of City Hall to consider the attached request of GlobiTech Incorporated for a tax abatement involving a project to construct a 78,000 square foot expansion to their current facility, including expansion of their clean-room space.

Phase I of the proposed project would add approximately \$23 million in real property and about \$24 million in equipment to be installed on site for the project. This phase would also involve the creation of over 30 jobs. The completion date for the expansion is estimated to be summer of 2020.

In accordance with our most recent tax abatement matrix, staff would propose an eight-year tax abatement of 60% for three years, 50% for four years, and 25% for the eighth and final year.

Mr. Terry Kluesner, Administrative Manager, Ms. LeAn Powlison, Director of Finance, and possibly Mr. Mark England, President, will be in attendance to address any questions you may have. Representatives from the other taxing entities will be attending as well.

Please call me if you have any questions regarding this item.

RH:pc

attachment: GlobiTech Incorporated Tax Abatement Application

EXECUTION OF AGREEMENT

TAX REINVESTMENT ZONE INDUSTRIAL AND COMMERCIAL APPLICATION

SECTION I

1. Property Owner: GLOB. TECH INCORPORATED
Mailing Address: 200, FM 1417, WEST SHERMAN, TX 75092
Telephone Numbers: 903-957-1925
2. Property Owner's Representative: LEAN POWLISON
Mailing Address: SAME
Telephone Numbers: SAME
3. Physical Property Address: SAME AS MAILING
4. Property Legal Description (include as an attachment with metes and bounds)
5. Property is located within: City of Sherman? YES
Sherman I.S.D.? YES
Grayson County? YES
6. Description of Project: 78,000 SQ. FT FACILITY EXPANSION
INCLUDING 10,000 SQ. FT CLEANROOM
7. Date of projected occupation of project/initiation of operations: SUMMER 2020
8. Narrative response to criteria questions in Section II of application? YES
(Yes or No, and include attachment)

GlobiTech Incorporated

Tax Abatement Application Narrative

GlobiTech Incorporated is considering expansion of its operations by building 10,000 square feet of cleanroom space in a facility totaling 78,000 square feet to be called Fab 3. This would be in addition to its existing cleanroom space of 8,000 square feet in each of its Fab 1 and Fab 2 facilities. The expansion is projected in three phases with the first phase starting in the fall of 2018 and the third phase completed in 2024. The total project is expected to create 93 additional jobs as follows:

	Phase 1	Phase 2	Phase 3	Total
Direct labor operators	19	20	21	60
Indirect labor	11	9	9	29
Exempt salaried	2	1	1	4
Total	32	30	31	93

Direct labor operators have an average wage rate of \$16.00/hour. Indirect labor employees include line technicians and highly skilled repair and maintenance technicians with an average wage rate of \$25.00/hour. The exempt salaried additions will have an average annual rate of \$93,000. All of the additional employees will receive a full complement of benefits including medical, dental, vision, disability and life insurance along with participation in the company's 401K plan. Expected annual payroll is expected to grow by approximately \$3.9 million based on current rates excluding future inflation. We expect that most of the positions will be filled by local applicants.

Total square footage of the addition is expected to be 78,000 square feet. The expansion is being planned in three phases with the following projected costs (\$000):

	Phase 1	Phase 2	Phase 3	Total
Real Property	23,000	6,000	2,000	31,000
Personal Property	24,500	27,750	27,500	79,750
Total	47,500	33,750	29,500	110,750

Economic life and depreciation would be based on standard rates used by the Grayson Central Appraisal District for real and personal property in the semiconductor industry. Sales tax of approximately \$2.4 million is included in the real property cost projection. Nearly all of the personal property is expected to be exempt from sales tax based on use as manufacturing equipment. Existing businesses and/or offices should realize a positive impact from increased employment and no infrastructure construction will be required.

GlobiTech is already a significant water customer and the additional facility and equipment will result in a significant increase in water usage. The following is a table of expected water usage based on the phased addition expressed in millions of gallons per month:

Incremental					Total
Base	Phase 1	Phase 2	Phase 3	Total	
15.4	2.2	4.1	4.4	10.7	26.1

The proposed project should provide a boost to the local housing market based on additional employment and we believe it is compatible with the City's Comprehensive Plan. GlobiTech is environmentally safe and the proposed project will comply with all necessary air quality and other permit requirements.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.3.

Meeting Date: 08/06/2018

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Review 2018-2019 Draft Budget

Issue:

Reviewing the draft budget for the 2018-2019 fiscal year

Background:

The City Charter requires that a draft budget be submitted to the Council at least 50 days prior to the start of the new fiscal year. This draft budget reflects the direction given by the Council at the Budget Workshop held on June 14, 2018. The budget contains about \$99.4 million in appropriations, which is about \$4.7 million more than the prior year's original budget of \$94.6 million, due to the costs of additional personnel, street materials, debt service and capital expenses. Staffing levels for full-time positions increased from 435 to 456; and fund balances for the General, Utility, and Solid Waste Funds are within targeted ranges of 70 to 90 days. The draft budget proposes funding for improvements to City facilities, parks and streets, for utility fund projects, and for compensation and staffing issues. An increase in solid waste rates is included. More detailed information is available on the attachments.

Origination:

Director of Finance

Financial Consideration:

The proposed draft budget contains appropriations of \$99.4 million for the 2018-2019 fiscal year.

Staff Recommendation:

The staff recommends that the budget ordinance be prepared using the draft budget as presented herein and that the public hearing on the proposed budget be set for August 20, 2018. At the conclusion of the public hearing, the Council shall take action on the proposed budget.

If the draft meets with the Council's approval, the staff will present the budget ordinance at the August 20, 2018 meeting of the City Council.

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

Draft Budget FY 2019

This budget will raise more total property taxes than last year's budget by \$988,000 and 8%, and of that amount \$243,000 is tax revenue to be raised from new property added to the tax roll this year.

**PROPOSED BUDGET FOR THE CITY OF SHERMAN
FOR FISCAL YEAR 2019**

August 6, 2018

SUMMARY

The attached proposed budget for Fiscal Year (FY) 2019 is based on the direction provided by the City Council at the June 14, 2018 budget workshop.

The proposed budget of \$99.4 million includes funding for growth through appropriations for 21 additional positions, \$4.9 million in fleet and equipment, \$7.5 million in parks projects, \$10 million in utility and facility projects, and \$13.5 million in street projects. A two-and-a-half percent increase in solid waste rates is included. Property tax rates remain unchanged. This budget is about \$4.7 million more than original FY 2018 budget due to the costs of additional personnel, street materials, debt service and capital expenses. Fund balances are maintained at targeted levels.

GENERAL FUND

The **General Fund** is balanced ongoing but unbalanced for the year. Additional spending is planned to keep fund balance in the middle of the target range. Property values and revenue are projected to increase about 8% and sales tax is projected to increase about 5%. Sixteen positions are budgeted including six firefighters, an animal control officer, building maintenance technician, development inspector, library assistant, grounds worker, horticulturalist, school resource officer partly funded by Sherman ISD, municipal court clerk, environmental code inspector to help with keeping the city clean, and dispatcher. Sales tax is budgeted to increase about two-and-a-half percent plus the effect of known retailers opening during the year. Fund balance is projected to be \$8.1 million or 77 days of operating expenses at the end of FY 2019.

UTILITY FUND

For FY 2019, the **Utility Fund** is balanced on an ongoing basis. A Water Quality Specialist is budgeted. The second phase of a four-phase plan to convert the current drive-by meter reading system to a cloud-based system will be implemented. Various fleet and equipment will be purchased to allow the city to continue to lay our own water and sewer lines as the city expands. Fund balance at the end of FY 2019 is projected to be about \$4.6 million, or about 73 days of operating expenses.

SOLID WASTE FUND

The **Solid Waste Fund** is balanced on an on-going basis but unbalanced for FY 2019 due to an additional fleet purchase. A two-and-a-half cent rate increase is planned to enable the City to add a residential route and two more drivers. Fund balances are expected to be \$1.4 million, or 72 days of operating funds available at the end of FY 2019.

CAPITAL IMPROVEMENT FUNDS

The proposed budget of about \$22.9 million in the **General Improvement Fund** consists of funding for park improvements, public safety facilities, and public building and street improvements. Funding is provided by debt issued in FY 2018, a planned additional debt issuance in FY 2019, a transfer from the General Fund and by the sale of a parcel of city land. Reserves of about \$5.5 million are expected at the end of FY 2019, mostly consisting of unspent debt proceeds.

The **Utility Improvement Fund** proposed budget consists of projects that will be funded by debt issued by the Greater Texoma Utility Authority on behalf of the City. Projects totaling \$7.4 million include a new northwest sewer lift station near the intersection of Highway 82 and Highway 289, improvements at the wastewater treatment plant, water and sewer line replacements and other system improvements. Utility Improvement Fund reserves will be about \$1.0 million at the end of FY 2019.

MAJOR IMPACTS

Tax Revenues

Property tax revenue is expected to increase about \$988,000 over last year, due growth in the value of existing property and new property added to the tax roll. Sales tax revenue is also expected to increase by about \$218,000 based on a two-and-a-half percent growth projection of ongoing revenue and after considering one-time receipts received in FY 2018 and new retailers coming on-line in the coming months.

Wage Increase

The proposed budget contains an across-the-board increase in salaries for all employees plus additional adjustments in public safety. The cost for all funds is projected to be about \$1.1 million

Staffing

Twenty-one new positions are budgeted including two workers for Stormwater projects in addition to the positions in the General, Utility and Solid Waste funds discussed above.

Fleet, Equipment and Buildings

Major fleet expenditures for this year include six solid waste collection trucks and a trailer (\$1.2 million), seven police vehicles (\$239,000), and street department equipment including a paver, motor grader, pneumatic roller, steel wheel roller, skid steer, and two dump trucks (\$1.5 million). The first phase of Pecan Grove Park, including ballfields, is planned with the second phase beginning near the end of FY 2019.

Major Projects

New and continuing projects funded this year include the extension of Travis Street from Hwy 75 to Hwy 1417, an EMS building at the new Fire Station #4, remodel of the Police Headquarters, and Swan Ridge Road.

SUMMARY SCHEDULES, DETAILED FUND STATEMENTS, AND OTHER INFORMATION

The following pages include a schedule that summarizes the draft FY 2019 budget, eliminating double counting for internal service funds and inter-fund transfers. Also included are statements of revenues and expenditures/expenses for each fund, a schedule of transfers, a property tax historical summary, and a debt schedule.

City of Sherman
ALL FUNDS
2018-2019 Annual Budget

	General Fund	Enterprise Funds	Capital Improvement Funds	Special Revenue Funds	Internal Service Funds	Debt Service Funds	Trust Fund	Elim. Interfund Transfers	Totals
Beginning Fund Balance	\$ 8,344,554	\$ 6,592,762	\$ 17,786,032	\$ 2,153,591	\$ 585,940	\$ 591,738	\$ 1,653,370	\$ -	\$ 37,707,986
Revenues:									
Taxes	29,929,400	-	342,785	524,000	-	3,419,324	-	-	34,215,509
Water Sales	-	14,030,000	-	-	-	-	-	-	14,030,000
Sewer Sales	-	7,407,000	-	-	-	-	-	-	7,407,000
Solid Waste Sales	-	6,771,000	-	-	-	-	-	-	6,771,000
Sales & Service	4,119,970	1,325,474	244,000	1,332,500	8,925,713	-	10,000	(8,888,599)	7,069,058
Intergovernmental	-	-	457,659	-	-	-	-	-	457,659
Interest Income	120,000	41,000	340,000	24,050	10,050	3,500	-	-	538,600
Miscellaneous Revenue	986,057	199,000	2,600,000	227,800	200	-	-	-	4,013,057
Debt Proceeds	-	-	11,100,000	3,000,000	1,177,410	-	-	-	15,277,410
Transfers In	2,878,000	161,000	700,000	15,000	3,082,499	1,187,000	-	(8,023,499)	-
Total Revenues	38,033,427	29,934,474	15,784,444	5,123,350	13,195,872	4,609,824	10,000	(16,912,098)	89,779,293
Total Funds Available	46,377,981	36,527,236	33,570,476	7,276,941	13,781,812	5,201,562	1,663,370	(16,912,098)	127,487,279
Expenditures:									
Personnel	26,542,913	7,958,244	-	370,519	1,361,289	-	-	-	36,232,964
Supplies	1,480,681	1,839,555	-	624,034	888,556	-	-	-	4,832,826
Repair & Maintenance	1,639,631	1,551,709	-	128,248	1,104,852	-	-	-	4,424,440
Utilities	1,060,140	1,627,430	-	40,710	55,370	-	-	-	2,783,650
Information Technology	669,310	270,900	-	5,940	24,950	-	-	(971,100)	-
Debt Service	-	7,082,558	-	-	490,957	4,614,641	-	-	12,188,156
Services & Charges	2,441,141	3,587,151	-	509,897	5,069,781	7,300	-	(4,723,000)	6,892,270
Vehicle Usage	1,728,940	1,460,680	-	4,880	-	-	-	(3,194,499)	-
Capital Expenses	776,365	365,779	24,361,850	2,380,000	4,153,752	-	-	-	32,037,746
Transfers Out	1,981,258	4,722,741	800,000	519,500	-	-	-	(8,023,499)	-
Total Expenditures	38,320,379	30,466,747	25,161,850	4,583,728	13,149,506	4,621,941	-	(16,912,098)	99,392,052
Excess Revenues Over Expenditures	(286,952)	(532,273)	(9,377,406)	539,623	46,366	(12,117)	10,000	-	(9,612,759)
Ending Fund Balance	\$ 8,057,602	\$ 6,060,489	\$ 8,408,626	\$ 2,693,213	\$ 632,306	\$ 579,621	\$ 1,663,370	\$ -	\$ 28,095,227

City of Sherman
GENERAL FUND
2018-2019 Annual Budget

	Actual 2016-2017	Adjusted Budget 2017-2018	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 7,479,053	\$ 5,892,555	\$ 6,654,042	\$ 8,344,554
Revenues				
Property Tax	9,263,048	9,748,400	9,734,500	9,818,000
Sales Tax	15,196,318	15,681,000	16,844,000	17,065,000
Franchise Tax	2,855,550	2,815,000	2,908,000	2,908,000
Other Taxes	138,675	138,000	143,400	138,400
Fines & Penalties	429,779	522,100	516,050	605,150
Recreation	327,759	355,300	330,200	330,000
Licenses & Permits	500,596	398,650	868,400	868,400
Rentals	40,245	35,100	45,000	35,000
Cemetery	185,795	171,100	176,100	166,100
Sales & Service	492,389	533,375	511,732	512,520
Ambulance Service	1,686,707	1,252,500	1,600,800	1,602,800
Interest Income	84,858	105,000	120,000	120,000
Grant Revenue	183,525	-	24,159	329,958
Intergovernmental	12,000	12,000	12,000	374,699
Miscellaneous Revenue	354,273	160,200	279,950	281,400
Total Revenues	31,751,515	31,927,725	34,114,291	35,155,427
Transfers In	2,884,019	3,800,000	3,800,000	2,878,000
Total Revenues and Transfers In	34,635,534	35,727,725	37,914,291	38,033,427
Total Funds Available	42,114,587	41,620,280	44,568,333	46,377,981
Expenditures				
Personnel	24,193,277	25,324,787	25,463,493	26,542,913
Supplies	1,523,579	1,320,253	1,380,126	1,480,681
Repair & Maintenance	1,392,642	1,393,414	1,444,908	1,639,631
Utilities	1,188,962	1,177,120	1,049,480	1,060,140
Information Technology	522,833	669,120	656,985	669,310
Services & Charges	2,257,994	2,264,983	3,113,474	2,441,141
Vehicle Usage	1,497,678	1,433,230	1,604,280	1,728,940
Capital Expenses	1,350,525	495,530	427,606	776,365
Transfers Out	1,533,054	1,083,428	1,083,428	1,981,258
Total Expenditures	35,460,545	35,161,864	36,223,779	38,320,379
Excess Revenues over Expenditures	(825,011)	565,861	1,690,512	(286,952)
Ending Fund Balance	\$ 6,654,042	\$ 6,458,416	\$ 8,344,554	\$ 8,057,602

City of Sherman
ENTERPRISE FUNDS
2018-2019 Annual Budget

	Actual 2016-2017	Adjusted Budget 2017-2018	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 6,554,373	\$ 7,586,292	\$6,450,290	\$6,592,762
Revenues:				
Water Sales	12,977,531	13,731,000	13,634,000	14,030,000
Sewer Sales	6,954,280	7,341,000	7,407,000	7,407,000
Solid Waste Service	6,084,467	6,125,000	6,542,000	6,771,000
Service Charges & Penalties	567,679	595,000	608,000	615,000
Laboratory	151,311	128,100	154,500	154,500
Charges for Services	112,254	170,000	140,000	140,000
Intergovernmental	433,757	343,915	453,803	415,974
Interest Income	27,995	34,500	41,000	41,000
Miscellaneous Revenue	246,413	166,000	162,861	199,000
Debt Proceeds	-	-	-	-
Transfers In	405,639	161,000	723,437	161,000
Total Revenues	27,961,327	28,795,515	29,866,601	29,934,474
Total Funds Available	34,515,700	36,381,807	36,316,891	36,527,236
Expenditures:				
Personnel	7,561,848	7,689,785	7,865,116	7,958,244
Supplies	1,525,287	1,818,869	1,464,424	1,839,555
Repair & Maintenance	1,359,270	1,905,596	1,628,733	1,551,709
Utilities	2,078,801	2,432,510	1,883,400	1,627,430
Information Technology	171,295	178,380	219,580	270,900
Services & Charges	2,758,683	3,141,220	3,411,705	3,587,151
Vehicle Usage	1,247,870	1,249,130	1,412,485	1,460,680
Debt Service	6,371,367	6,446,328	6,963,824	7,082,558
Capital Expenses	602,190	918,710	687,644	365,779
Transfers Out	4,388,800	4,144,151	4,187,218	4,722,741
Total Expenditures	28,065,410	29,924,680	29,724,129	30,466,747
Excess Revenues over Expenditures	(104,084)	(1,129,165)	142,472	(532,273)
Ending Fund Balance	\$6,450,290	\$6,457,127	\$6,592,762	\$6,060,489

City of Sherman
CAPITAL IMPROVEMENT FUNDS
2018-2019 Annual Budget

	222 General CIP	770 Utility CIP	224 Street Revolving	235 Regional Detention	230 TIRZ #3 Construction	330 TIRZ #2 Construction	241 TIRZ #5 Construction	242 TIRZ #6 Construction	243 TIRZ #7 Construction	Total
Beginning Fund Balance	\$ 13,740,513	\$ 1,651,329	\$ 483,503	\$ 210,378	\$ 55,356	\$ 148,329	\$ 310,445	\$ 290,179	\$ 896,000	\$ 17,786,032
Revenues:										
Interest Income	250,000	15,000	-	-	-	-	30,000	25,000	20,000	340,000
Debt Proceeds	11,100,000	-	-	-	-	-	-	-	-	11,100,000
Taxes	-	-	7,500	-	189,234	119,076	15,945	11,030	-	342,785
Intergovernmental	-	425,000	-	-	-	-	18,948	13,711	-	457,659
Sales & Service	-	-	100,000	144,000	-	-	-	-	-	244,000
Miscellaneous Revenue	2,600,000	-	-	-	-	-	-	-	-	2,600,000
Transfers In	700,000	-	-	-	-	-	-	-	-	700,000
Total Revenues	14,650,000	440,000	107,500	144,000	189,234	119,076	64,893	49,741	20,000	15,784,444
Total Funds Available	28,390,513	2,091,329	591,003	354,378	244,590	267,405	375,338	339,920	916,000	33,570,476
Expenditures										
Services & Charges	-	-	-	-	-	-	-	-	-	-
Capital Expenses	22,931,850	1,080,000	50,000	250,000	-	50,000	-	-	-	24,361,850
Transfers Out	-	-	-	-	190,000	-	290,000	227,000	93,000	800,000
Total Expenditures	22,931,850	1,080,000	50,000	250,000	190,000	50,000	290,000	227,000	93,000	25,161,850
Excess Revenues over Expenditures	(8,281,850)	(640,000)	57,500	(106,000)	(766)	69,076	(225,107)	(177,259)	(73,000)	(9,377,406)
Ending Fund Balance	\$ 5,458,663	\$ 1,011,329	\$ 541,003	\$ 104,378	\$ 54,590	\$ 217,405	\$ 85,338	\$ 112,920	\$ 823,000	\$ 8,408,626

City of Sherman
SPECIAL REVENUE FUNDS
2018-2019 Annual Budget

	420	440	445	450	460	470	480	455	456	457	
	Stormwater	E 911	Red River Law Enf. Academy	Security & Technology	Hotel/ Motel	Drug Enforcement	Airport	Parks Pride	Police Pride	Donations	Total
Beginning Fund Balance	\$ 1,528,835	\$ 219,627	\$ -	\$ 32,801	\$ 81,929	\$ 149,299	\$ 101,336	\$ 35,510	\$ 500	\$ 3,754	\$ 2,153,591
Revenues											
Taxes	-	-	-	-	524,000	-	-	-	-	-	524,000
Sales & Service	400,000	310,000	5,000	20,500	99,000	125,000	373,000	-	-	-	1,332,500
Interest Income	15,000	3,500	-	-	-	2,500	2,500	500	50	-	24,050
Miscellaneous Revenue	200,000	-	-	-	1,200	-	-	10,000	10,000	6,600	227,800
Debt Proceeds	3,000,000	-	-	-	-	-	-	-	-	-	3,000,000
Transfers In	-	-	15,000	-	-	-	-	-	-	-	15,000
Total Revenues	3,615,000	313,500	20,000	20,500	624,200	127,500	375,500	10,500	10,050	6,600	5,123,350
Total Funds Available	5,143,835	533,127	20,000	53,301	706,129	276,799	476,836	46,010	10,550	10,354	7,276,941
Expenditures											
Personnel	87,177	108,040	-	-	175,302	-	-	-	-	-	370,519
Supplies	-	14,600	13,000	18,200	32,600	239,300	294,200	-	2,134	10,000	624,034
Repair & Maintenance	-	65,748	-	4,000	24,500	27,000	7,000	-	-	-	128,248
Utilities	-	-	-	-	28,290	-	12,420	-	-	-	40,710
Information Technology	-	-	-	-	5,940	-	-	-	-	-	5,940
Services & Charges	-	109,420	5,000	5,800	259,400	10,000	79,577	35,000	5,700	-	509,897
Vehicle Usage	-	-	-	-	-	-	4,880	-	-	-	4,880
Capital Expenses	2,300,000	-	-	-	30,000	-	50,000	-	-	-	2,380,000
Transfers Out	406,500	-	-	-	113,000	-	-	-	-	-	519,500
Total Expenditures	2,793,677	297,808	18,000	28,000	669,032	276,300	448,077	35,000	7,834	10,000	4,583,728
Excess Revenues over Expenditures	821,323	15,692	2,000	(7,500)	(44,832)	(148,800)	(72,577)	(24,500)	2,216	(3,400)	539,623
Ending Fund Balance	\$ 2,350,158	\$ 235,319	\$ 2,000	\$ 25,301	\$ 37,098	\$ 499	\$ 28,759	\$ 11,010	\$ 2,716	\$ 354	\$ 2,693,213

City of Sherman
INTERNAL SERVICE FUNDS
2018-2019 Annual Budget

	600 Insurance	630 IT	650 Equipment	660 Fleet Replacement	Total
Beginning Fund Balance	\$ 251,387	\$ 103,889	\$ 118,221	\$ 112,443	\$ 585,940
Revenue					
Sales & Service	4,723,000	971,100	3,231,613	-	8,925,713
Other Contributions	-	-	-	-	-
Interest Income	-	50	-	10,000	10,050
Debt Proceeds	-	-	-	1,177,410	1,177,410
Miscellaneous Revenue	-	200	-	-	200
Transfers in	-	-	-	3,082,499	3,082,499
Total Revenue	4,723,000	971,350	3,231,613	4,269,909	13,195,872
Total Funds Available	4,974,387	1,075,239	3,349,834	4,382,352	13,781,812
Expenditures					
Personnel	-	535,558	825,731	-	1,361,289
Supplies	-	53,561	834,995	-	888,556
Repair & Maintenance	-	138,929	965,923	-	1,104,852
Utilities	-	32,250	23,120	-	55,370
Information Technology	-	-	24,950	-	24,950
Services & Charges	4,724,995	79,006	265,780	-	5,069,781
Debt Service	-	-	-	490,957	490,957
Capital Expenses	-	130,800	254,000	3,768,952	4,153,752
Total Expenditures	4,724,995	970,103	3,194,499	4,259,909	13,149,506
Excess Revenues over Expenditures	(1,995)	1,247	37,114	10,000	46,366
Ending Fund Balance	\$ 249,393	\$ 105,135	\$ 155,335	\$ 122,442	\$ 632,306

City of Sherman
DEBT SERVICE FUNDS
2018-2019 Annual Budget

	310 Auditorium Bonds	320 TIRZ #1	341 TIRZ #5	342 TIRZ #6	343 TIRZ #7	354 2016 Tax Notes	355 2016 CO Bonds	356 2017 CO Bonds	357 2017 Refunding Bonds	358 2017A CO Bonds	359 2018 CO Bonds	Total
Beginning Fund Balance	\$ 165,164	\$ 372,008	\$ 798	\$ 829	\$ -	\$ 2,722	\$ 1,374	\$ 887	\$ 46,252	\$ 1,705	\$ -	\$ 591,738
Revenues												
Taxes	-	276,324	-	-	-	470,000	290,000	826,000	890,000	-	667,000	3,419,324
Interest Income	2,500	1,000	-	-	-	-	-	-	-	-	-	3,500
Transfers In	113,000	-	290,000	227,000	93,000	-	190,000	-	-	274,000	-	1,187,000
Total Revenues	115,500	277,324	290,000	227,000	93,000	470,000	480,000	826,000	890,000	274,000	667,000	4,609,824
Total Funds Available	280,664	649,332	290,798	227,829	93,000	472,722	481,374	826,887	936,252	275,705	667,000	5,201,562
Expenditures:												
Debt Service	102,459	309,661	288,196	225,384	90,500	468,213	479,866	824,683	888,604	272,075	665,000	4,614,641
Services & Charges	750	750	-	-	1,000	750	750	750	750	750	1,050	7,300
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	103,209	310,411	288,196	225,384	91,500	468,963	480,616	825,433	889,354	272,825	666,050	4,621,941
Excess Revenues over Expenditures	12,291	(33,087)	1,804	1,616	1,500	1,037	(616)	567	646	1,175	950	(12,117)
Ending Fund Balance	\$ 177,455	\$ 338,921	\$ 2,602	\$ 2,445	\$ 1,500	\$ 3,759	\$ 758	\$ 1,454	\$ 46,898	\$ 2,880	\$ 950	\$ 579,621

City of Sherman
PERPETUAL CARE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 1,446,493	\$ 1,583,320	\$ 1,653,370
Revenues			
Sales & Service	8,000	10,000	10,000
Interest Income	128,827	60,050	-
Total Revenues	136,827	70,050	10,000
Total Funds Available	1,583,320	1,653,370	1,663,370
Expenditures			
Miscellaneous	-	-	-
Ending Fund Balance	\$ 1,583,320	\$ 1,653,370	\$ 1,663,370

City of Sherman
UTILITY FUND
2018-2019 Annual Budget

	Actual 2016-2017	Adjusted Budget 2017-2018	Projected 2017-2018	Requested 2018-2019
Beginning Reserve	\$ 4,067,753	\$ 4,017,290	\$ 4,539,922	\$ 4,952,578
Revenues				
Water Sales	12,977,531	13,933,000	13,634,000	14,030,000
Sewer Sales	6,954,280	7,313,000	7,407,000	7,407,000
Laboratory	151,311	147,000	154,500	154,500
Service Charges & Penalties	517,125	500,000	540,000	540,000
Charges for Services	112,254	135,000	140,000	140,000
Interest Income	15,894	45,000	25,000	25,000
Intergovernmental	433,757	423,803	453,803	415,974
Miscellaneous Revenue	72,661	56,000	77,861	75,000
Total Revenues	21,234,813	22,552,803	22,432,164	22,787,474
Transfers In	405,639	462,000	723,437	161,000
Total Revenues and Transfers In	21,640,452	23,014,803	23,155,601	22,948,474
Total Funds Available	25,708,205	27,032,093	27,695,523	27,901,052
Expenditures				
Personnel	5,890,048	6,091,398	6,185,693	6,194,503
Supplies	1,365,872	1,576,022	1,330,869	1,639,332
Repair & Maintenance	1,256,711	1,361,829	1,583,675	1,472,018
Utilities	2,049,825	1,941,610	1,856,810	1,599,640
Information Technology	141,467	180,780	177,480	215,060
Debt Service	6,371,367	7,083,095	6,963,824	7,082,558
Services & Charges	1,065,095	1,575,388	1,506,177	1,637,382
Vehicle Usage	383,650	394,830	440,780	479,550
Capital Expenses	244,708	475,740	639,637	331,279
Total Expenditures	18,768,743	20,680,692	20,684,945	20,651,322
Transfers Out				
General Fund-Franch & Admin	2,052,000	2,058,000	2,058,000	2,605,741
Fleet	347,540	-	-	-
Total Transfers Out	2,399,540	2,058,000	2,058,000	2,605,741
Total Expenditures and Transfers Out	21,168,283	22,738,692	22,742,945	23,257,063
Excess Revenues over Expenditures	472,169	276,111	412,656	(308,589)
Ending Reserve	\$ 4,539,922	\$ 4,293,401	\$ 4,952,578	\$ 4,643,989

**City of Sherman
SOLID WASTE FUND
2018-2019 Annual Budget**

	Actual 2016-2017	Adjusted Budget 2017-2018	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 1,984,395	\$ 1,522,558	\$ 1,648,931	\$ 1,640,185
Revenues				
Solid Waste Service	6,084,467	6,262,180	6,542,000	6,771,000
Service Charges & Penalties	50,554	52,000	68,000	75,000
Interest Income	9,741	8,000	16,000	16,000
Miscellaneous Revenue	170,952	94,000	85,000	124,000
Total Revenues	6,315,714	6,416,180	6,711,000	6,986,000
Total Funds Available	8,300,109	7,938,738	8,359,931	8,626,185
Expenditures				
Personnel	1,671,800	1,668,541	1,679,423	1,763,741
Supplies	159,414	133,854	133,555	200,223
Repair & Maintenance	102,559	49,566	45,058	79,691
Utilities	28,976	33,100	26,590	27,790
Information Technology	29,827	42,880	42,100	55,840
Services & Charges	1,692,289	1,750,200	1,905,528	1,949,769
Vehicle Usage	864,220	934,120	971,705	981,130
Capital Expenses	357,482	41,200	48,007	34,500
Transfers Out-Franchise & Admin	730,000	757,000	757,000	756,000
Transfers Out-Billing	161,000	162,000	162,000	161,000
Transfers Out-Fleet	853,611	948,781	948,781	1,200,000
Total Expenditures	6,651,178	6,521,241	6,719,747	7,209,685
Excess Revenues over Expenditures	(335,464)	(105,061)	(8,747)	(223,685)
Ending Fund Balance	\$ 1,648,931	\$ 1,417,497	\$ 1,640,185	\$ 1,416,500

City of Sherman
GENERAL IMPROVEMENT FUND
2018-2019 Annual Budget

	Actual 2016-2017	Adjusted Budget 2017-2018	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 9,831,558	\$ 9,111,064	\$ 14,959,217	\$ 13,740,513
Revenues				
Transfers In	823,389	100,000	462,611	700,000
Intergovernmental	-	-	-	-
Grant Revenue	225,751	-	359,325	-
Interest Income	90,685	60,000	150,000	250,000
Miscellaneous Revenue	19,630	4,500,000	2,031,099	2,600,000
Debt Proceeds	11,896,604	7,925,000	16,800,000	11,100,000
Total Revenues	13,056,058	12,585,000	19,803,035	14,650,000
Total Funds Available	22,887,616	21,696,064	34,762,252	28,390,513
Expenditures				
Muni Bldg Composition Roof	(48,995)	-	173,518	-
Muni Bldg Gutter & Cast Stone	-	-	27,000	-
⁽¹⁾ Library Remodel	382,520	1,625,000	1,743,839	-
⁽¹⁾ Taylor St Extension Eng & ROW	477,909	100,000	100,000	1,000,000
⁽¹⁾ FM 1417 (75 to 56) & FM 131 Schmatics	471,358	800,000	337,977	1,100,000
⁽¹⁾ Travis St West	917,312	5,000,000	3,000,000	5,000,000
⁽¹⁾ Canyon Creek Shady Oaks to Lamberth	1,394,079	-	1,200,000	-
⁽¹⁾ Lamberth Rd Thoroughfare	351,574	-	300,000	300,000
⁽²⁾ FEMA Grant-Flood Mitigation	314,522	-	440,324	-
⁽¹⁾ Friendship ROW 56 to Lamberth	416,573	1,300,000	800,000	-
Lake Street Repair	12,404	-	21,752	-
Street Improvement Program	112,825	502,114	502,114	-
⁽²⁾ Downtown Streetscape	94,310	-	410,000	-
⁽¹⁾ Loy Lake Rd-Sara Swamy to Hwy 82	1,922,329	-	156,514	-
Grand Avenue Traffic & Pedestrian Imp	793	-	-	-
ESC Office Renovation	18,137	-	-	-
Stormwater Fee Study	108,866	-	3,634	-
Dispatch Consoles	53,335	-	837	-
Grand Avenue Bridge	76,088	-	-	-
Kings Ridge Annexation	660	-	-	-
Master Thoroughfare Plan	40,000	-	-	-
Kessler Street Erosion	76,189	-	5,800	-
Subdivision Ordinance Update	28,738	-	-	-
Parks Master Plan	47,500	-	-	-
Pecan Grove Park Land	176,216	-	-	-
⁽¹⁾ Swan Ridge Extension	5,325	-	-	1,200,000
Park Ave Realignment	13,454	-	750,000	-
Remodel at Station 5	6,100	-	100,000	-
Houston St Property Acquisition	329,579	-	585	-
⁽¹⁾ Bridges-Travis/Center/McGee	15,781	-	100,000	400,000
⁽¹⁾ Fire Station 4 Relocation	37,400	3,300,000	3,598,250	-
City Hall Roof Coating	75,518	-	-	-
Northgate Drive	-	-	1,000,000	-
ESC Expand tool room	-	12,000	12,000	-
ESC Loft & shelving for storage building	-	13,000	13,000	-
Virtual Server	-	15,000	50,000	-
Server CALS	-	18,000	18,000	-
VM Server for Incode/RTA/GIS	-	18,000	18,000	-
Building Maint Shop Buildings Roof	-	20,000	22,309	-
ESC R-panel N and W side of bldg	-	20,000	20,000	-
Taylor St Gym AC	-	20,000	20,000	-
Radio Console	-	21,630	21,630	-
Exchange Server	-	25,000	25,000	-
Lamar Green Space	-	25,000	25,000	-

City of Sherman
GENERAL IMPROVEMENT FUND
2018-2019 Annual Budget

	Actual 2016-2017	Adjusted Budget 2017-2018	Projected 2017-2018	Requested 2018-2019
Senior Center Patio West Side	-	25,240	25,240	-
South Plant - raise door on West side of bldg	-	30,000	50,000	-
South Plant LED lighting	-	30,000	-	-
Outdoor Warning Siren	-	32,000	32,000	-
5903 New Floor Covering - Senior Center	-	-	32,225	-
ESC Ceiling Repairs	-	50,000	50,000	-
Senior Center Bathroom Renovations	-	50,000	50,000	-
Storage & Backup	-	50,000	50,000	-
Virtualization Server	-	50,000	15,000	-
Ely Park Playground	-	50,000	49,976	-
Fairview Sidewalks	-	50,000	49,250	-
Finance Remodel	-	60,000	30,000	30,000
Library Parking Lot	-	60,000	60,000	-
Skid Steer	-	70,000	65,611	-
ESC Roof Replacement	-	93,802	81,268	-
Building Maint Shop pavement & parking	-	100,000	100,000	-
Police Dept Storage & Backup	-	120,000	82,279	-
Police Dept Repeaters	-	149,642	178,308	-
Hickory Reconstruct Roadway	-	150,000	150,000	-
Master Plan Parks	-	500,000	500,000	-
Police Dept Exterior Renovation	-	516,850	100,000	416,850
⁽¹⁾ TxDOT Ramp at 1417 & 75 (TIRZ #7 N bound exit)	-	-	2,500,000	-
Downtown Sidewalks	-	-	58,974	-
⁽¹⁾ TxDOT-FM 1417 Construction Match	-	-	-	2,000,000
⁽¹⁾ Legacy Blvd	-	-	-	1,500,000
UB Remodel	-	-	-	40,000
Impound Improvements	-	-	-	200,000
⁽¹⁾ Fire Station #4 Phase II EMS Bldg	-	-	-	950,000
Fire Station #3 Remodel	-	-	-	55,000
Renovate Cemetery & Maint Bldg	-	-	-	100,000
Taylor St Gym/Roof	-	-	-	50,000
Pecan Grove Maint Bldg	-	-	-	50,000
⁽¹⁾ Pecan Grove Ph II	-	-	-	2,500,000
Quail Run Extension Park	-	-	-	250,000
ESCO Spray Insulation windows	-	-	-	50,000
⁽¹⁾ SHS Street projects	-	-	-	1,000,000
⁽¹⁾ Pecan Grove Basketball Courts	-	-	-	140,000
5171 Library Park	-	-	-	100,000
New floor covering	-	32,225	32,225	-
⁽¹⁾ Pecan Grove Ball Fields	-	4,500,000	242,300	4,500,000
Transfers Out	-	1,420,000	1,420,000	-
Total Expenditures	7,928,399	21,024,503	21,021,739	22,931,850
Excess Revenues over Expenditures	5,127,659	(8,439,503)	(1,218,704)	(8,281,850)
Ending Fund Balance	\$ 14,959,217	\$ 671,561	\$ 13,740,513	\$ 5,458,663

⁽¹⁾ Debt Funded

⁽²⁾ Partial Grant Funding

City of Sherman
UTILITY IMPROVEMENT FUND
2018-2019 Annual Budget

	Actual 2016-2017	Budget 2017-2018	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 2,201,569	\$ 483,771	\$ 1,740,811	\$ 1,651,329
Revenues				
Intergovernmental	695,178	-	363,000	425,000
Interest Income	17,659	17,000	17,000	15,000
Total Revenues	712,837	17,000	380,000	440,000
Total Funds Available	2,914,406	500,771	2,120,811	2,091,329
Expenditures				
⁽¹⁾ North west Sewer	56,957	2,300,000	200,000	3,000,000
⁽²⁾ Preston Club Water Line	100,557	50,000	50,000	100,000
⁽¹⁾ Aeration Basin Upgrade	35,814	3,970,000	150,000	-
Rehab two sludge thickeners	22,320	-	50,000	-
⁽¹⁾ Canyon Creek Water & Wastewater	-	50,000	-	-
Harrison Elevated Tank Painting	318,098	-	295,399	-
⁽²⁾ Carriage Estates Water	183,466	-	40,000	-
⁽²⁾ Hwy 56 Water	115,485	-	-	-
⁽¹⁾ Gallagher Elevated Tank Painting and Repair	11,920	778,000	778,000	-
Sears Lift Station	(3,540)	-	-	-
⁽²⁾ Travis St West Sewer Replacement	27,368	-	-	-
Well Repairs and Upgrades	5,342	-	-	-
WTP Basin Cleaning	(133,756)	-	-	-
Ricketts St Water Line	2,863	-	-	-
⁽¹⁾ Water Treatment Plant Expansion	29,173	-	-	-
⁽¹⁾ Cherry Park Pump Station Rehab	98,329	-	-	-
⁽¹⁾ SW Elevated Storage Tank	5,275	-	-	-
Hwy 75 South Water Crossing Replacement	58,878	-	-	-
⁽²⁾ Travis St West Water	133,575	-	-	-
Baker Dr to Hwy 82	23,688	-	-	-
⁽¹⁾ Blalock Industrial Sewer	800	-	50,000	-
⁽²⁾ Lamberth Water	-	-	-	100,000
North Travis St. Water Main Replacement	1,000	-	3,250	-
⁽²⁾ Taylor/Washington St Water	-	70,000	-	-
⁽²⁾ High Country Estates Water	-	-	23,000	225,000
⁽¹⁾ Effluent Line	6,594	-	-	-
Preston Club WWTP repairs (non-GTUA)	-	-	7,833	-
⁽²⁾ Swan Ridge Wastewater	-	115,000	-	-
Utility Oversizing	-	-	-	50,000
⁽¹⁾ Biological Clarifier Rehab	-	1,830,000	1,830,000	-
⁽¹⁾ WWTP Control Building Expansion	-	698,000	698,000	-
Dos Lagos Waterlines Replacements	-	-	-	75,000
Equalization Basin Prop Mixer Replacement	-	-	-	75,000
Fencing/Gate Repairs	-	-	-	75,000
⁽¹⁾ Primary Clarifier #1 Rehab	-	-	-	840,000
⁽¹⁾ Primary Digester #1 & Digester Complex Piping Reha	-	-	-	600,000
Refurbish Storage basin liners	-	-	-	130,000
⁽¹⁾ Sewer replacement between Rosedale & First	-	-	-	1,000,000
⁽¹⁾ Storm Water lift station/Force main upgrade	-	-	-	480,000
Texoma Pkwy Sycamore to Evergreen overflow relief	-	-	-	150,000
⁽¹⁾ Water crossing under Hwy 75 at Choctaw Creek	-	-	-	425,000
Water Distribution system improvements	-	-	-	100,000
GTUA Funding	-	(9,861,000)	(3,706,000)	(6,345,000)
Transfers Out	73,389	-	-	-
Total Expenditures	1,173,595	-	469,482	1,080,000
Excess Revenues over Expenditures	(460,758)	17,000	(89,482)	(640,000)
Ending Fund Balance	\$ 1,740,811	\$ 500,771	\$ 1,651,329	\$ 1,011,329

⁽¹⁾ GTUA Funding

⁽²⁾ GTUA Funding of in-house project

City of Sherman
STREET REVOLVING FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 422,142	\$ 426,003	\$ 483,503
Revenues			
Sales & Service	-	50,000	100,000
Interest Income	3,861	7,500	7,500
Total Revenues	<u>3,861</u>	<u>57,500</u>	<u>107,500</u>
Total Funds Available	426,003	483,503	591,003
Expenditures			
Capital Expenses	-	-	50,000
	<u>-</u>	<u>-</u>	<u>50,000</u>
Ending Fund Balance	<u>\$ 426,003</u>	<u>\$ 483,503</u>	<u>\$ 541,003</u>

City of Sherman
TIF #2 CONSTRUCTION FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 94,174	\$ 181,689	\$ 148,329
Revenues			
Property Tax	87,515	97,086	119,076
Interest Income	-	-	-
Total Revenues	<u>87,515</u>	<u>97,086</u>	<u>119,076</u>
Total Funds Available	181,689	278,775	267,405
Expenditures:			
Capital Expenses	-	-	50,000
Transfers Out	-	130,446	-
Total Expenditures	<u>-</u>	<u>130,446</u>	<u>50,000</u>
Excess Revenues over Expenditures	<u>87,515</u>	<u>(33,360)</u>	<u>69,076</u>
Ending Fund Balance	<u>\$ 181,689</u>	<u>\$ 148,329</u>	<u>\$ 217,405</u>

City of Sherman
TIF #3 CONSTRUCTION FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 12,853	\$ 57,508	\$ 55,356
Revenues			
Property Tax	149,655	187,848	189,234
Interest Income	-	-	-
Total Revenues	<u>149,655</u>	<u>187,848</u>	<u>189,234</u>
Total Funds Available	162,508	245,356	244,590
Expenditures			
Capital Expenses	-	-	-
Transfers Out	105,000	190,000	190,000
Total Expenditures	<u>105,000</u>	<u>190,000</u>	<u>190,000</u>
Excess Revenues over Expenditures	<u>44,655</u>	<u>(2,152)</u>	<u>(766)</u>
Ending Fund Balance	<u>\$ 57,508</u>	<u>\$ 55,356</u>	<u>\$ 54,590</u>

City of Sherman
REGIONAL DETENTION FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ 59,878	\$ 210,378
Revenues			
Sales & Service	59,878	150,000	144,000
Interest Income	-	500	-
Total Revenues	59,878	150,500	144,000
Total Funds Available	59,878	210,378	354,378
Expenditures			
Capital Expenses	-	-	250,000
Total Expenditures	-	-	250,000
Excess Revenues over Expenditures	59,878	150,500	(106,000)
Ending Fund Balance	\$ 59,878	\$ 210,378	\$ 104,378

City of Sherman
TIRZ #5 CONSTRUCTION FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ 3,892,445	\$ 310,445
Revenues			
Property Tax	-	-	15,945
Intergovernmental	-	-	18,948
Interest Income	18,160	30,000	30,000
Debt Proceeds	3,900,000	-	-
Total Revenues	<u>3,918,160</u>	<u>30,000</u>	<u>64,893</u>
Total Funds Available	3,918,160	3,922,445	375,338
Expenditures			
Capital Expenses	600	3,400,000	-
Services & Charges	25,115	-	-
Transfers Out	-	212,000	290,000
Total Expenditures	<u>25,715</u>	<u>3,612,000</u>	<u>290,000</u>
Excess Revenues over Expenditures	<u>3,892,445</u>	<u>(3,582,000)</u>	<u>(225,107)</u>
Ending Fund Balance	<u>\$ 3,892,445</u>	<u>\$ 310,445</u>	<u>\$ 85,338</u>

City of Sherman
TIRZ #6 CONSTRUCTION FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ 3,031,179	\$ 290,179
Revenues			
Property Tax	-	-	11,030
Intergovernmental	-	-	13,711
Interest Income	14,171	25,000	25,000
Debt Proceeds	3,050,000	-	-
Total Revenues	<u>3,064,171</u>	<u>25,000</u>	<u>49,741</u>
Total Funds Available	3,064,171	3,056,179	339,920
Expenditures			
Capital Expenses	12,600	2,600,000	-
Services & Charges	20,392	-	-
Transfers Out	-	166,000	227,000
Total Expenditures	<u>32,992</u>	<u>2,766,000</u>	<u>227,000</u>
Excess Revenues over Expenditures	<u>3,031,179</u>	<u>(2,741,000)</u>	<u>(177,259)</u>
Ending Fund Balance	<u>\$ 3,031,179</u>	<u>\$ 290,179</u>	<u>\$ 112,920</u>

City of Sherman
TIRZ #7 CONSTRUCTION FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ -	\$ 896,000
Revenues			
Property Tax	-	-	-
Interest Income	-	-	20,000
Debt Proceeds	-	2,400,000	-
Total Revenues	<u>-</u>	<u>2,400,000</u>	<u>20,000</u>
Total Funds Available	-	2,400,000	916,000
Expenditures			
Capital Expenses	-	1,500,000	-
Services & Charges	-	4,000	-
Transfers Out	-	-	93,000
Total Expenditures	<u>-</u>	<u>1,504,000</u>	<u>93,000</u>
Excess Revenues over Expenditures	<u>-</u>	<u>896,000</u>	<u>(73,000)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ 896,000</u>	<u>\$ 823,000</u>

City of Sherman
AUDITORIUM DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 148,852	\$ 152,145	\$ 165,164
Revenues			
Transfers In	114,000	114,000	113,000
Interest Income	1,307	2,500	2,500
Total Revenues	<u>115,307</u>	<u>116,500</u>	<u>115,500</u>
Total Funds Available	264,159	268,645	280,664
Expenditures			
Debt Service	111,714	102,731	102,459
Services & Charges	300	750	750
Total Expenditures	<u>112,014</u>	<u>103,481</u>	<u>103,209</u>
Excess Revenues over Expenditures	<u>3,293</u>	<u>13,019</u>	<u>12,291</u>
Ending Fund Balance	<u>\$ 152,145</u>	<u>\$ 165,164</u>	<u>\$ 177,455</u>

City of Sherman
TIF #1 DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 393,643	\$ 355,189	\$ 372,008
Revenues			
Property Tax	279,847	327,691	276,324
Interest Income	-	1,000	1,000
Total Revenues	<u>279,847</u>	<u>328,691</u>	<u>277,324</u>
Total Funds Available	673,490	683,880	649,332
Expenditures			
Debt Service	318,102	311,672	309,661
Services & Charges	200	200	750
Total Expenditures	<u>318,302</u>	<u>311,872</u>	<u>310,411</u>
Excess Revenues over Expenditures	<u>(38,454)</u>	<u>16,819</u>	<u>(33,087)</u>
Ending Fund Balance	<u>\$ 355,189</u>	<u>\$ 372,008</u>	<u>\$ 338,921</u>

City of Sherman
TIRZ #5 DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ -	\$ 798
Revenues			
Transfers In	-	212,000	290,000
Total Revenues	-	212,000	290,000
Total Funds Available	-	212,000	290,798
Expenditures			
Debt Service	-	211,202	288,196
Total Expenditures	-	211,202	288,196
Excess Revenues over Expenditures	-	798	1,804
Ending Fund Balance	\$ -	\$ 798	\$ 2,602

City of Sherman
TIRZ #6 DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ -	\$ 829
Revenues			
Debt Proceeds	-	-	-
Transfers In	-	166,000	227,000
Total Revenues	-	166,000	227,000
Total Funds Available	-	166,000	227,829
Expenditures			
Debt Service	-	165,171	225,384
Total Expenditures	-	165,171	225,384
Excess Revenues over Expenditures	-	829	1,616
Ending Fund Balance	\$ -	\$ 829	\$ 2,445

City of Sherman
TIRZ #7 DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ -	\$ -
Revenues			
Transfers In	-	-	93,000
Total Revenues	-	-	93,000
Total Funds Available	-	-	93,000
Expenditures			
Debt Service	-	-	90,500
Services & Charges	-	-	1,000
Total Expenditures	-	-	91,500
Excess Revenues over Expenditures	-	-	1,500
Ending Fund Balance	\$ -	\$ -	\$ 1,500

City of Sherman
2008 CO DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 12,067	\$ 18,104	\$ -
Revenues			
Property Tax	346,366	251,000	-
Total Revenues	<u>346,366</u>	<u>251,000</u>	<u>-</u>
Total Funds Available	358,433	269,104	-
Expenditures			
Debt Service	340,329	249,435	-
Services & Charges	-	-	-
Transfers Out	-	19,669	-
Total Expenditures	<u>340,329</u>	<u>269,104</u>	<u>-</u>
Excess Revenues over Expenditures	<u>6,037</u>	<u>(18,104)</u>	<u>-</u>
Ending Fund Balance	<u><u>\$ 18,104</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Sherman
2009 CO DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 11,617	\$ 16,474	\$ -
Revenues			
Property Tax	291,366	200,000	-
Total Revenues	<u>291,366</u>	<u>200,000</u>	<u>-</u>
Total Funds Available	302,983	216,474	-
Expenditures			
Debt Service	285,759	198,855	-
Services & Charges	750	-	-
Transfers Out	-	17,619	-
Total Expenditures	<u>286,509</u>	<u>216,474</u>	<u>-</u>
Excess Revenues over Expenditures	<u>4,857</u>	<u>(16,474)</u>	<u>-</u>
Ending Fund Balance	<u>\$ 16,474</u>	<u>\$ -</u>	<u>\$ -</u>

City of Sherman
2009A CO DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 2,824	\$ 3,797	\$ -
Revenues			
Property Tax	236,366	162,000	-
Total Revenues	<u>236,366</u>	<u>162,000</u>	<u>-</u>
Total Funds Available	239,190	165,797	-
Expenditures			
Debt Service	234,643	160,425	-
Services & Charges	750	-	-
Transfers Out	-	5,372	-
Total Expenditures	<u>235,393</u>	<u>165,797</u>	<u>-</u>
Excess Revenues over Expenditures	<u>973</u>	<u>(3,797)</u>	<u>-</u>
Ending Fund Balance	<u>\$ 3,797</u>	<u>\$ -</u>	<u>\$ -</u>

City of Sherman
2016 CO DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ 735	\$ 2,722
Revenues			
Property Tax	180,000	471,000	470,000
Total Revenues	<u>180,000</u>	<u>471,000</u>	<u>470,000</u>
Total Funds Available	180,000	471,735	472,722
Expenditures			
Debt Service	178,515	469,013	468,213
Services & Charges	750	-	750
Total Expenditures	<u>179,265</u>	<u>469,013</u>	<u>468,963</u>
Excess Revenues over Expenditures	<u>735</u>	<u>1,987</u>	<u>1,037</u>
Ending Fund Balance	<u>\$ 735</u>	<u>\$ 2,722</u>	<u>\$ 3,759</u>

City of Sherman
2016 TAX NOTES DEBT SERVICE
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ 1,304	\$ 1,374
Revenues			
Sales Tax	376,000	293,000	290,000
Transfers In	105,000	190,000	190,000
Total Revenues	<u>481,000</u>	<u>483,000</u>	<u>480,000</u>
Total Funds Available	481,000	484,304	481,374
Expenditures			
Debt Service	479,696	482,180	479,866
Services & Charges	-	750	750
Total Expenditures	<u>479,696</u>	<u>482,930</u>	<u>480,616</u>
Excess Revenues over Expenditures	<u>1,304</u>	<u>70</u>	<u>(616)</u>
Ending Fund Balance	<u>\$ 1,304</u>	<u>\$ 1,374</u>	<u>\$ 758</u>

City of Sherman
2017 CO DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ -	\$ 887
Revenues			
Property Tax	-	606,000	826,000
Total Revenues	-	606,000	826,000
Total Funds Available	-	606,000	826,887
Expenditures			
Debt Service	-	604,363	824,683
Services & Charges	-	750	750
Total Expenditures	-	605,113	825,433
Excess Revenues over Expenditures	-	887	567
Ending Fund Balance	\$ -	\$ 887	\$ 1,454

City of Sherman
2017 Refunding Bonds
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ 1,610	\$ 46,252
Revenues			
Property Tax	46,902	278,000	890,000
Transfers In	-	42,660	-
Miscellaneous Revenue	-	900	-
Other Financing Sources	10,008,355	-	-
Total Revenues	<u>10,055,257</u>	<u>321,560</u>	<u>890,000</u>
Total Funds Available	10,055,257	323,170	936,252
Expenditures			
Debt Service	46,903	276,918	888,604
Services & Charges	119,883	-	750
Other Financing Uses	9,886,862	-	-
Total Expenditures	<u>10,053,647</u>	<u>276,918</u>	<u>889,354</u>
Excess Revenues over Expenditures	<u>1,610</u>	<u>44,642</u>	<u>646</u>
Ending Fund Balance	<u>\$ 1,610</u>	<u>\$ 46,252</u>	<u>\$ 46,898</u>

City of Sherman
2017A CO DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ -	\$ 1,705
Revenues			
Miscellaneous Revenue	-	397	-
Transfers In	-	221,000	274,000
Total Revenues	-	221,397	274,000
Total Funds Available	-	221,397	275,705
Expenditures			
Debt Service	-	219,692	272,075
Services & Charges	-	-	750
Total Expenditures	-	219,692	272,825
Excess Revenues over Expenditures	-	1,705	1,175
Ending Fund Balance	\$ -	\$ 1,705	\$ 2,880

City of Sherman
2018 CO DEBT SERVICE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ -	\$ -
Revenues			
Property Tax	-	-	667,000
Transfers In	-	-	-
Total Revenues	-	-	667,000
Total Funds Available	-	-	667,000
Expenditures			
Debt Service	-	-	665,000
Services & Charges	-	-	1,050
Total Expenditures	-	-	666,050
Excess Revenues over Expenditures	-	-	950
Ending Fund Balance	\$ -	\$ -	\$ 950

**City of Sherman
STORMWATER FUND
2018-2019 Annual Budget**

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ -	\$ 1,528,835
Revenues			
Sales & Service	-	340,000	400,000
Interest Income	-	20,000	15,000
Miscellaneous Revenue	-	-	200,000
Debt Proceeds	-	4,055,921	3,000,000
Total Revenues	<u>-</u>	<u>4,415,921</u>	<u>3,615,000</u>
Total Funds Available	-	4,415,921	5,143,835
Expenditures			
Personnel	-	-	87,177
Supplies	-	5,000	-
Capital Expenses	-	2,273,905	2,300,000
Agent Fees	-	55,016	-
Transfers Out	-	553,165	406,500
Total Expenditures	<u>-</u>	<u>2,887,086</u>	<u>2,793,677</u>
Excess Revenues over Expenditures	<u>-</u>	<u>1,528,835</u>	<u>821,323</u>
Ending Fund Balance	<u>-</u>	<u>1,528,835</u>	<u>2,350,158</u>

City of Sherman
EMERGENCY 9-1-1 FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 124,793	\$ 184,863	\$ 219,627
Revenues			
Sales & Service	303,482	310,000	310,000
Interest Income	1,733	3,500	3,500
Total Revenues	305,215	313,500	313,500
Total Funds Available	430,008	498,363	533,127
Expenditures			
Personnel	107,297	109,417	108,040
Supplies	8,082	3,800	14,600
Repair & Maintenance	66,300	68,000	65,748
Services & Charges	63,466	97,520	109,420
Capital Expenses	-	-	-
Total Expenditures	245,145	278,737	297,808
Excess Revenues over Expenditures	60,070	34,763	15,692
Ending Fund Balance	\$ 184,863	\$ 219,627	\$ 235,319

City of Sherman
RED RIVER LAW ENFORCEMENT ACADEMY
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ -	\$ -	\$ -
Revenues			
Sales & Service	-	-	5,000
Fines & Penalties	-	-	-
Interest Income	-	-	-
Transfers In	-	-	15,000
Total Revenues	-	-	20,000
Total Funds Available	-	-	20,000
Expenditures			
Personnel	-	-	-
Supplies	-	-	13,000
Repair & Maintenance	-	-	-
Services & Charges	-	-	5,000
Capital Expenses	-	-	-
Transfers Out	-	-	-
Total Expenditures	-	-	18,000
Excess Revenues over Expenditures	-	-	2,000
Ending Fund Balance	\$ -	\$ -	\$ 2,000

City of Sherman
COURT SECURITY & TECHNOLOGY FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 2,509	\$ 25,481	\$ 32,801
Revenues			
Fines & Penalties	24,759	18,500	20,500
Total Revenues	24,759	18,500	20,500
Total Funds Available	27,268	43,981	53,301
Expenditures			
Supplies	-	8,580	18,200
Repair & Maintenance	-	-	4,000
Services & Charges	1,787	2,600	5,800
Total Expenditures	1,787	11,180	28,000
Excess Revenues over Expenditures	22,972	7,320	(7,500)
Ending Fund Balance	\$ 25,481	\$ 32,801	\$ 25,301

**City of Sherman
PARKS PRIDE FUND
2018-2019 Annual Budget**

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 30,765	\$ 47,690	\$ 35,510
Revenues			
Miscellaneous Revenue	20,147	10,320	10,000
Interest Income	359	500	500
Total Revenues	<u>20,505</u>	<u>10,820</u>	<u>10,500</u>
Total Funds Available	51,270	58,510	46,010
Expenditures			
Services & Charges	<u>3,580</u>	<u>23,000</u>	<u>35,000</u>
Excess Revenues over Expenditures	<u>16,925</u>	<u>(12,180)</u>	<u>(24,500)</u>
Ending Fund Balance	<u>\$ 47,690</u>	<u>\$ 35,510</u>	<u>\$ 11,010</u>

City of Sherman
POLICE PRIDE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 1,843	\$ 3,234	\$ 500
Revenues			
Miscellaneous Revenue	10,897	10,000	10,000
Interest Income	27	50	50
Total Revenues	<u>10,924</u>	<u>10,050</u>	<u>10,050</u>
Total Funds Available	12,767	13,284	10,550
Expenditures			
Supplies	3,615	5,500	2,134
Services & Charges	5,918	7,284	5,700
Capital Expenses	-	-	-
Total Expenditures	<u>9,533</u>	<u>12,784</u>	<u>7,834</u>
Excess Revenues over Expenditures	<u>1,391</u>	<u>(2,734)</u>	<u>2,216</u>
Ending Fund Balance	<u>\$ 3,234</u>	<u>\$ 500</u>	<u>\$ 2,716</u>

City of Sherman
DONATIONS FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 4,782	\$ 7,154	\$ 3,754
Revenues			
Miscellaneous Revenue	7,245	6,500	6,600
Interest Income	44	100	-
Total Revenues	<u>7,289</u>	<u>6,600</u>	<u>6,600</u>
Total Funds Available	12,071	13,754	10,354
Expenditures			
Supplies	<u>4,917</u>	<u>10,000</u>	<u>10,000</u>
Excess Revenues over Expenditures	<u>2,372</u>	<u>(3,400)</u>	<u>(3,400)</u>
Ending Fund Balance	<u>\$ 7,154</u>	<u>\$ 3,754</u>	<u>\$ 354</u>

City of Sherman
HOTEL/MOTEL TAX FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 192,985	\$ 57,435	\$ 81,929
Revenues			
Hotel-Motel Taxes	489,324	507,000	524,000
Fines & Penalties	6,758	100	-
Miscellaneous Revenue	1,348	3,600	1,200
Interest Income	1,876	100	-
Sales & Service	65,944	66,200	65,000
Rentals	15,671	34,000	34,000
Transfers In	-	50,000	-
Total Revenues	<u>580,920</u>	<u>661,000</u>	<u>624,200</u>
Total Funds Available	773,905	718,435	706,129
Expenditures:			
Tourism			
Administration	162,647	165,015	206,612
Programs	242,598	293,850	188,150
Downtown Building Incentive	49,225	-	-
Sherman Museum	52,500	-	70,000
Ballroom Operations	51,716	42,680	64,880
Auditorium Operations	43,784	20,960	26,390
Transfers Out	114,000	114,000	113,000
Total Expenditures	<u>716,470</u>	<u>636,505</u>	<u>669,032</u>
Excess Revenues over Expenditures	<u>(135,550)</u>	<u>24,495</u>	<u>(44,832)</u>
Ending Fund Balance	<u>\$ 57,435</u>	<u>\$ 81,929</u>	<u>\$ 37,098</u>

City of Sherman
DRUG ENFORCEMENT FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 3,552	\$ 195,019	\$ 149,299
Revenues			
Fines & Penalties	268,302	40,000	125,000
Interest Income	1,624	2,000	2,500
Total Revenues	<u>269,926</u>	<u>42,000</u>	<u>127,500</u>
Total Funds Available	273,478	237,019	276,799
Expenditures			
Supplies	34,190	55,600	239,300
Repair & Maintenance	1,920	1,000	27,000
Services & Charges	11,419	10,000	10,000
Capital Expenses	30,930	21,120	-
Total Expenditures	<u>78,460</u>	<u>87,720</u>	<u>276,300</u>
Excess Revenues over Expenditures	<u>191,467</u>	<u>(45,720)</u>	<u>(148,800)</u>
Ending Fund Balance	<u>\$ 195,019</u>	<u>\$ 149,299</u>	<u>\$ 499</u>

City of Sherman
MUNICIPAL AIRPORT FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 185,974	\$ 159,967	\$ 101,336
Revenues			
Interest Income	2,077	2,500	2,500
Rentals	50,025	50,000	50,000
Sales & Service	305,199	323,000	323,000
Miscellaneous Revenue	1,978	-	-
Total Revenues	<u>359,280</u>	<u>375,500</u>	<u>375,500</u>
Total Funds Available	545,254	535,467 -	476,836
Expenditures			
Supplies	274,482	294,200	294,200
Repair & Maintenance	39,124	7,000	7,000
Services & Charges	46,423	66,402	79,577
Utilities	12,966	12,740	12,420
Vehicle Usage	3,792	3,790	4,880
Capital Expenses	8,500	50,000	50,000
Total Expenditures	<u>385,286</u>	<u>434,132</u>	<u>448,077</u>
Excess Revenues over Expenditures	<u>(26,007)</u>	<u>(58,632)</u>	<u>(72,577)</u>
Ending Fund Balance	<u>\$ 159,967</u>	<u>\$ 101,336</u>	<u>\$ 28,759</u>

City of Sherman
EMPLOYEE INSURANCE FUND
2018-2019 Annual Budget

	Actual 2016-2017	Budget 2017-2018	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ (1,029,196)	\$ 89,283	\$ (983,613)	\$ 251,387
Revenues				
Employer Contributions	4,438,527	4,200,000	4,680,000	3,620,000
Employee Contributions	937,978	896,000	906,000	906,000
Retiree Contributions	196,517	187,000	187,000	187,000
COBRA Contributions	11,457	-	22,000	10,000
Total Revenues	5,584,479	5,283,000	5,795,000	4,723,000
Total Funds Available	4,555,283	5,372,283	4,811,387	4,974,387
Expenditures				
Health Insurance Claims	4,690,009	4,200,000	3,700,000	3,860,000
Administration & Premiums	814,465	768,000	824,000	827,000
Life Insurance Premiums	34,422	37,507	36,000	37,995
Total Expenditures	5,538,896	5,005,507	4,560,000	4,724,995
Excess Revenues over Expenditures	45,583	277,493	1,235,000	(1,995)
Ending Fund Balance	\$ (983,613)	\$ 366,776	\$ 251,387	\$ 249,393

City of Sherman
INFORMATION TECHNOLOGY FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 103,395	\$ 103,637	\$ 103,889
Revenues			
Technology Services:			
General Fund	522,833	656,985	669,310
Tourism	2,557	4,520	5,940
Equipment Services Fund	15,340	19,050	24,950
Utility Fund	141,467	177,480	215,060
Solid Waste Fund	29,827	42,100	55,840
Interest Income	43	50	50
Miscellaneous Revenue	179	200	200
Total Revenues	<u>712,246</u>	<u>900,385</u>	<u>971,350</u>
Total Funds Available	815,641	1,004,022	1,075,239
Expenditures			
Personnel	421,554	526,359	535,558
Supplies	60,624	50,419	53,561
Repair & Maintenance	106,791	135,816	138,929
Utilities	33,254	31,930	32,250
Services & Charges	30,691	37,859	79,006
Capital Expenses	59,264	117,750	130,800
Total Expenditures	<u>712,178</u>	<u>900,133</u>	<u>970,103</u>
Excess Revenues over Expenditures	<u>68</u>	<u>252</u>	<u>1,247</u>
Ending Fund Balance	<u>\$ 103,637</u>	<u>\$ 103,889</u>	<u>\$ 105,135</u>

City of Sherman
EQUIPMENT SERVICES FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 113,679	\$ 114,466	\$ 118,221
Revenues			
Equipment Service Revenue	2,741,875	3,012,698	3,231,613
Miscellaneous Revenue	12,331	-	-
Total Revenues	<u>2,754,207</u>	<u>3,012,698</u>	<u>3,231,613</u>
Total Funds Available	2,867,886	3,127,164	3,349,834
Expenditures			
Personnel	681,079	760,395	825,731
Supplies	648,759	874,990	834,995
Repair & Maintenance	1,003,730	1,062,623	965,923
Utilities	21,654	20,420	23,120
Information Technology	15,340	19,050	24,950
Services & Charges	237,842	240,702	265,780
Capital Expenses	145,016	30,763	254,000
Total Expenditures	<u>2,753,420</u>	<u>3,008,942</u>	<u>3,194,499</u>
Excess Revenues over Expenditures	<u>787</u>	<u>3,756</u>	<u>37,114</u>
Ending Fund Balance	<u>\$ 114,466</u>	<u>\$ 118,221</u>	<u>\$ 155,335</u>

City of Sherman
FLEET REPLACEMENT FUND
2018-2019 Annual Budget

	Actual 2016-2017	Adjusted Budget 2017-2018	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 283,186	\$ 153,562	\$ 188,609	\$ 112,443
Revenues				
Transfers in	1,984,205	2,089,209	2,117,209	3,082,499
Interest Income	3,749	-	10,000	10,000
Debt Proceeds	-	2,209,882	2,522,822	1,177,410
Total Revenues	1,987,954	4,299,091	4,650,031	4,269,909
Total Funds Available	2,271,140	4,452,653	4,838,640	4,382,352
Expenditures				
Debt Service	165,258	185,000	197,197	490,957
Equipment-General Fund	799,248	3,351,614	3,605,000	1,952,711
Equipment-Stormwater	-	-	-	132,500
Equipment-Utility Fund	312,536	-	-	483,741
Equipment-Solid Waste Fund	805,489	948,781	924,000	1,200,000
Total Expenditures	2,082,531	4,485,395	4,726,197	4,259,909
Excess Revenues over Expenditures	(94,578)	(186,304)	(76,166)	10,000
Ending Fund Balance	\$ 188,609	\$ (32,742)	\$ 112,443	\$ 122,442

City of Sherman
WATER CONSUMER DEPOSITS
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 244,639	-	-
Revenues			
Interest Income	-	-	-
Total Funds Available	244,639	-	-
Expenditures			
Transfers Out	244,639	-	-
Ending Fund Balance	\$ -	\$ -	\$ -

City of Sherman
PRO RATA FUND
2018-2019 Annual Budget

	Actual 2016-2017	Projected 2017-2018	Requested 2018-2019
Beginning Fund Balance	\$ 257,576	\$ 261,437	\$ -
Revenues			
Interest Income	2,361	-	-
Sales & Service	2,800	-	-
Total Revenues	5,161	-	-
Total Funds Available	262,737	261,437	-
Expenditures			
Services & Charges	1,300	-	-
Transfers Out	-	261,437	-
Total Expenditures	1,300	261,437	-
Excess Revenues over Expenditures	3,861	(261,437)	-
Ending Fund Balance	\$ 261,437	\$ -	\$ -

TRANSFERS SCHEDULE

FUND DETAILS

100 From fund 700 5% franchise, admin cost
From fund 790, dept 243, 244, 245
To fund 222, capital projects
To fund 660 for equipment purchases, debt service
To fund 445, Law Enforcement Academy

222 From fund 100, capital projects

230 To fund 355, tax notes

241 To fund 341, debt service

242 To fund 342, debt service

243 To fund 343, debt service

310 From fund 460

341 From fund 241, debt service

342 From fund 242, debt service

343 From fund 243, debt service

355 From fund 230, tax notes

358 From fund 420, debt service

420 To fund 358, debt service
To fund 660, equipment purchase

445 From 100, Law Enforcement Academy

460 To fund 310

660 From fund 100, debt service, equipment purchase
From fund 420, equipment purchase
From fund 700, equipment purchase
From fund 790, equipment purchase

700 To fund 100 5% franchise, admin cost
From fund 790, admin cost
To fund 660 for equipment purchase

790 To fund 100 8% franchise, admin cost RSW
790 To fund 700 admin cost RSW
790 To fund 100 8% franchise, admin cost CSW
790 To fund 700 admin cost CSW
790 To fund 100 8% franchise, admin cost Recycle
790 To fund 700 admin cost Recycle
790 To fund 660, equipment purchase

TOTALS

BUDGETED FY18/19	
Expense TRANSFER FROM Debit	Revenue TRANSFER TO Credit
	\$ 2,122,000.00
	\$ 756,000.00
\$ 700,000.00	
\$ 1,266,258.00	
\$ 15,000.00	
	\$ 700,000.00
\$ 190,000.00	
\$ 290,000.00	
\$ 227,000.00	
\$ 93,000.00	
	\$ 113,000.00
	\$ 290,000.00
	\$ 227,000.00
	\$ 93,000.00
	\$ 190,000.00
	\$ 274,000.00
\$ 274,000.00	
\$ 132,500.00	
	\$ 15,000.00
\$ 113,000.00	
	\$ 1,266,258.00
	\$ 132,500.00
	\$ 483,741.00
	\$ 1,200,000.00
\$ 2,122,000.00	
\$ 483,741.00	
	\$ 161,000.00
\$ 281,000.00	
\$ 60,000.00	
\$ 424,000.00	
\$ 90,000.00	
\$ 51,000.00	
\$ 11,000.00	
\$ 1,200,000.00	
\$ 8,023,499.00	\$ 8,023,499.00

City of Sherman
Property Tax Historical Summary

Fiscal Year	Estimated Taxable Value (in 000)	Tax Levy (in 000)	Total Collections (in 000)	Property Tax Rate (per \$100)
2004	\$ 1,515,989	\$ 6,064	\$ 6,059	\$ 0.400
2005	\$ 1,590,950	\$ 6,364	\$ 6,359	\$ 0.400
2006	\$ 1,735,457	\$ 6,942	\$ 6,938	\$ 0.400
2007	\$ 1,886,876	\$ 7,548	\$ 7,543	\$ 0.400
2008	\$ 1,979,001	\$ 7,921	\$ 7,913	\$ 0.400
2009	\$ 2,072,868	\$ 6,633	\$ 6,619	\$ 0.320
2010	\$ 2,187,663	\$ 7,001	\$ 6,979	\$ 0.320
2011	\$ 2,195,729	\$ 7,026	\$ 7,001	\$ 0.320
2012	\$ 2,213,944	\$ 7,085	\$ 7,066	\$ 0.320
2013	\$ 2,285,921	\$ 7,315	\$ 7,299	\$ 0.320
2014	\$ 2,257,117	\$ 7,855	\$ 7,836	\$ 0.348
2015	\$ 2,375,151	\$ 8,836	\$ 8,811	\$ 0.372
2016	\$ 2,530,048	\$ 9,412	\$ 9,379	\$ 0.372
2017	\$ 2,781,252	\$ 10,966	\$ 10,900	\$ 0.394
2018	\$ 2,898,248	\$ 12,384	\$ 12,187	\$ 0.427

Total Collections as of 7/24/2018

City of Sherman
Bonded Debt as of 7/31/18

Fiscal Yr	(1) \$2,840,000 Combination Tax & Tax Increment Revenue 2004 Series TIF Zone#1, Certificates of Obligation				(2) \$1,830,000 Limited Tax Notes Series 2016			
	Coupon	Principal	Interest	TOTAL	Coupon	Principal	Interest	TOTAL
2019	4.44%	195,000.00	48,174.00	243,174.00	1.59%	465,000.00	14,866.50	479,866.50
2020	4.44%	205,000.00	39,516.00	244,516.00	1.59%	470,000.00	7,473.00	477,473.00
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	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-
		1,085,000.00	149,628.00	1,234,628.00		935,000.00	22,339.50	957,339.50

(1) 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.

(2) These notes were issued to fund the Loy Lake Road improvements between Hwy 82 and Sara Swamy Drive

City of Sherman
Bonded Debt as of 7/31/18

Fiscal Yr	(3) \$6,970,000 Tax & Waterworks & Sewer System (Limited Pledge) Revenue Certificates of Obligation Series 2016				(4) \$7,776,530 General Obligation Refunding Bonds Series 2017			
	Coupon	Principal	Interest		Coupon	Principal	Interest	
2019	2.000%	295,000.00	173,212.50	468,212.50	2.00%	645,554.05	243,099.65	888,653.70
2020	3.000%	300,000.00	167,312.50	467,312.50	2.00%	662,482.71	230,355.35	892,838.06
2021	3.000%	310,000.00	158,312.50	468,312.50	2.00%	677,640.30	217,230.16	894,870.46
2022	3.000%	320,000.00	149,012.50	469,012.50	2.50%	694,412.34	203,772.69	898,185.03
2023	3.000%	330,000.00	139,412.50	469,412.50	3.00%	716,341.87	186,535.50	902,877.47
2024	3.000%	340,000.00	129,512.50	469,512.50	3.00%	736,341.97	165,103.23	901,445.20
2025	3.000%	350,000.00	119,312.50	469,312.50	4.00%	758,113.05	143,172.53	901,285.58
2026	2.000%	360,000.00	108,812.50	468,812.50	4.00%	795,200.26	113,100.90	908,301.16
2027	2.000%	370,000.00	101,612.50	471,612.50	4.00%	793,151.70	86,333.97	879,485.67
2028	2.250%	375,000.00	94,212.50	469,212.50	4.00%	828,151.70	54,955.83	883,107.53
2029	2.250%	385,000.00	85,775.00	470,775.00	4.00%	436,933.75	22,343.71	459,277.46
2030	2.375%	390,000.00	77,112.50	467,112.50	3.00%	-	1,718.75	1,718.75
2031	2.375%	400,000.00	67,850.00	467,850.00	-	-	-	-
2032	2.500%	410,000.00	58,350.00	468,350.00	-	-	-	-
2033	2.500%	420,000.00	48,100.00	468,100.00	-	-	-	-
2034	2.500%	430,000.00	37,600.00	467,600.00	-	-	-	-
2035	3.000%	440,000.00	26,850.00	466,850.00	-	-	-	-
2036	3.000%	455,000.00	13,650.00	468,650.00	-	-	-	-
2037	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-
		6,680,000.00	1,756,012.50	8,436,012.50		7,744,323.80	1,667,722.27	9,412,046.07

(3) These certificates were issued to fund new street development and construction and improvements to city facilities.

(4) These bonds refunded the Series 2006 bonds, and the 2008, 2009 and 2009A Certificates of Obligation.

City of Sherman
Bonded Debt as of 7/31/18

Fiscal Yr	(5)				(6)			
	\$474,557				\$1,108,913			
	TIF #1				Auditorium			
	Refunding Bonds Series 2017				Refunding Bonds Series 2017			
	Coupon	Principal	Interest		Coupon	Principal	Interest	
2019	2.00%	51,652.42	14,834.98	66,487.40	2.00%	67,793.81	34,665.38	102,459.19
2020	2.00%	54,881.06	14,059.26	68,940.32	2.00%	72,636.22	32,885.40	105,521.62
2021	2.00%	54,881.06	13,258.19	68,139.25	2.00%	77,478.64	31,011.65	108,490.29
2022	2.50%	58,109.02	12,436.84	70,545.86	2.50%	77,478.64	29,090.47	106,569.11
2023	3.00%	61,336.98	11,384.80	72,721.78	3.00%	82,321.05	26,629.70	108,950.75
2024	3.00%	61,336.98	10,076.73	71,413.71	3.00%	82,321.05	23,570.04	105,891.09
2025	4.00%	64,565.90	8,738.24	73,304.14	4.00%	82,321.05	20,439.23	102,760.28
2026	4.00%	67,793.86	6,902.88	74,696.74	4.00%	92,005.88	16,146.22	108,152.10
2027	-	-	-	-	4.00%	96,848.30	11,616.03	108,464.33
2028	-	-	-	-	4.00%	96,848.30	7,394.17	104,242.47
2029	-	-	-	-	4.00%	101,690.71	3,006.29	104,697.00
2030	-	-	-	-	3.00%	111,375.54	231.25	111,606.79
2031	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-
		<u>474,557.28</u>	<u>91,691.92</u>	<u>566,249.20</u>		<u>1,041,119.19</u>	<u>236,685.83</u>	<u>1,277,805.02</u>

(5) These bonds refunded the Series 2006 bonds, and the 2008, 2009 and 2009A Certificates of Obligation.

(6) These bonds refunded the Series 2006 bonds, and the 2008, 2009 and 2009A Certificates of Obligation.

City of Sherman
Bonded Debt as of 7/31/18

Fiscal Yr	(7) \$11,160,000 Combination Tax & Revenue Certificates of Obligation Series 2017				(8) \$3,900,000 TIRZ #5 Certificates of Obligation Series 2017			
	Coupon	Principal	Interest		Coupon	Principal	Interest	
2019	5.00%	385,146.33	439,536.69	824,683.02	5.00%	134,594.15	153,601.53	288,195.68
2020	5.00%	406,714.52	420,279.38	826,993.90	5.00%	142,131.42	146,871.82	289,003.24
2021	5.00%	425,201.55	399,943.65	825,145.20	5.00%	148,591.94	139,765.25	288,357.19
2022	5.00%	446,769.74	378,683.57	825,453.31	5.00%	156,129.21	132,335.66	288,464.87
2023	5.00%	468,337.93	356,345.09	824,683.02	5.00%	163,666.48	124,529.20	288,195.68
2024	5.00%	492,987.30	332,928.19	825,915.49	5.00%	172,280.51	116,345.87	288,626.38
2025	5.00%	517,636.66	308,278.82	825,915.49	5.00%	180,894.53	107,731.85	288,626.38
2026	5.00%	542,286.03	282,396.99	824,683.02	5.00%	189,508.56	98,687.12	288,195.68
2027	4.00%	570,016.57	255,282.69	825,299.25	4.00%	199,199.34	89,211.69	288,411.03
2028	4.00%	594,665.93	232,482.03	827,147.96	4.00%	207,813.36	81,243.72	289,057.08
2029	3.00%	616,234.12	208,695.39	824,929.51	3.00%	215,350.64	72,931.18	288,281.82
2030	3.00%	634,721.15	190,208.37	824,929.51	3.00%	221,811.15	66,470.67	288,281.82
2031	3.13%	653,208.17	171,166.73	824,374.90	3.13%	228,271.67	59,816.33	288,088.00
2032	3.25%	674,776.37	150,753.98	825,530.34	3.25%	235,808.95	52,682.84	288,491.79
2033	3.38%	696,344.56	128,823.74	825,168.30	3.38%	243,346.22	45,019.05	288,365.27
2034	3.38%	720,993.93	105,322.11	826,316.04	3.38%	251,960.24	36,806.12	288,766.36
2035	3.58%	745,643.29	80,988.57	826,631.86	3.58%	260,574.27	28,302.46	288,876.73
2036	3.50%	770,292.66	54,891.05	825,183.71	3.50%	269,188.29	19,182.36	288,370.65
2037	3.50%	798,023.19	27,930.81	825,954.00	3.50%	278,879.07	9,760.77	288,639.84
2038	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-
		11,160,000.00	4,524,937.85	15,684,937.85		3,900,000.00	1,581,295.49	5,481,295.49

(7) These certificates were issued to fund new street development and construction and improvements to city facilities.

(8) These certificates were issued to fund infrastructure improvements in Sherman Crossroads (TIRZ #5) development. Debt service is paid from property tax increment generated by the zone.

City of Sherman
Bonded Debt as of 7/31/18

(9) \$3,050,000 TIRZ #6 Certificates of Obligation Series 2017				(10) \$3,900,000 Stormwater Certificates of Obligation Series 2017A			
Fiscal Yr	Coupon	Principal	Interest	Coupon	Principal	Interest	
2019	5.00%	105,259.53	120,124.28	225,383.80	3.00%	145,000.00	127,075.00
2020	5.00%	111,154.06	114,861.30	226,015.36	3.00%	145,000.00	122,725.00
2021	5.00%	116,206.52	109,303.60	225,510.11	3.00%	150,000.00	118,375.00
2022	5.00%	122,101.05	103,493.27	225,594.32	4.00%	155,000.00	113,875.00
2023	5.00%	127,995.58	97,388.22	225,383.80	4.00%	165,000.00	107,675.00
2024	5.00%	134,732.19	90,988.44	225,720.63	4.00%	170,000.00	101,075.00
2025	5.00%	141,468.80	84,251.83	225,720.63	4.00%	175,000.00	94,275.00
2026	5.00%	148,205.41	77,178.39	225,383.80	4.00%	185,000.00	87,275.00
2027	4.00%	155,784.10	69,768.12	225,552.22	4.00%	190,000.00	79,875.00
2028	4.00%	162,520.71	63,536.75	226,057.46	4.00%	200,000.00	72,275.00
2029	3.00%	168,415.24	57,035.93	225,451.17	3.00%	205,000.00	64,275.00
2030	3.00%	173,467.70	51,983.47	225,451.17	3.00%	210,000.00	58,125.00
2031	3.13%	178,520.15	46,779.44	225,299.59	3.00%	220,000.00	51,825.00
2032	3.25%	184,414.69	41,200.68	225,615.37	3.00%	225,000.00	45,225.00
2033	3.38%	190,309.22	35,207.21	225,616.43	3.00%	230,000.00	38,475.00
2034	3.38%	197,045.83	28,784.27	225,830.10	3.13%	240,000.00	31,575.00
2035	3.58%	203,782.44	22,133.97	225,916.41	3.13%	245,000.00	24,075.00
2036	3.50%	210,519.05	15,001.59	225,520.64	3.13%	255,000.00	16,418.76
2037	3.50%	218,097.74	7,633.42	225,731.16	3.25%	260,000.00	8,450.00
2038	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-
		3,050,000.00	1,236,654.16	4,286,654.16		3,770,000.00	1,362,943.76
							5,132,943.76

(9) These certificates were issued to fund infrastructure improvements in Sherman Landing on the south side of the Hwy 75 and Hwy 691 intersection (TIRZ #6). Debt service is paid from the property tax increment generated by the zone.

(10) These certificates were issued to fund projects from the City's Stormwater Management Plan. Debt service is paid from the stormwater utility fee added to utility bills.

City of Sherman
Bonded Debt as of 7/31/18

(11) \$16,935,000 General Obligation Certificates of Obligation Series 2018					(12) \$2,400,000 TIRZ #7 Certificates of Obligation Series 2018				
Fiscal Yr	Coupon	Principal	Interest		Coupon	Principal	Interest		
2019	4.00%	-	638,240.69	638,240.69	4.00%		90,450.41	90,450.41	
2020	4.00%	424,798.29	677,777.73	1,102,576.02	4.00%	60,201.71	96,053.53	156,255.24	
2021	4.00%	442,315.75	660,785.80	1,103,101.55	4.00%	62,684.25	93,645.46	156,329.71	
2022	4.00%	459,833.20	643,093.17	1,102,926.37	4.00%	65,168.80	91,138.09	156,304.89	
2023	4.38%	477,350.66	624,699.84	1,102,050.50	4.38%	67,649.34	88,531.42	156,180.76	
2024	5.00%	499,247.48	603,815.74	1,103,063.22	5.00%	70,752.52	85,571.76	156,324.28	
2025	5.00%	525,523.66	578,853.37	1,104,377.03	5.00%	74,476.34	82,034.13	156,510.47	
2026	5.00%	547,420.48	552,577.18	1,099,997.66	5.00%	77,579.52	78,310.32	155,889.84	
2027	5.00%	578,076.03	525,206.16	1,103,282.19	5.00%	81,923.97	74,431.34	156,355.31	
2028	5.00%	604,352.21	496,302.36	1,100,654.57	5.00%	85,647.79	70,335.14	155,982.93	
2029	3.25%	635,007.76	466,094.75	1,101,092.50	3.25%	89,992.24	66,052.75	156,045.00	
2030	3.50%	656,904.58	445,446.99	1,102,351.57	3.50%	93,095.42	63,128.01	156,223.43	
2031	3.50%	678,801.40	422,455.33	1,101,256.73	3.50%	96,198.60	59,869.67	156,068.27	
2032	3.50%	705,077.58	398,697.28	1,103,774.86	3.50%	99,922.42	56,502.72	156,425.14	
2033	3.63%	726,974.40	374,019.57	1,100,993.97	3.63%	103,025.60	53,005.43	156,031.03	
2034	3.63%	753,250.58	347,666.75	1,100,917.33	3.63%	106,749.42	49,270.75	156,020.17	
2035	3.75%	783,906.13	320,361.41	1,104,267.54	3.75%	111,093.87	45,401.09	156,494.96	
2036	3.75%	810,182.31	290,964.93	1,101,147.25	3.75%	114,817.69	41,235.07	156,052.75	
2037	3.88%	840,837.86	260,583.10	1,101,420.96	3.88%	119,162.14	36,929.40	156,091.54	
2038	3.88%	875,872.77	228,000.63	1,103,873.40	3.88%	124,127.23	32,311.87	156,439.10	
2039	3.88%	906,528.32	194,060.56	1,100,588.88	3.88%	128,471.68	27,501.94	155,973.62	
2040	3.88%	941,563.23	158,932.60	1,100,495.82	3.88%	133,436.77	22,523.66	155,960.44	
2041	4.00%	980,977.50	122,447.01	1,103,424.52	4.00%	139,022.50	17,352.99	156,375.48	
2042	4.00%	1,020,391.78	83,207.91	1,103,599.69	4.00%	144,608.22	11,792.09	156,400.31	
2043	4.00%	1,059,806.05	42,392.24	1,102,198.29	4.00%	150,193.95	6,007.76	156,201.71	
		16,935,000.00	10,156,673.10	27,091,673.10		2,400,000.00	1,439,366.80	3,839,366.80	

(11) These certificates were issued to fund new street and park development, and construction and improvements to city facilities.

(12) These certificates were issued to fund infrastructure improvements on the south east corner of the Hwy 75 and Hwy 1417 intersection (TIRZ #7). Debt service is paid from the property tax increment generated by the zone.

City of Sherman
Bonded Debt as of 7/31/18

Fiscal Yr	TOTALS		
	Principal	Interest	TOTAL
2019	2,490,000.28	2,097,881.61	4,587,881.89
2020	3,054,999.99	2,070,170.27	5,125,170.26
2021	2,680,000.00	1,972,045.26	4,652,045.26
2022	2,785,000.00	1,877,799.26	4,662,799.26
2023	2,900,000.00	1,773,787.26	4,673,787.26
2024	2,760,000.00	1,658,987.50	4,418,987.50
2025	2,870,000.00	1,547,087.50	4,417,087.50
2026	3,005,000.00	1,421,387.50	4,426,387.50
2027	3,035,000.00	1,293,337.50	4,328,337.50
2028	3,155,000.00	1,172,737.50	4,327,737.50
2029	2,853,624.46	1,046,200.00	3,899,824.46
2030	2,491,375.54	954,425.00	3,445,800.54
2031	2,455,000.00	879,762.50	3,334,762.50
2032	2,535,000.00	803,412.50	3,338,412.50
2033	2,610,000.00	722,650.00	3,332,650.00
2034	2,700,000.00	637,025.00	3,337,025.00
2035	2,790,000.00	548,112.50	3,338,112.50
2036	2,885,000.00	451,343.76	3,336,343.76
2037	2,515,000.00	351,287.50	2,866,287.50
2038	1,000,000.00	260,312.50	1,260,312.50
2039	1,035,000.00	221,562.50	1,256,562.50
2040	1,075,000.00	181,456.26	1,256,456.26
2041	1,120,000.00	139,800.00	1,259,800.00
2042	1,165,000.00	95,000.00	1,260,000.00
2043	1,210,000.00	48,400.00	1,258,400.00
	59,175,000.27	24,225,971.18	83,400,971.45



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.4.

Meeting Date: 08/06/2018

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Discussion of the Proposed Tax Rate for Fiscal Year 2018-2019 and Scheduling Public Hearings for the Budget and Proposed Tax Rate

Issue:

Discussing the tax rate for the upcoming fiscal year (FY) and scheduling required public hearing dates for the budget and proposed tax rate

Background:

As required by state law, if the proposed tax rate exceeds the lower of the effective tax rate or the rollback rate, the governing body is required to hold two public hearings. The proposed tax rate of \$.4273/\$100 exceeds the lower of the rollback or effective tax rates due to an increase in property values.

Accordingly, below is a schedule that outlines the applicable requirements for public hearings and adoption of the Budget and Tax Rate Ordinances. In summary, the required Council action is as follows:

- August 20th: Public Hearing and Adoption of Budget Ordinance and Ratification of Property Tax Revenue Increase
- August 20th: Introduction and First Public Hearing on Tax Revenue Increase
- September 4th: Second Public Hearing on Tax Revenue Increase
- September 17th: Adoption of the Tax Rate Ordinance

Origination:

Finance

Financial Consideration:

Failure to follow the law entitles a taxpayer to an injunction restraining the collection of taxes when filed according to statute.

Staff Recommendation:

The staff recommends following the schedule shown above, which meets the requirements of State law.

The following wording should be used in the motion to set the public hearings included above, **"I move to propose a tax rate of forty-two point seventy-three cents per hundred dollars of valuation for the upcoming budget year and to set public hearings on this proposal as presented."**

Alternatives:

As these requirements are set by State law, no alternatives can be offered.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.5.

Meeting Date: 08/06/2018

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Review of the Draft Capital Improvement Program (CIP) 2018-2023 and Set a Public Hearing for Monday, August 20, 2018

Issue:

To review the draft CIP 2018-2023 and set the public hearing on such for Monday, August 20, 2018

Background:

Article V, Section 10 of the City Charter requires that the City Council, by resolution, adopt a capital program. As required, before consideration of the resolution, the City will publish a summary of the program and give notice of a public hearing in a newspaper of general circulation in the city. Prior to public notice, the City Council is given an opportunity to review the draft of the CIP. The public hearing is on the agenda of the regularly scheduled City Council meeting on August 20, 2018.

Origination:

Finance Department

Financial Consideration:

General Fund	\$115,580,744
Utility Fund	31,038,000
Stormwater Fund	27,577,085
Total Projects for 2018-2023	\$174,195,829

Staff Recommendation:

It is recommended that the City Council review the City's 2018-2023 Capital Improvement Program.

Alternatives:

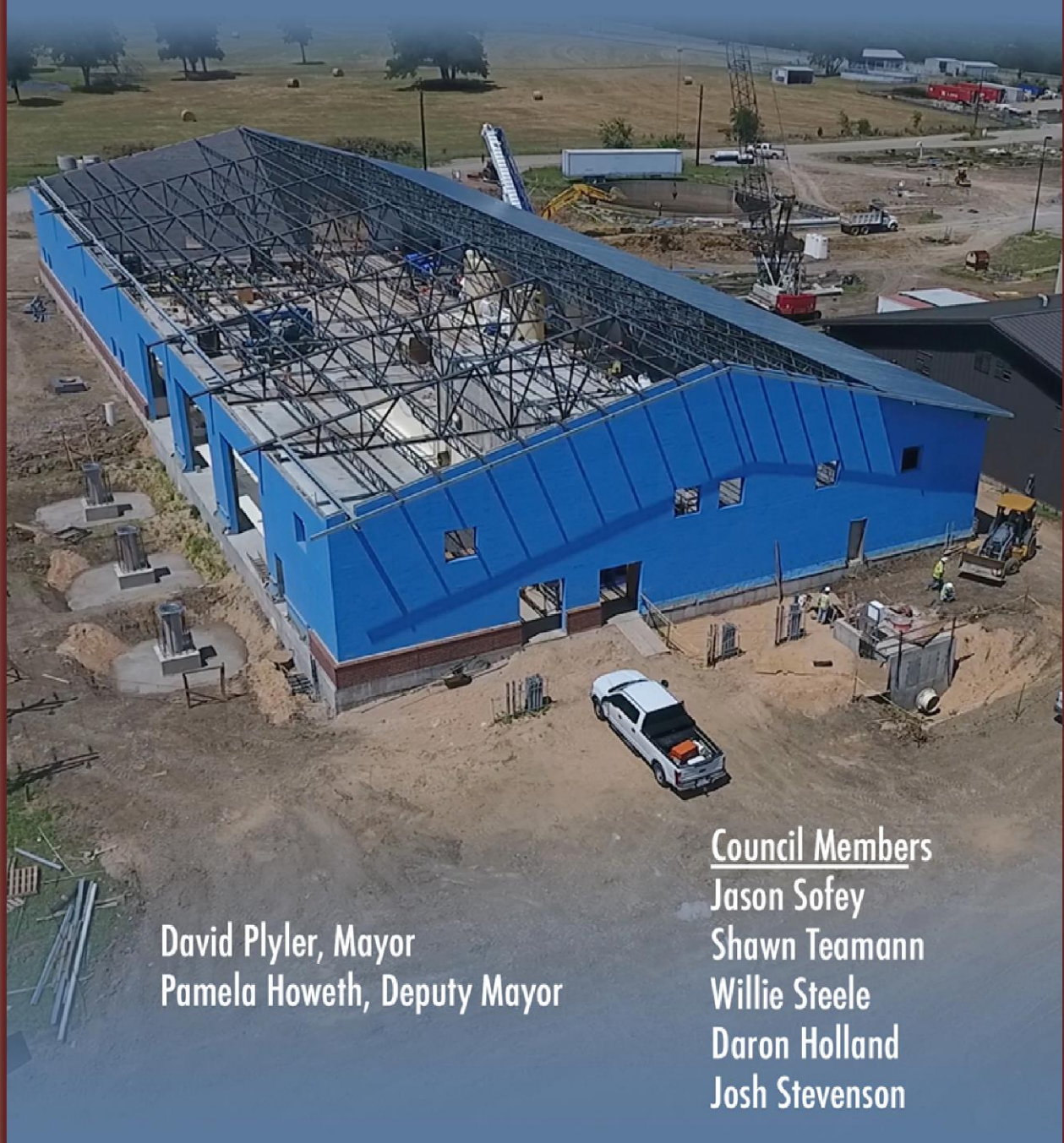
The Council may amend the program.

Attachments

Five-Year Capital Improvement Program - Draft

Capital Improvement Plan of the City of Sherman

October 1, 2018 - September 30, 2023



David Plyler, Mayor
Pamela Howeth, Deputy Mayor

Council Members
Jason Sofey
Shawn Teamann
Willie Steele
Daron Holland
Josh Stevenson

CAPITAL IMPROVEMENT PROGRAM OF THE CITY OF SHERMAN

OCTOBER 1, 2018 - SEPTEMBER 30, 2023

CITY COUNCIL

David Plyler, Mayor
Pamela L. Howeth, Deputy Mayor

Council Members

Jason Sofey
Shawn Teamann
Willie Steele
Daron Holland
Josh Stevenson



Robby Hefton, City Manager

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City of Sherman, Texas

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The Honorable David Plyler, Mayor, and Members of the City Council

Subject: 2018-2019/2022-2023 Five-Year Capital Improvement Program

The Capital Improvement Program for the City of Sherman is submitted to you in compliance with Article V, Section IX of our Charter. This Five-Year Capital Improvement Program covers the planning period beginning October 1, 2018 through September 30, 2023.

Our community continues to experience growth and potential for growth and, in order to meet the needs of the future, we must plan. The Capital Improvement Program forecasts our major capital improvement needs on a yearly priority basis. The plan requires annual revision in order to ensure that it meets the public safety, health and welfare needs of the citizens of Sherman, as well as our ability to finance those needs.

The Capital Improvement Program provides you with a comprehensive planning forecast of Capital Improvement needs. It outlines the recommended projects by fiscal year and estimates cost and funding sources. Each project is described by a brief narrative. The process of reviewing and approving this document requires that you concentrate on the priorities of the projects, due to funding limitations.

The Capital Improvement Program is separated into two functions, that of governmental and of proprietary. The governmental function is accounted for in the General Fund services; and the Capital Improvement Projects under this section are associated with general government and financed by taxation, grants and other General Fund sources. These projects are in the nature of streets, parks, drainage, flood control, refuse, and public safety improvements. The proprietary function is accounted for in the Utility Services section. Projects under this section are primarily for water and sewer improvements. Summaries by fiscal year for General Services and Utility Services are for years one through five.

This Capital Improvement Program has been reviewed and is hereby respectfully submitted for your consideration.

Very truly yours,



Robby Hefton
City Manager

GENERAL SERVICES

PROJECT	FY 2019 Budgeted	FY 2020 Proposed	FY 2021 Proposed	FY 2022 Proposed	FY 2023 Proposed
AIRPORT SERVICES					
Completion of Structural Upgrades & Minor Repairs	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Total Airport Services	\$ 50,000	\$ -	\$ -	\$ -	\$ -
BUILDING MAINTENANCE					
Finance Office Remodel	\$ 30,000	\$ -	\$ -	\$ -	\$ -
Customer & Utility Services Office Remodel	\$ 40,000	\$ -	\$ -	\$ -	\$ -
Municipal Building 2nd-Floor Office Remodel	\$ -	\$ 40,000	\$ -	\$ -	\$ -
Total Building Maintenance	\$ 70,000	\$ 40,000	\$ -	\$ -	\$ -
ENGINEERING SERVICES					
Downtown Sidewalk Repairs	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
FM 1417 Improvements - US 82 to SH 56	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -
Continuation of Travis Extension - Northgate Drive west to Moore Street	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -
Legacy Boulevard - Construct Phase I of Two-Lane Extension East of US 75	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -
Lamberth Rd. Expansion - Shady Oaks to Friendship Rd.	\$ 300,000	\$ 450,000	\$ 3,000,000	\$ -	\$ -
Engineering & Construction of Taylor/Washington Extension - FM 1417 to SH 289	\$ 1,000,000	\$ -	\$ -	\$ 7,000,000	\$ -
FM 1417 Right-of-Way Acquisitions - US 75 to SH 56	\$ 1,100,000	\$ -	\$ -	\$ -	\$ -
Construction of Swan Ridge Extension	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -
Prelim Engineering & ROW Acquisitions - Fallon Drive Extension	\$ -	\$ 62,000	\$ 200,000	\$ -	\$ -
Extend Quail Run Road & Add City Park Improvements	\$ -	\$ 250,000	\$ -	\$ -	\$ -
Moore St. Construction - Phase I from W. Travis to Park	\$ -	\$ 750,000	\$ -	\$ -	\$ -
East Park Street Expansion - S. Inwood to Lake Street	\$ -	\$ 750,000	\$ -	\$ -	\$ -
FM 1417 Improvements - US 82 to W. Travis Street	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -
Friendship Road Construction - SH 56 to Lamberth Road	\$ -	\$ 1,600,000	\$ 2,000,000	\$ 2,700,000	\$ 6,200,000
US 75 Gap Project - FM 1417 to SH 91 & Additional Intersection Improvements at US 75 & US 82	\$ -	\$ 6,000,000	\$ -	\$ -	\$ -
Construction of Taylor/Washington Extension - FM 1417 to SH 289	\$ -	\$ -	\$ 8,000,000	\$ -	\$ -
Total Engineering Services	\$ 12,150,000	\$ 11,912,000	\$ 13,250,000	\$ 9,750,000	\$ 6,250,000
EQUIPMENT SERVICE CENTER					
ESC - Spray Insulation for Office Windows	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Total Equipment Service Center	\$ 50,000	\$ -	\$ -	\$ -	\$ -

GENERAL

SERVICES

PROJECT	FY 2019 Budgeted	FY 2020 Proposed	FY 2021 Proposed	FY 2022 Proposed	FY 2023 Proposed
FIRE DEPARTMENT					
Station #3 Renovations - Leveling, Irrigation, Etc.	\$ 55,000	\$ -	\$ -	\$ -	\$ -
Station #4 Construction - Phase II - EMS Building	\$ 950,000	\$ -	\$ -	\$ -	\$ -
Install Additional Radio Repeaters	\$ 116,342	\$ 93,658	\$ -	\$ -	\$ -
Replace SCBA Inventory to Meet NFPA Standards	\$ 200,000	\$ 400,000	\$ -	\$ -	\$ -
Station #1 Renovations - Façade, Interior & Roof	\$ -	\$ 475,000	\$ -	\$ -	\$ -
Station #2 - Generator & Electrical Upgrades	\$ -	\$ 60,000	\$ -	\$ -	\$ -
Station #2 Renovations - Dorm, Office, Kitchen, Etc.	\$ -	\$ 225,000	\$ -	\$ -	\$ -
Station #6 Construction	\$ -	\$ 4,500,000	\$ -	\$ -	\$ -
Station #4 Construction - Phase III - Training Facility With Tower	\$ -	\$ -	\$ 2,800,000	\$ -	\$ -
Station #5 Relocation	\$ -	\$ -	\$ -	\$ 4,500,000	\$ -
Station #7 Construction	\$ -	\$ -	\$ -	\$ -	\$ 4,500,000
Total Fire Department	\$ 1,321,342	\$ 5,753,658	\$ 2,800,000	\$ 4,500,000	\$ 4,500,000
INFORMATION TECHNOLOGY					
Open Records Request Email Archiver & Storage	\$ -	\$ 30,000	\$ -	\$ -	\$ -
Energov Software - Multiple Departments	\$ -	\$ 100,050	\$ -	\$ -	\$ -
Install Generator & Electrical Upgrades at Municipal Building	\$ -	\$ 55,000	\$ -	\$ -	\$ -
Firewall Replacement	\$ -	\$ 25,000	\$ -	\$ -	\$ -
Total Information Technology	\$ -	\$ 210,050	\$ -	\$ -	\$ -
LIBRARY SERVICES					
Install Radio Frequency Identification (RFID) for Check-out & Bin Sorter	\$ -	\$ 136,844	\$ -	\$ -	\$ -
Total Library Services	\$ -	\$ 136,844	\$ -	\$ -	\$ -
PARKS AND RECREATION					
Pecan Grove West Athletic Complex - Phase II - Spraygrounds, Trails, Etc.	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -
Library Park - Install Playground & Other Improvements	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Taylor Street Gym Roof Replacement	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Cemetery Office & Shop Renovations	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Quail Run Park - Install Playground, Trail, Pavilion & Practice Fields	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Install Basketball Court at Pecan Grove	\$ 140,000	\$ -	\$ -	\$ -	\$ -
Pecan Grove West - Construct Maintenance Building	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Pecan Grove Ball Fields Installation	\$ 4,500,000	\$ -	\$ -	\$ -	\$ -
Resurface the Splash	\$ -	\$ 250,000	\$ -	\$ -	\$ -

GENERAL SERVICES

PROJECT	FY 2019 Budgeted	FY 2020 Proposed	FY 2021 Proposed	FY 2022 Proposed	FY 2023 Proposed
Hillcrest park - Playground Replacement & Pavilion	\$ -	\$ 600,000	\$ -	\$ -	\$ -
Fairview Park - Replace Existing Lighting with LED	\$ -	\$ 600,000	\$ -	\$ -	\$ -
Install Bridge Connecting Lamar Street Greenspace to Binkley Park	\$ -	\$ 150,000	\$ -	\$ -	\$ -
Cherry Street Park - Install Perimeter Walking Trail	\$ -	\$ 175,000	\$ -	\$ -	\$ -
Replace Old Settlers Park Scoreboards	\$ -	\$ 40,000	\$ -	\$ -	\$ -
Multi-year Development of City Trail & Bike Boulevards	\$ -	\$ 600,000	\$ 300,000	\$ 300,000	\$ 300,000
Fairview Park - Install Exercise Stations	\$ -	\$ 80,000	\$ -	\$ -	\$ -
Fairview Park - New Restroom/Concessions Facility	\$ -	\$ 850,000	\$ -	\$ -	\$ -
Fairview Park - Tennis Courts Expansion	\$ -	\$ 140,000	\$ -	\$ -	\$ -
Pecan Grove East Park - Add Restroom & Trail Lighting	\$ -	\$ 350,000	\$ -	\$ -	\$ -
City Recreation/Community Center Feasibility Study	\$ -	\$ 50,000	\$ -	\$ -	\$ -
Acquire Land to Accommodate Neighborhood Parks	\$ -	\$ 300,000	\$ 300,000	\$ -	\$ 300,000
Ely Park - Install Walking Trail & Upgrade Pavilion	\$ -	\$ -	\$ 200,000	\$ -	\$ -
Binkley Park - Add Play Structure With Shading	\$ -	\$ -	\$ 200,000	\$ -	\$ -
Recreation/Community Center Construction	\$ -	\$ -	\$ 10,000,000	\$ -	\$ -
Herman Baker Park - Create Nature Center & Expand Nature Trail	\$ -	\$ -	\$ -	\$ 200,000	\$ -
Expand Deck, Seating & Shading at The Splash	\$ -	\$ -	\$ -	\$ 750,000	\$ -
Land Acquisitions for 60-80 Acre Regional Park	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -
Hawn Park - Upgrade Play Structure	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Martin Luther King Park - Replace Restroom Facility	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Construct 60-80 Acre Regional Park	\$ -	\$ -	\$ -	\$ -	\$ 7,000,000
Total Parks & Recreation	\$ 7,690,000	\$ 4,185,000	\$ 11,000,000	\$ 3,250,000	\$ 8,050,000

POLICE DEPARTMENT

Police Department Exterior Renovations	\$ 416,850	\$ -	\$ -	\$ -	\$ -
Impound Lot Improvements - Metal Building, Lights, Etc.	\$ 200,000	\$ 270,000	\$ -	\$ -	\$ -
Police Department - Replace Three Roof A/C Units	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Police Department Renovations - Phase II - Lower Two Floors	\$ -	\$ 4,500,000	\$ -	\$ -	\$ -
Sky Watch Mobile Surveillance Tower	\$ -	\$ -	\$ 100,000	\$ -	\$ -
Total Police Department	\$ 616,850	\$ 4,795,000	\$ 125,000	\$ 25,000	\$ -

SENIOR CITIZENS CENTER

Senior Citizens Center Craft Room Renovations	\$ -	\$ 50,000	\$ -	\$ -	\$ -
Total Senior Citizens Center	\$ -	\$ 50,000	\$ -	\$ -	\$ -

GENERAL SERVICES

PROJECT	FY 2019 Budgeted	FY 2020 Proposed	FY 2021 Proposed	FY 2022 Proposed	FY 2023 Proposed
STREET MAINTENANCE DEPARTMENT					
Center/McGee Bridges - Erosion & Overlay	\$ 400,000	\$ 1,500,000	\$ -	\$ -	\$ -
Dos Lagos - Rebuild Multiple Streets	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ -
Sherman High School Street Projects	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
Total Street Maintenance	\$ 1,475,000	\$ 1,575,000	\$ -	\$ -	\$ -
 Total General Services	 \$23,423,192	 \$28,657,552	 \$27,175,000	 \$17,525,000	 \$18,800,000

UTILITY SERVICES

PROJECT	FY 2019 Budgeted	FY 2020 Proposed	FY 2021 Proposed	FY 2022 Proposed	FY 2023 Proposed
AMI Infrastructure	\$ 251,000	\$ 160,000	\$ 127,000	\$ -	\$ -
Water & Sewer Oversizing Costs	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Rehab Primary Clarifier #1 & Sludge Transfer Station	\$ 840,000	\$ -	\$ -	\$ -	\$ -
Storm Water Lift Station - Upgrade Piping Components, Etc.	\$ 480,000	\$ -	\$ -	\$ -	\$ -
WWTP Equalization Basin - Replace Propeller Mixers	\$ 75,000	\$ -	\$ -	\$ -	\$ -
Refurbish WWTP Basin Liners & Install Concrete Pad	\$ 130,000	\$ -	\$ -	\$ -	\$ -
Water System Age Improvements	\$ 100,000	\$ -	\$ 100,000	\$ -	\$ -
Replace & Extend Perimeter Fencing at WWTP	\$ 75,000	\$ -	\$ -	\$ -	\$ -
Northwest Sewer Expansion Project	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -
Construct Preston Club Water Line	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Construct Brine Disposal Line From WTP	\$ 2,000,000	\$ 2,000,000	\$ -	\$ -	\$ -
Fairview Elevated Storage Tank - Repair & Repaint	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -
Primary Digester #1 Rehabilitation & Repairs	\$ -	\$ 600,000	\$ -	\$ -	\$ -
Sewer Overflow Relief on Texoma Pkwy (Sycamore to Evergreen)	\$ -	\$ 150,000	\$ -	\$ -	\$ -
Replace Existing Deteriorated Sewer Relief (Rosedale to First)	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -
Replace Existing 10" Water Crossing Under South US 75 @ Choctaw Creek	\$ -	\$ 425,000	\$ -	\$ -	\$ -
Lamberth Road Water Line Extension (Carriage Estates)	\$ -	\$ 100,000	\$ -	\$ -	\$ -
Construct Water Main to High Country Estates	\$ -	\$ 225,000	\$ -	\$ -	\$ -
Construct North Travis Water Line	\$ -	\$ 250,000	\$ -	\$ -	\$ -
Replace 12" Texoma Parkway Water Main (Fallon Drive to SH 691)	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -
Ida Road Ground Storage Tank - Modifications & Repairs	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -
Construct Water Main - South US 75 Corridor	\$ -	\$ 4,000,000	\$ -	\$ -	\$ -
Reclaim Blalock Industrial Park Effluent	\$ -	\$ 5,000,000	\$ -	\$ -	\$ -
WTP Sludge Basin Removal & Disposal	\$ -	\$ 350,000	\$ -	\$ -	\$ -
Replace Base & Resurface WWTP Main Road	\$ -	\$ 75,000	\$ -	\$ -	\$ -
Lab Facility Expansion	\$ -	\$ -	\$ 1,600,000	\$ -	\$ -
Replace WWTP Main Switchgear Building	\$ -	\$ -	\$ 25,000	\$ 1,500,000	\$ -
Conduct WWTP Study to Control TDS Loadings	\$ -	\$ -	\$ 100,000	\$ -	\$ -
WWTP Main Digester Complex Rehabilitation	\$ -	\$ -	\$ -	\$ 100,000	\$ 1,750,000
Install Security Protection Upgrades at WWTP	\$ -	\$ -	\$ -	\$ 150,000	\$ -
Demolish Old Sludge Drying Beds	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Conduct Odor Abatement Study	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Total Utility Services	\$ 7,601,000	\$ 17,385,000	\$ 2,002,000	\$ 1,800,000	\$ 2,250,000

STORMWATER SERVICES

PROJECT	FY 2019 Budgeted	FY 2020 Proposed	FY 2021 Proposed	FY 2022 Proposed	FY 2023 Proposed
ENGINEERING SERVICES					
MS4 Storm Water Management Plan Update	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Blanton Drive - Drainage Engineering	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Increase Culvert Capacities on Lamberth Road - East Fork of Post Oak	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -
US 82 & Post Oak Crossing Property Acquisition	\$ -	\$ 300,000	\$ -	\$ -	\$ -
Design & Construct Detention Pond near US 82 & Post Oak Crossing	\$ -	\$ 150,000	\$ 1,036,000	\$ -	\$ -
Peyton Drive Property Acquisition	\$ -	\$ 200,000	\$ -	\$ -	\$ -
Design & Construct Detention Pond near Peyton & Texoma Pkwy	\$ -	\$ 100,000	\$ -	\$ 757,000	\$ -
Contemporary Drive Property Acquisition	\$ -	\$ 1,242,646	\$ -	\$ -	\$ -
Canterbury Drive Property Acquisition	\$ -	\$ 100,000	\$ -	\$ -	\$ -
Construct Detention Pond at Canterbury Drive	\$ -	\$ 50,000	\$ -	\$ 378,000	\$ -
Taylor Street Property Acquisition	\$ -	\$ 600,000	\$ -	\$ -	\$ -
Design & Construct Detention Pond on Post Oak near Taylor Street	\$ -	\$ 300,000	\$ 2,214,000	\$ -	\$ -
Property Acquisition for Proposed Dam 9a	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -
Construction of Proposed Dam 9a	\$ -	\$ -	\$ 400,000	\$ -	\$ 5,000,000
Ayers Drive Property Acquisition for Flood Damage Mitigation	\$ -	\$ -	\$ 192,152	\$ -	\$ -
Archer Drive Property Acquisition	\$ -	\$ -	\$ 4,238,000	\$ -	\$ -
Construct Archer Drive Detention Pond	\$ -	\$ -	\$ 100,000	\$ 757,000	\$ -
Sam Rayburn/N. Travis Property Acquisitions for Flood Damage Mitigation	\$ -	\$ -	\$ 489,003	\$ -	\$ -
Sam Rayburn/Contemporary Property Acquisitions for Flood Damage Mitigation	\$ -	\$ -	\$ 105,284	\$ -	\$ -
Choctaw Creek Easement Acquisitions	\$ -	\$ -	\$ 15,000	\$ -	\$ -
Increase Culvert Capacity under Gribble Street at Stream G	\$ -	\$ -	\$ -	\$ 275,000	\$ -
Construct Detention Pond at Town Center	\$ -	\$ -	\$ -	\$ 419,000	\$ -
Increase Channel Capacity near Lamar/US 75	\$ -	\$ -	\$ -	\$ -	\$ 1,437,000
Increase Channel Capacity near Center/Post Oak	\$ -	\$ -	\$ -	\$ -	\$ 2,698,000
Total Engineering Services	\$ 1,800,000	\$ 3,042,646	\$ 9,789,439	\$ 2,586,000	\$ 9,135,000
STREETS MAINTENANCE					
Overland Trail Piping Repairs & Street Rebuild	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Kessler & Hunt Drainage Repairs	\$ 250,000	\$ -	\$ -	\$ -	\$ -
West Lamberth Road - Rebuild to Stabilize Roadway	\$ -	\$ 200,000	\$ -	\$ -	\$ -
Setting Suns Drainage Improvements	\$ -	\$ 200,000	\$ -	\$ -	\$ -
Taylor/Washington Bridges - Erosion & Overlay	\$ -	\$ 92,000	\$ -	\$ -	\$ -
Center/Lamberth Bridges - Erosion & Overlay	\$ -	\$ 87,000	\$ -	\$ -	\$ -
Hillcrest/Wood Bridges - Erosion & Overlay	\$ -	\$ -	\$ 77,000	\$ -	\$ -
Ricketts/Centennial/etc. Bridges - Erosion & Overlay	\$ -	\$ -	\$ -	\$ 68,000	\$ -
Total Streets Maintenance Services	\$ 500,000	\$ 579,000	\$ 77,000	\$ 68,000	\$ -
Total Stormwater Services	\$2,300,000	\$3,621,646	\$9,866,439	\$2,654,000	\$9,135,000

DRAFT

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND ADOPTING A FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM FOR THE CITY OF SHERMAN, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council is charged with providing a five year capital improvement program for the City of Sherman, pursuant to Article V of the Charter of said City and;

WHEREAS, the City Manager has provided to the City Council such a program in a timely fashion; and

WHEREAS, the City Council met to review said plan on the 6th day of August, 2018, at a regular City Council meeting;

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

SECTION 1. That the Five-Year Capital Improvement Program, attached hereto as Exhibit "A" and incorporated herein for all intents and purposes, be and the same is hereby in all things approved and adopted as the Capital Improvement Program of the City of Sherman, Texas.

SECTION 2. That the effective date of this resolution shall be the 20th day of August, 2018.

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

PASSED AND APPROVED on this the ____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

DRAFT

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

CAPITAL BUDGET

2018 - 2023

GENERAL SERVICES
2018 - 2023

GENERAL SERVICES

CAPITAL BUDGET: 2018-2023

Within the Five-year Capital Improvement Program, the first year, or “activated” year is considered the Capital Budget. Careful analysis of financial ability has been made on all of these projects and fund balances are anticipated for all projects listed. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year, barring unforeseen circumstances.

2018-2019

PROJECT YEAR: 2018 - 2019

MUNICIPAL AIRPORT BUILDING PAINTING & ROOF REPAIRS

DESCRIPTION:	Completion of flooring and roof repairs to Municipal Airport terminal building; Painting and repairs to terminal awning.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Repairs and maintenance are necessary for continued optimal use.
DEPARTMENT/DIRECTOR:	Assistant City Manager, Steve Ayers

FINANCE DEPARTMENT OFFICE SPACE REMODEL

DESCRIPTION:	Completion of the Finance Department remodel for efficient use of existing space, including floorplan re-design.
ESTIMATED COST:	\$30,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Remodel updates are necessary to accommodate current and future staffing needs.
DEPARTMENT/DIRECTOR:	Director of Finance, Mary Lawrence

PROJECT YEAR: 2018 - 2019

CUSTOMER & UTILITY SERVICES DEPARTMENT OFFICE SPACE REMODEL

DESCRIPTION:	Remodel the Customer and Utility Services Department for efficient use of existing space, including floorplan re-design.
ESTIMATED COST:	\$40,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Remodel updates are necessary to accommodate current and future staffing needs.
DEPARTMENT/DIRECTOR:	Director of Finance, Mary Lawrence

DOWNTOWN SIDEWALK REPAIRS

DESCRIPTION:	Repair of various sidewalks within the Central Business District.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	TIF #2 Construction Fund
PROJECT NECESSITY:	One of the highest priorities identified in the 2009 Comprehensive Master Plan is to encourage Downtown Development/Revitalization. Sidewalk improvements will encourage this behavior.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2018 - 2019

FM 1417 IMPROVEMENTS - US 82 TO SH 56

DESCRIPTION:	Cost share required for the \$25M FM 1417 expansion project.
ESTIMATED COST:	\$2,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund; TxDOT Funds
PROJECT NECESSITY:	Traffic volume on the thoroughfare has increased significantly and planning for improvements is required to account for growth. Failure to fund will result in the loss of \$23M in MPO and TxDOT funding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

WEST TRAVIS EXTENSION - NORTHGATE DRIVE TO MOORE STREET

DESCRIPTION:	Phase three of the West Travis Extension project consists of an extension from Northgate Drive west to Moore Street.
ESTIMATED COST:	\$5,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The 2016 updated Grayson County Thoroughfare Plan recommended a major thoroughfare connecting South Travis Street and FM 1417.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2018 - 2019

LEGACY BOULEVARD - CONSTRUCT TWO-LANE EXTENSION EAST OF US 75

DESCRIPTION:	Phase one will extend a two-lane concrete road 1,500 linear feet, east of US 75.
ESTIMATED COST:	\$1,500,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The 2016 updated Grayson County Thoroughfare Plan recommended a major thoroughfare connecting areas of Southeast Sherman.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

LAMBERTH ROAD EXPANSION - SHADY OAKS TO FRIENDSHIP ROAD

DESCRIPTION:	Phased engineering design and construction to expand and extend Lamberth Road from Shady Oaks to Friendship Road.
ESTIMATED COST:	\$300,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This project will assist in the areas of development in West Sherman. The 2016 updated Grayson County Thoroughfare Plan recommended a major thoroughfare between FM 1417 and SH 289.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2018 - 2019

TAYLOR/WASHINGTON EXTENSION - PHASE III ENGINEERING DESIGN

DESCRIPTION:	Engineering design for future construction of phase III of the Taylor/Washington Extension project, from Washington Street to SH 289.
ESTIMATED COST:	\$1,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The 2016 updated Grayson County Thoroughfare Plan recommended a major thoroughfare between FM 1417 and SH 289.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

FM 1417 RIGHT-OF-WAY ACQUISITIONS - US 75 TO SH 56

DESCRIPTION:	Acquiring right-of-way property along FM 1417 from SH 56 to US 82.
ESTIMATED COST:	\$1,100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The acquisition of related right-of-way property is required by TxDOT prior to TxDOT-funded FM 1417 construction.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2018 - 2019

CONSTRUCTION OF SWAN RIDGE EXTENSION

DESCRIPTION:	Construction to extend Swan Ridge from SH 56 to Hummingbird Drive.
ESTIMATED COST:	\$1,200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Necessary to reduce traffic on Seasons West Avenue, which was not designed as a collector street.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

EQUIPMENT SERVICES CENTER - OFFICE WINDOWS SPRAY INSULATION

DESCRIPTION:	Apply spray insulation around office windows of the Equipment Services Center facility.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	As part of the remodeling project of the Equipment Services Center, this repair will address necessary maintenance needs of the facility.
DEPARTMENT/DIRECTOR:	Assistant City Manager, Steve Ayers

PROJECT YEAR: 2018 - 2019

FIRE STATION #3 RENOVATIONS - LEVELING, IRRIGATION, ETC.

DESCRIPTION:	Level up rear areas around facility, add irrigation system to patio, replace bay lighting with LEDs and add vehicle exhaust system at Fire Station #3.
ESTIMATED COST:	\$55,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Renovations will address various drainage, aging lighting and firefighter safety needs at the Fire Station #3 facility.
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

FIRE STATION #4 - EMS BUILDING

DESCRIPTION:	Phase II of Fire Station #4 is the construction of a multi-purpose EMS building for administrative offices and storage.
ESTIMATED COST:	\$950,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The 2009 Comprehensive Master Plan listed a primary concern as the City's ability to serve its current geographic area,
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

PROJECT YEAR: 2018 - 2019

FIRE DEPARTMENT - INSTALL ADDITIONAL RADIO REPEATERS

DESCRIPTION:	Installation of additional radio repeaters for first responder use throughout the City.
ESTIMATED COST:	\$116,342
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Fund
PROJECT NECESSITY:	Sherman Fire department currently has only one repeater. With growth in the South and West areas of Sherman, additional repeaters are needed.
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

FIRE SCBA EQUIPMENT REPLACEMENT

DESCRIPTION:	Complete replacement of all Self-Contained Breathing Apparatus (SCBA) currently used by the Fire Department.
ESTIMATED COST:	\$200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Fund
PROJECT NECESSITY:	All SCBA units are required to meet NFPA standards by 2023. Current models within the Fire Department will be obsolete and in need of replacement.
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

PROJECT YEAR: 2018 - 2019

PECAN GROVE WEST ATHLETIC COMPLEX DEVELOPMENT - PHASE II

DESCRIPTION:	Phase two of the development of the new athletic complex at Pecan Grove West park consists of a sprayground, lighting, trails and a restroom facility.
ESTIMATED COST:	\$2,500,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The project is consistent with the Comprehensive Master Plan.
DEPARTMENT/DIRECTOR:	Assistant City Manager, Steve Ayers

LIBRARY PARK - INSTALL PLAYGROUND & OTHER IMPROVEMENTS

DESCRIPTION:	Install playground equipment, benches, gazebo, raised garden boxes and musical instruments.
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Phase two of library renovations addresses outdoor improvements at the Sherman Public Library. The project is consistent with the Comprehensive Master Plan.
DEPARTMENT/DIRECTOR:	Assistant City Manager, Steve Ayers

PROJECT YEAR: 2018 - 2019

TAYLOR STREET GYM ROOF REPLACEMENT

DESCRIPTION:	Replace roof at the Taylor Street Gym facility.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Repeated leakages necessitate the replacement of the roof.
DEPARTMENT/DIRECTOR:	Director of Public Services, Steve Ayers

CEMETERY OFFICE & SHOP RENOVATIONS

DESCRIPTION:	Remodel exterior front entrance, front office & breakroom space at West Hill Cemetery. Additionally, extend parking area, remodel existing shop/storage areas.
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Remodel will better accommodate funeral arrangement planning, as well as better utilize available space for employees and general parking.
DEPARTMENT/DIRECTOR:	Director of Public Services, Steve Ayers

PROJECT YEAR: 2018 - 2019

QUAIL RUN PARK - INSTALL PLAYGROUND & OTHER IMPROVEMENTS

DESCRIPTION:	Install playground, walking trail, pavilion and practice fields at new park on Quail Run.
ESTIMATED COST:	\$250,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The project is consistent with the Comprehensive Master Plan.
DEPARTMENT/DIRECTOR:	Director of Public Services, Steve Ayers

PECAN GROVE - BASKETBALL COURT INSTALLATION

DESCRIPTION:	Install outdoor basketball court at Pecan Grove Park, south of Canyon Creek.
ESTIMATED COST:	\$140,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The project is consistent with the Comprehensive Master Plan.
DEPARTMENT/DIRECTOR:	Director of Public Services, Steve Ayers

PROJECT YEAR: 2018 - 2019

PECAN GROVE WEST PARK - CONSTRUCT MAINTENANCE BUILDING

DESCRIPTION:	Construct maintenance building to address staff storage needs for Pecan Grove West expansion.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The project is consistent with the Comprehensive Master Plan.
DEPARTMENT/DIRECTOR:	Director of Public Services, Steve Ayers

PECAN GROVE WEST PARK - BALL FIELDS INSTALLATION

DESCRIPTION:	Install ball fields and related equipment.
ESTIMATED COST:	\$4,500,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Additional ball fields are necessary to accommodate increased recreation use within the parks system. The project is consistent with the Comprehensive Master Plan.
DEPARTMENT/DIRECTOR:	Director of Public Services, Steve Ayers

PROJECT YEAR: 2018 - 2019

POLICE DEPARTMENT - EXTERIOR RENOVATIONS

DESCRIPTION:	Phase 1 of two phases to remodel the Police Department to improve security, efficiency and image.
ESTIMATED COST:	\$416,850
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Remolding is needed to improve security by enclosing drive-up entry, creating a more controlled, secure lobby and centralizing the property & evidence area. Current space reconfiguration will improve efficiency and exterior image will become consistent with City facilities.
DEPARTMENT/DIRECTOR:	Police Chief, Zachary Flores

POLICE DEPARTMENT - IMPOUND LOT IMPROVEMENTS

DESCRIPTION:	Construct a new, pre-engineering metal building with secure perimeter fencing.
ESTIMATED COST:	\$200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The current impound lot building is oversized and outdated. Replacing the existing facility will allow for more efficient storage for improved security.
DEPARTMENT/DIRECTOR:	Police Chief, Zachary Flores

PROJECT YEAR: 2018 - 2019

CENTER/MCGEE BRIDGES - EROSION & OVERLAY

DESCRIPTION:	Repair erosion damage and overlay the bridge deck on the Center Street and McGee Street bridges.
ESTIMATED COST:	\$400,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	These bridges were identified in the 2016 Bridge Inventory, Inspection and Appraisal Program as in need of repair.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

DOS LAGOS -REBUILD MULTIPLE STREETS

DESCRIPTION:	Rebuilding of Bella Vista Drive from Dripping Springs to Camino Dos Lagos Drive, as well as Camino Dos Lagos from Vista Lagos Drive to Woodlawn Road.
ESTIMATED COST:	\$75,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Fund
PROJECT NECESSITY:	Rebuilding these areas needed after completion of the replacement water lines at adjacent intesections.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2018 - 2019

SHERMAN HIGH SCHOOL STREET PROJECTS

DESCRIPTION:	Coordinate with Sherman Independent School District for various road expansions and intersection improvements around future site of the Sherman High School.
ESTIMATED COST:	\$1,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The location of the future Sherman High School requires additional street capacity improvements around the site.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

2019-2020

PROJECT YEAR: 2019 - 2020

CONTINUATION OF MUNICIPAL BUILDING OFFICE SPACE REMODELING

DESCRIPTION:	Continuation of second-floor office remodeling, including women's restroom facility and Community Planning and Support Services workspace.
ESTIMATED COST:	\$40,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Remodeling updates are necessary to accommodate current and future staffing needs.
DEPARTMENT/DIRECTOR:	Assistant City Manager, Steve Ayers

DOWNTOWN SIDEWALK REPAIRS

DESCRIPTION:	Repair of various sidewalks within the Central Business District.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	TIF #2 Construction Fund
PROJECT NECESSITY:	One of the highest priorities identified in the 2009 Comprehensive Master Plan is to encourage Downtown Development/Revitalization. Sidewalk improvements will encourage this behavior.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2019 - 2020

LAMBERTH ROAD EXPANSION - SHADY OAKS TO FRIENDSHIP ROAD

DESCRIPTION:	Phased engineering design and construction to expand and extend Lamberth Road from Shady Oaks to Friendship Road.
ESTIMATED COST:	\$450,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This project will assist in the areas of development in West Sherman. The updated Grayson County Thoroughfare Plan recommended a major thoroughfare between FM 1417 and SH 289.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PRELIMINARY ENGINEERING & ROW ACQUISITIONS - FALLON DRIVE EXTENSION

DESCRIPTION:	Project for preliminary engineering and acquisitions of right-of-way property along Fallon Drive, west of US 75 to Kerr Chapel Road and east towards Dripping Springs.
ESTIMATED COST:	\$62,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Acquisition is directly related to new development in the area and corresponds to right-of-way widths included in the 2018 updates to the Grayson County Thoroughfare Plan.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2019 - 2020

EXTEND QUAIL RUN ROAD & ADD CITY PARK IMPROVEMENTS

DESCRIPTION:	Extend Quail Run along a section of City-owned property. In partnering with a residential developer, a section south of the road will be improved and dedicated as a City park.
ESTIMATED COST:	\$250,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund; Scope of park improvements dependent on final budget.
PROJECT NECESSITY:	Necessary to complete extension from Swan Ridge to Friendship Road.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

MOORE STREET CONSTRUCTION - PHASE I

DESCRIPTION:	Construct a road along the new SISD High School and run north to Park Street.
ESTIMATED COST:	\$750,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The project is part of the updated Grayson County Thoroughfare Plan, recommending a major thoroughfare connecting FM 1417 and Park Street. Additional phases to be determined by future development.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2019 - 2020

EAST PARK STREET EXPANSION - SOUTH INWOOD TO LAKE STREET

DESCRIPTION:	Design and construct an extension of Park Street to First Street.
ESTIMATED COST:	\$750,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	In 2015 Lake Street was damaged by storms. As part of the Grayson County Master Thoroughfare Plan, this project is an opportunity to close Lake, connecting Park as a thoroughfare.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

FM 1417 IMPROVEMENTS - US 82 TO WEST TRAVIS STREET

DESCRIPTION:	Cost share required for the \$25M FM 1417 expansion project.
ESTIMATED COST:	\$2,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund; TxDOT Funds
PROJECT NECESSITY:	Traffic volume on the thoroughfare has significantly increased and planning for improvements is required to account for growth. Failure to fund will result in the loss of \$23M in MPO and TxDOT funding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2019 - 2020

FRIENDSHIP ROAD CONSTRUCTION - SH 56 TO LAMBERTH ROAD

DESCRIPTION:	Phased engineering design and construction to expand and extend Friendship Road from SH 56 to Lamberth Road.
ESTIMATED COST:	\$1,600,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This phased design will assist in the areas of development in West Sherman. The updated Grayson County Master Thoroughfare Plan recommended a major thoroughfare between SH 56 and US 82.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

US 75 GAP PROJECT

DESCRIPTION:	Construction begins at FM 1417 and ends at SH 91. The project also includes intersection improvements at US 75 and US 82.
ESTIMATED COST:	\$6,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund; TxDOT Funds
PROJECT NECESSITY:	TxDOT received state funding to address these improvements failure to fund this project will result in the loss of \$150M in MPO and TxDOT funding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2019 - 2020

FIRE DEPARTMENT - INSTALL ADDITIONAL RADIO REPEATERS

DESCRIPTION:	Complete installation of additional radio repeaters for first responder use throughout the City.
ESTIMATED COST:	\$93,658
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Fund
PROJECT NECESSITY:	Sherman Fire department currently has only one repeater. With growth in the South and West areas of Sherman, additional repeaters are needed.
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

FIRE SCBA EQUIPMENT REPLACEMENT

DESCRIPTION:	Complete replacement of all Self-Contained Breathing Apparatus (SCBA) currently used by the Fire Department.
ESTIMATED COST:	\$400,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Fund
PROJECT NECESSITY:	All SCBA units are required to meet NFPA standards by 2023. Current models within the Fire Department will be obsolete and in need of replacement.
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

PROJECT YEAR: 2019 - 2020

FIRE STATION #1 RENOVATIONS

DESCRIPTION:	Remodeling of Fire Station #1 includes façade, interior and replacement of roof with new membrane.
ESTIMATED COST:	\$475,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Fire Station #1 is in need of an architectural consistency to the rest of downtown Sherman. Additionally, the interior upgrades will address cabinets, painting, light fixtures, etc.
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

FIRE STATION #2 - GENERATOR & ELECTRICAL UPGRADES

DESCRIPTION:	Replace the generator at Fire Station #2, as well as address related electrical upgrades that are needed.
ESTIMATED COST:	\$60,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	A properly functioning generator is crucial to day-to-day first responder operations, in case of a power outage.
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

PROJECT YEAR: 2019 - 2020

FIRE STATION #2 RENOVATIONS

DESCRIPTION:	Expand the officers dorm and office areas, kitchen, day room and dining areas. Install exhaust removal system.
ESTIMATED COST:	\$225,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Station staffing needs require the expansion of multiple areas. The addition of an exhaust removal system will remove harmful diesel exhaust from the station bay.
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

FIRE STATION #6 CONSTRUCTION

DESCRIPTION:	Construction of a new fire station site in West Sherman.
ESTIMATED COST:	\$4,500,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The Fire Station Master Plan supports adding a new Fire Station in the west portion of Sherman, accommodating growth towards SH 289.
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

PROJECT YEAR: 2019 - 2020

OPEN RECORDS REQUEST EMAIL ARCHIVER & STORAGE

DESCRIPTION:	Install email archiver and backup storage.
ESTIMATED COST:	\$30,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Email archiver and storage will allow for the multi-year retention of emails to provide for open records requests. Additionally, it will provide backup for disaster recovery of the email system.
DEPARTMENT/DIRECTOR:	Director of Finance, Mary Lawrence

COMMUNITY DEVELOPMENT & INFRASTRUCTURE SOFTWARE

DESCRIPTION:	Purchase and implementation of community development and infrastructure software, including 15 users and 6 iPads for field use; First-year maintenance subscription included.
ESTIMATED COST:	\$100,050
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Incode 9 no longer has available updates for Building Projects, Business License and Call Center; community development and infrastructure software is needed.
DEPARTMENT/DIRECTOR:	Director of Finance, Mary Lawrence

PROJECT YEAR: 2019 - 2020

MUNICIPAL BUILDING - INSTALL GENERATOR & ELECTRICAL UPGRADES

DESCRIPTION:	Install a generator and related electrical upgrades at the Municipal Building.
ESTIMATED COST:	\$55,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	City internet and computer servers will not function if the server room is without power. This project is needed so that operations can continue to function in the event of a loss of power.
DEPARTMENT/DIRECTOR:	Director of Finance, Mary Lawrence

FIREWALL REPLACEMENT

DESCRIPTION:	Install new firewall hardware to replace current firewall.
ESTIMATED COST:	\$25,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The current firewall has reached the end of its life and can no longer receive security updates. The firewall is our front-line defense against internet attacks and is critical for day-to-day internet use and performance.
DEPARTMENT/DIRECTOR:	Director of Finance, Mary Lawrence

PROJECT YEAR: 2019 - 2020

SELF-CHECKOUT SYSTEM, SECURITY & BOOK BIN SORTER INSTALLATIONS

DESCRIPTION:	Install radio frequency identification (RFID) tags, material sorting bins, security gates and self-checkout stations at the Sherman Public Library.
ESTIMATED COST:	\$136,844
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The RFID tags will assist in inventory, item location and security. The project will also provide a self-checkout system, allowing patrons the convenience of personally checking out their library items.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

RESURFACE THE SPLASH POOL FACILITY

DESCRIPTION:	Resurface the pool area at the Splash facility.
ESTIMATED COST:	\$250,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Leaks have been detected at the facility and are in need of repair.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PROJECT YEAR: 2019 - 2020

HILLCREST PARK - PLAYGROUND REPLACEMENT & PAVILION

DESCRIPTION:	Replace old playground equipment and pavilion at Hillcrest Park.
ESTIMATED COST:	\$600,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Necessary replacement of dated equipment for which most replacement parts are no longer available. The current pavilion is in disrepair.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

FAIRVIEW PARK - REPLACE EXISTING SOFTBALL FIELD LIGHTING

DESCRIPTION:	Replace existing softball field lights, with LED lights, at Fairview Park.
ESTIMATED COST:	\$600,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Current Halite light bulbs used at our older sports fields are no longer available from manufacturers. LED light installation is therefore required and more energy efficient.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PROJECT YEAR: 2019 - 2020

LAMAR STREET GREENSPACE BRIDGE

DESCRIPTION:	Install bridge at Lamar Street Greenspace.
ESTIMATED COST:	\$150,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Installing a bridge will connect the Lamar Street Greenspace to Binkley Park.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

CHERRY STREET PARK - INSTALL PERIMETER WALKING TRAIL

DESCRIPTION:	Install a walking trail around Cherry Street Park.
ESTIMATED COST:	\$175,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Increased activities at Cherry Street Park suggest the need for more improvements. This project is consistent with the Trails Master Plan.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PROJECT YEAR: 2019 - 2020

REPLACE OLD SETTLERS PARK SCOREBOARDS

DESCRIPTION:	Replace the baseball and softball fields' scoreboards at Old Settlers Park.
ESTIMATED COST:	\$40,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The current scoreboards are outdated and reaching the end of their useful life.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

MULTI-YEAR DEVELOPMENT OF CITY TRAIL & BIKE BOULEVARDS

DESCRIPTION:	Phased development of trail and bike boulevards throughout the City.
ESTIMATED COST:	\$600,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This project corresponds to improvement projects identified in the Trail Master Plan.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PROJECT YEAR: 2019 - 2020

FAIRVIEW PARK - INSTALL EXERCISE STATIONS

DESCRIPTION:	Install exercise stations along the trail at Fairview Park.
ESTIMATED COST:	\$80,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Updating of park amenities is consistent with the Parks Master Plan improvements.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

FAIRVIEW PARK - NEW RESTROOM/CONCESSIONS FACILITY

DESCRIPTION:	Construct a restroom/concessions facility to replace the open-air restrooms at Fairview Park; Expand the north parking lot.
ESTIMATED COST:	\$850,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Replacement and expansion of the current park infrastructure is necessary to address increased growth and usage at Fairview Park.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PROJECT YEAR: 2019 - 2020

FAIRVIEW PARK - TENNIS COURTS EXPANSION

DESCRIPTION:	Expand the size of the Fairview Park tennis courts and include pickleball court lines.
ESTIMATED COST:	\$140,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Expansion of the current park infrastructure is necessary to address increased growth and usage at Fairview Park.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PECAN GROVE EAST PARK - ADD RESTROOM & TRAIL LIGHTING

DESCRIPTION:	Add restroom and install trail lighting at Pecan Grove East.
ESTIMATED COST:	\$350,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Expansion of current park infrastructure is necessary to address increasing usage of park facilities and public safety.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PROJECT YEAR: 2019 - 2020

CITY RECREATION/COMMUNITY CENTER FEASIBILITY STUDY

DESCRIPTION:	Conduct a feasibility study on the development of a City Recreation/Community Center facility.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This study will assist City staff in addressing growing public needs relating to recreational facilities expansion.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

ACQUIRE LAND TO ACCOMMODATE NEIGHBORHOOD PARKS

DESCRIPTION:	Phased acquisition of land to accommodate neighborhood parks.
ESTIMATED COST:	\$300,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Based on trends in residential development, and identified in the Master Plan, this project is needed.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PROJECT YEAR: 2019 - 2020

POLICE DEPARTMENT - IMPOUND LOT IMPROVEMENTS

DESCRIPTION:	Complete construction of a new, pre-engineering metal building with secure perimeter fencing.
ESTIMATED COST:	\$270,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The current impound lot building is oversized and outdated. Replacing the existing facility will allow for more efficient storage for improved security.
DEPARTMENT/DIRECTOR:	Police Chief, Zachary Flores

POLICE DEPARTMENT - REPLACE THREE A/C UNITS

DESCRIPTION:	Begin phased project to replace three (3) roof air conditioning units on the Police Department roof.
ESTIMATED COST:	\$25,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	These A/C units are nearing the end of their life expectancy. To maintain efficiency, replacements will be installed over a three-year period (FY 2020 thru 2022).
DEPARTMENT/DIRECTOR:	Police Chief, Zachary Flores

PROJECT YEAR: 2019 - 2020

POLICE DEPARTMENT RENOVATIONS - LOWER TWO FLOORS

DESCRIPTION:	Phase II of renovations includes centralizing Property and Evidence, as well as safety and other upgrades to the bottom two floors of the Police Department facility.
ESTIMATED COST:	\$4,500,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The police station was built in 1966, with a second story added in 1988. Renovations are needed to address safety and expanding growth needs.
DEPARTMENT/DIRECTOR:	Police Chief, Zachary Flores

SENIOR CITIZENS CENTER - CRAFT ROOM RENOVATIONS

DESCRIPTION:	Renovations to the existing craft room include upgrading cabinets, countertops, lighting and furniture; Additionally, repairs to exterior gutters and paint are needed.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Renovations will provide updated facilities to meet immediate and long-term needs.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PROJECT YEAR: 2019 - 2020

CENTER/MCGEE BRIDGES - EROSION & OVERLAY

DESCRIPTION:	Complete repairs for erosion damage and overlay bridge decking on the Center Street and McGee Street bridges.
ESTIMATED COST:	\$1,500,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	These bridges were identified in the 2016 Bridge Inventory, Inspection and Appraisal Program as in need of repair. safety and expanding growth needs.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

DOS LAGOS - REBUILD MULTIPLE STREETS

DESCRIPTION:	Complete project of rebuilding of Bella Vista Drive from Dripping Springs to Camino Dos Lagos Drive, as well as Camino Dos Lagos from Vista Lagos Drive to Woodland Road.
ESTIMATED COST:	\$75,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Fund
PROJECT NECESSITY:	Rebuilding of these areas is needed after completion of the replacement of water lines at adjacent intersections.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

2020-2021

PROJECT YEAR: 2020 - 2021

DOWNTOWN SIDEWALK REPAIRS

DESCRIPTION:	Repair of various sidewalks within the Central Business District.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	TIF #2 Construction Fund
PROJECT NECESSITY:	One of the highest priorities identified in the 2009 Comprehensive Master Plan is to encourage Downtown Development/Revitalization. Sidewalk improvements will encourage this behavior.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

LAMBERTH ROAD EXPANSION - SHADY OAKS TO FRIENDSHIP ROAD

DESCRIPTION:	Phased engineering design and construction to expand and extend Lamberth Road from Shady Oaks to Friendship Road.
ESTIMATED COST:	\$3,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This project will assist in the areas of development in West Sherman. The updated Grayson County Thoroughfare Plan recommended a major thoroughfare between FM 1417 and SH 289.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2020 - 2021

PRELIMINARY ENGINEERING & ROW ACQUISITIONS - FALLON DRIVE EXTENSION

DESCRIPTION:	Project for preliminary engineering and acquisitions of right-of-way property along Fallon Drive, west of US 75 to Kerr Chapel Road and east towards Dripping Springs.
ESTIMATED COST:	\$200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Acquisition is directly related to new development in the area and corresponds to right-of-way widths included in the updates to the Grayson County Thoroughfare Plan.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

FRIENDSHIP ROAD CONSTRUCTION - SH 56 TO LAMBERTH ROAD

DESCRIPTION:	Phased engineering design and construction to expand and extend Friendship Road from SH 56 to Lamberth Road.
ESTIMATED COST:	\$2,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This phased design will assist in the areas of development in West Sherman. The 2018 updated Grayson County Thoroughfare Plan recommended a major thoroughfare between SH 56 and US 82.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2020 - 2021

TAYLOR/WASHINGTON EXTENSION - PHASE II CONSTRUCTION

DESCRIPTION:	Phased construction of the Taylor/Washington extension westward from FM 1417.
ESTIMATED COST:	\$8,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The updated Grayson County Thoroughfare Plan recommended a major thoroughfare between FM 1417 and SH 289.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

FIRE STATION #4 - TRAINING FACILITY WITH TOWER

DESCRIPTION:	Phase III of Fire Station #4 is the construction of a training facility, complete with classroom, facilities and a training tower; Also includes additional parking.
ESTIMATED COST:	\$2,800,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The 2009 Comprehensive Master Plan listed a primary concern as the City's ability to serve its current geographic area,
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

PROJECT YEAR: 2020 - 2021

MULTI-YEAR DEVELOPMENT OF CITY TRAIL & BIKE BOULEVARDS

DESCRIPTION:	Phased development of trail and bike boulevards throughout the City.
ESTIMATED COST:	\$300,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This project corresponds to improvement projects identified in the Trail Master Plan.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

ACQUIRE LAND TO ACCOMMODATE NEIGHBORHOOD PARKS

DESCRIPTION:	Continue phased acquisition of land to accommodate neighborhood parks.
ESTIMATED COST:	\$300,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Based on trends in residential development, and identified in the Master Plan, this project is needed.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PROJECT YEAR: 2020 - 2021

ELY PARK - INSTALL WALKING TRAIL & UPGRADE PAVILION

DESCRIPTION:	Upgrade pavilion and create a walking trail at Ely Park.
ESTIMATED COST:	\$200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Increased public activities at Ely Park suggest the need for more improvements. This project is consistent with the Trails Master Plan.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

BINKLEY PARK - ADD PLAY STRUCTURE WITH SHADING

DESCRIPTION:	Install play structure at Binkley Park, including shading.
ESTIMATED COST:	\$200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Increased public activities at Binkley Park suggest the need for more improvements. This project is consistent with the Trails Master Plan.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PROJECT YEAR: 2020 - 2021

RECREATION/COMMUNITY CENTER CONSTRUCTION

DESCRIPTION:	Construct a new multi-use recreation/community center facility.
ESTIMATED COST:	\$10,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Construction of a Recreation/Community Center is based upon recommendations within the conducted Community Center feasibility study.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

POLICE DEPARTMENT - REPLACE THREE ROOF A/C UNITS

DESCRIPTION:	Continuation of phased project to replace three (3) roof air conditioning units on the Police Department roof.
ESTIMATED COST:	\$25,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	These A/C units are nearing the end of their life expectancy. To maintain efficiency, replacements will be installed over a three-year period (FY 2020 thru 2022).
DEPARTMENT/DIRECTOR:	Police Chief, Zachary Flores

PROJECT YEAR: 2020 - 2021

SKY WATCH MOBILE SURVEILLANCE TOWER

DESCRIPTION:	Addition of a mobile sky unit structure will assist an area for a civilian and/or law enforcement employees.
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	A sky unit will allow for a lasting police presence to document and monitor large crowds and parking areas.
DEPARTMENT/DIRECTOR:	Police Chief, Zachary Flores

2021-2022

PROJECT YEAR: 2021 - 2022

DOWNTOWN SIDEWALK REPAIRS

DESCRIPTION:	Repair of various sidewalks within the Central Business District.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	TIF #2 Construction Fund
PROJECT NECESSITY:	One of the highest priorities identified in the 2009 Comprehensive Master Plan is to encourage Downtown Development/Revitalization. Sidewalk improvements will encourage this behavior.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

TAYLOR WASHINGTON EXTENSION - PHASE III CONSTRUCTION

DESCRIPTION:	Construction of phase III of the Taylor/Washington Extension project, westward from Washington Street.
ESTIMATED COST:	\$7,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The 2018 updated Grayson County Thoroughfare Plan recommended a major thoroughfare between FM 1417 and SH 289.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2021 - 2022

FRIENDSHIP ROAD CONSTRUCTION - SH 56 TO LAMBERTH ROAD

DESCRIPTION:	Phased engineering design and construction to expand and extend Friendship Road from SH 56 to Lamberth Road.
ESTIMATED COST:	\$2,700,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This phased design will assist in the areas of development in West Sherman. The updated Grayson County Thoroughfare Plan recommended a major thoroughfare between SH 56 and US 82.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

FIRE STATION #5 RELOCATION

DESCRIPTION:	A new fire station site in the northeast quadrant of Sherman.
ESTIMATED COST:	\$4,500,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The Fire Station Master Plan supports moving Fire Station #5 south and west approximately one (1) mile to better serve the Town Center, Woodmont and development along US 82.
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

PROJECT YEAR: 2021 - 2022

MULTI-YEAR DEVELOPMENT OF CITY TRAIL & BIKE BOULEVARDS

DESCRIPTION:	Phased development of trail and bike boulevards throughout the City.
ESTIMATED COST:	\$300,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This project corresponds to improvement projects identified in the Trail Master Plan.
DEPARTMENT/DIRECTOR:	Assistant City Manager, Steve Ayers

HERMAN BAKER PARK - CREATE NATURE CENTER & EXPAND NATURE TRAIL

DESCRIPTION:	Create a nature center and expand existing nature trail at Herman Baker Park.
ESTIMATED COST:	\$200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Increased public activities at Herman Baker Park suggest the need for more improvements. This project is consistent with the Trails Master Plan.
DEPARTMENT/DIRECTOR:	Assistant City Manager, Steve Ayers

PROJECT YEAR: 2021 - 2022

THE SPLASH - EXPAND DECKING, SEATING & SHADE STRUCTURES

DESCRIPTION:	Add sprayground and expand the perimeter of the Splash to include a new/expanded deck, install benches and additional shade structures.
ESTIMATED COST:	\$750,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Frequent capacity limitations force many customers to wait in long lines. This project would significantly increase capacity with little additional overhead.
DEPARTMENT/DIRECTOR:	Assistant City Manager, Steve Ayers

LAND ACQUISITIONS FOR 60-80 ACRE REGIONAL PARK

DESCRIPTION:	Acquire land to accommodate a 60-80 acre regional park.
ESTIMATED COST:	\$2,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Residential development trends reflect a need for a regional park improvement, consistent with the Parks Master Plan.
DEPARTMENT/DIRECTOR:	Assistant City Manager, Steve Ayers

PROJECT YEAR: 2021 - 2022

POLICE DEPARTMENT - REPLACE THREE ROOF A/C UNITS

DESCRIPTION:	Completion of phased project to replace three (3) roof air conditioning units on the Police Department roof.
ESTIMATED COST:	\$25,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	These A/C units are nearing the end of their life expectancy. To maintain efficiency, replacements will be installed over a three-year period (FY 2020 thru 2022).
DEPARTMENT/DIRECTOR:	Police Chief, Zachary Flores

2022-2023

PROJECT YEAR: 2022 - 2023

DOWNTOWN SIDEWALK REPAIRS

DESCRIPTION:	Repair of various sidewalks within the Central Business District.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	TIF #2 Construction Fund
PROJECT NECESSITY:	One of the highest priorities identified in the 2009 Comprehensive Master Plan is to encourage Downtown Development/Revitalization. Sidewalk improvements will encourage this behavior.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

FRIENDSHIP ROAD CONSTRUCTION - SH 56 TO LAMBERTH ROAD

DESCRIPTION:	Phased engineering design and construction to expand and extend Friendship Road from SH 56 to Lamberth Road.
ESTIMATED COST:	\$6,200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This phased design will assist in the areas of development in West Sherman. The updated Grayson County Thoroughfare Plan recommended a major thoroughfare between SH 56 and US 82.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2022 - 2023

FIRE STATION #7 CONSTRUCTION

DESCRIPTION:	Construction of a new fire station site in Northwest Sherman.
ESTIMATED COST:	\$4,500,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The Fire Station Master Plan supports adding a new Fire Station in the northwest portion of Sherman, to accommodate growth.
DEPARTMENT/DIRECTOR:	Fire Chief, Danny Jones

MULTI-YEAR DEVELOPMENT OF CITY TRAIL & BIKE BOULEVARDS

DESCRIPTION:	Phased development of trail and bike boulevards throughout the City.
ESTIMATED COST:	\$300,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This project corresponds to improvement projects identified in the Trail Master Plan.
DEPARTMENT/DIRECTOR:	Assistant City Manager, Steve Ayers

PROJECT YEAR: 2022 - 2023

ACQUIRE LAND TO ACCOMMODATE NEIGHBORHOOD PARKS

DESCRIPTION:	Continue phased acquisition of land to accommodate neighborhood parks.
ESTIMATED COST:	\$300,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Based on trends in residential development, and identified in the Master Plan, this project is needed.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

HAWN PARK - UPGRADE PLAY STRUCTURE

DESCRIPTION:	Upgrade play structure facility at Hawn Park.
ESTIMATED COST:	\$150,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Upgrades will accommodate growth and improve safety standards. This project is consistent with the Trails Master Plan.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

PROJECT YEAR: 2022 - 2023

MARTIN LUTHER KING PARK - REPLACE RESTROOM FACILITY

DESCRIPTION:	Replace the current Martin Luther King Park open-air restroom facility with a new, possibly pre-fab building.
ESTIMATED COST:	\$300,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	The current open-air restroom facility is in need of extensive repairs and has reached the end of its useful life.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

CONSTRUCT 60-80 ACRE REGIONAL PARK

DESCRIPTION:	Develop and construct new 60-80 acre regional park.
ESTIMATED COST:	\$7,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Residential development trends reflect the need for a regional park development, consistent with the Parks Master Plan.
DEPARTMENT/DIRECTOR:	Assistance City Manager, Steve Ayers

**UTILITY SERVICES
2018 - 2023**

UTILITY SERVICES

CAPITAL BUDGET: 2018-2023

Within the Five-year Capital Improvement Program, the first year, or “activated” year is considered the Capital Budget. Careful analysis of financial ability has been made on all of these projects and fund balances are anticipated for all projects listed. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year, barring unforeseen circumstances.

These are Utility Services Projects, being specifically related to the operation of a Water and Sewer System and having certain types of financing requirements different from those typically used for General Services.

2018-2019

PROJECT YEAR: 2018 - 2019

AUTOMATED METER INFRASTRUCTURE (AMI) SYSTEM

DESCRIPTION:	Continue transition to a fixed network, automated meter infrastructure (AMI) system.
ESTIMATED COST:	\$251,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Fund
PROJECT NECESSITY:	Automation of daily meter readings will reduce the read-to-bill timeframe from two weeks to one week; thereby, expediting billing and revenue.
DEPARTMENT/DIRECTOR:	Customer & Utility Services Manager, Angela Gurley

WATER & SEWER OVERSIZING COSTS

DESCRIPTION:	Provide funding for oversizing of water and sewer mains.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	City participation is necessary to meet oversizing costs.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2018 - 2019

PRIMARY CLARIFIER #1 & SLUDGE TRANSFER STATION REHABILITATION

DESCRIPTION:	Replace all mechanical components, center drive, electric, catwalks and supports of primary clarifier; Replace all mechanical components, electrical, lighting, fans, vents, SCADA panel/interface, etc. of sludge transfer station.
ESTIMATED COST:	\$840,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Components necessary for the removal of solids during treatment. Current components are at risk of failure due to age and corrosion.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

STORM WATER LIFT STATION UPGRADES

DESCRIPTION:	Replace wet well, grating and piping components, SCADA/ electrical/controls, upgrade one small pump to larger two-pump system, upsize culverts, water storage area, etc.
ESTIMATED COST:	\$480,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Due to high probability of future flooding and related damage, upgrading system to provide more pumping capacity and eliminating undersized lines problems is necessary.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2018 - 2019

WWTP EQUALIZATION BASIN - REPLACE PROPELLER MIXERS

DESCRIPTION:	Replace propeller-driven mixers at Wastewater Treatment Plant (WWTP).
ESTIMATED COST:	\$75,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Mixer is damaged and not functioning. Replacement is necessary to solids deposition and removal in equalization basin.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

REFURBISH BASIN LINERS & INSTALL CONCRETE PAD

DESCRIPTION:	Install concrete pad where bypass line enters NW basin, remove center berm, old structures and complete additional repairs at the Wastewater Treatment Plant.
ESTIMATED COST:	\$130,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Concrete pad will prevent erosion/damage to basin clay liner. Refurbishing required to maintain basin liner integrity.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2018 - 2019

WATER SYSTEM AGE IMPROVEMENTS

DESCRIPTION:	Propose improvements to water system components at five (5) critical sites with recurrent water quality problems.
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Reduce risk of water quality issues, excessive water age, constant flushing during high ambient temperatures, testing costs and meet TCEQ regulations.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

REPLACE & EXTEND PERIMETER FENCING AT WWTP

DESCRIPTION:	Repair/replace a portion of existing perimeter fencing at Wastewater Treatment Plant (WWTP); Repair staff walk-through gate and relocate gate and electrical service/replace actuator on Post Oak Road.
ESTIMATED COST:	\$75,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Necessary to maintain facility security due to age of existing fencing and install needed security enhancements.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2018 - 2019

NORTHWEST SEWER EXPANSION PROJECT

DESCRIPTION:	Construct a lift station and sewer lines to connect utility infrastructure to expanding areas of development.
ESTIMATED COST:	\$2,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	GTUA
PROJECT NECESSITY:	Expansion of existing wastewater utilities is necessary to tie surrounding areas into the City sewer system.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

CONSTRUCT PRESTON CLUB WATER LINE

DESCRIPTION:	Construct a water line to connect utility infrastructure to the housing development at Preston Club.
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	GTUA
PROJECT NECESSITY:	Construction of the water line is a central need to the inclusion of Preston Club to the City of Sherman.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2018 - 2019

CONSTRUCT BRINE DISPOSAL LINE FOR WTP EXPANSION

DESCRIPTION:	Construct a pipeline to transport Water Treatment Plant (WTP) reject water to existing lift station.
ESTIMATED COST:	\$2,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	GTUA
PROJECT NECESSITY:	Necessary for operation of UF and RO units at WTP.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

FAIRVIEW ELEVATED STORAGE TANK - REPAIR & REPAINT

DESCRIPTION:	Repair and repaint the Fairview elevated storage tank.
ESTIMATED COST:	\$1,500,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	The existing structure requires repairs and re-coating to extend useful life.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

2019-2020

PROJECT YEAR: 2019 - 2020

AUTOMATED METER INFRASTRUCTURE (AMI) SYSTEM

DESCRIPTION:	Continue transition to a fixed network, automated meter infrastructure (AMI) system.
ESTIMATED COST:	\$160,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Fund
PROJECT NECESSITY:	Automation of daily meter readings will reduce the read-to-bill timeframe from two weeks to one week; thereby, expediting billing and revenue.
DEPARTMENT/DIRECTOR:	Customer and Utility Services Manager, Angela Gurley

WATER & SEWER OVERSIZING COSTS - FY 2020

DESCRIPTION:	Provide funding for oversizing of water and sewer mains as development occurs.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	City participation required to meet costs of oversizing water and sewer mains as development occurs.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2019 - 2020

CONSTRUCT BRINE DISPOSAL LINE FOR WTP EXPANSION

DESCRIPTION:	Complete construction of a pipeline to transport Water Treatment (WTP) reject water to existing lift station.
ESTIMATED COST:	\$2,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	GTUA
PROJECT NECESSITY:	Necessary for operation of UF and RO units at WTP.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PRIMARY DIGESTER REHABILITATION & REPAIRS

DESCRIPTION:	Primary digester #1 repairs include, interior wall liner, sparger and draft tubes, piping supports and interior piping and flanges.
ESTIMATED COST:	\$600,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund/GTUA
PROJECT NECESSITY:	Replacement of components necessary to prevent safety hazards and equipment failures, due to age and corrosion.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2019 - 2020

SEWER OVERFLOW RELIEF ON TEXOMA PARKWAY

DESCRIPTION:	Replace existing Texoma Parkway sewer segment from Sycamore Street to Evergreen Street to increase capacity.
ESTIMATED COST:	\$150,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Existing sewer from Sycamore Street to Evergreen Street are at risk of overflowing.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

REPLACE EXISTING DETERIORATED SEWER RELIEF (ROSEDALE TO FIRST)

DESCRIPTION:	Replace 3,600 feet of 12" and 15" relief sewer with single 27" pipe.
ESTIMATED COST:	\$1,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund/GTUA
PROJECT NECESSITY:	Existing sewer is deteriorated and has severe infiltration problems. Line needs to be upsized due to capacity issues.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2019 - 2020

HWY 75 SOUTH WATER CROSSING REPLACEMENT @ CHOCTAW CREEK

DESCRIPTION:	Replace existing 10" water crossing under south US Hwy 75 at Choctaw Creek.
ESTIMATED COST:	\$425,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund/GTUA
PROJECT NECESSITY:	Replacement is needed to address aging water lines.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

LAMBERTH ROAD WATER LINE EXTENSION

DESCRIPTION:	Extend water lines to tie Carriage Estates into Canyon Creek Road extension.
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Expansion of water lines will loop corresponding areas into existing water system.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2019 - 2020

HIGH COUNTRY ESTATES WATER MAIN CONSTRUCTION

DESCRIPTION:	Construct a water main to provide water to High Country Estates development.
ESTIMATED COST:	\$225,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	A portion of the agreement to annex Preston Club included taking over High Country Estates' water system.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

CONSTRUCT NORTH TRAVIS WATER LINE

DESCRIPTION:	Replace existing 12" water main along Travis Street between US 82 and North Creek Drive.
ESTIMATED COST:	\$250,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	The existing water main has deteriorated and reached the end of its service life.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2019 - 2020

REPLACE TEXOMA PARKWAY WATER MAIN

DESCRIPTION:	Replace existing 12" water main along Texoma Parkway from Fallon Drive to SH 691.
ESTIMATED COST:	\$1,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund/GTUA
PROJECT NECESSITY:	Replacement of existing line is necessary due to water main deterioration.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

IDA ROAD GROUND STORAGE TANK - MODIFICATIONS & REPAIRS

DESCRIPTION:	Repair, repaint and modify the Ida Road ground storage tank.
ESTIMATED COST:	\$2,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund/GTUA
PROJECT NECESSITY:	The existing structure requires repairs and re-coating to extend its useful life.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2019 - 2020

CONSTRUCT WATER MAIN - SOUTH US 75 CORRIDOR

DESCRIPTION:	Construct 5-6 mile water main for water transport to the south US 75 corridor.
ESTIMATED COST:	\$4,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund/GTUA/SEDCO
PROJECT NECESSITY:	Project is necessary for sale of surplus water treatment capacity.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

RECLAIM BLALOCK INDUSTRIAL PARK EFFLUENT

DESCRIPTION:	Construct a sewer line that will reclaim effluent to the Blalock Industrial Park.
ESTIMATED COST:	\$5,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	GTUA
PROJECT NECESSITY:	This project is necessary to maintain the water and sewer infrastructure needed for current and future growth.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2019 - 2020

SLUDGE BASIN REMOVAL & DISPOSAL

DESCRIPTION:	Remove and dispose of sludge basin collections in the west sludge basin at the Water Treatment Plant (WTP).
ESTIMATED COST:	\$350,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	The west sludge basin used to collect, hold and dry solids (sludge) removed during the treatment of drinking water is full.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

WWTP MAIN ROAD - BASE REPLACEMENT & RE-SURFACING

DESCRIPTION:	At the Wastewater Treatment Plant (WWTP), repair existing road by replacing base and re-surfacing.
ESTIMATED COST:	\$75,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	The main road is deteriorating and requires repairs to handle heavy solid waste trucks transporting biosolids.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

2020-2021

PROJECT YEAR: 2020 - 2021

AUTOMATED METER INFRASTRUCTURE (AMI) SYSTEM

DESCRIPTION:	Complete transition to a fixed network, automated meter infrastructure (AMI) system.
ESTIMATED COST:	\$127,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Fund
PROJECT NECESSITY:	Automation of daily meter readings will reduce the read-to-bill timeframe from two weeks to one week; thereby, expediting billing and revenue.
DEPARTMENT/DIRECTOR:	Customer and Utility Services Manager, Angela Gurley

WATER & SEWER OVERSIZING COSTS - FY 2021

DESCRIPTION:	Provide funding for oversizing of water and sewer mains as development occurs.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	City participation required to meet costs of oversizing water and sewer mains as development occurs.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2020 - 2021

WATER SYSTEM AGE IMPROVEMENTS

DESCRIPTION:	Propose improvements to water system components at five (5) critical sites with recurrent water quality problems.
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Reduce risk of water quality issues, excessive water age, constant flushing during high ambient temperatures, testing costs and meet TCEQ regulations.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

LABORATORY FACILITY EXPANSION

DESCRIPTION:	Expand lab facility to accommodate growing staff, new testing requirements, back-up generator, new lab and work areas, additional storage areas, security and electrical service upgrades.
ESTIMATED COST:	\$1,600,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Current facility lacks room and upgrades necessary to accommodate growth, storage and security needs.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2020 - 2021

REPLACE WWTP MAIN SWITCHGEAR BUILDING

DESCRIPTION:	Main switchgear building replacement includes the relocation of all main breakers and components to the new Blower Building Control Center, relocation of main transformers and rerouting of main power feeds.
ESTIMATED COST:	\$25,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Replacing components due to age and corrosion to prevent loss of facility power at the Wastewater Treatment Plant (WWTP).
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

CONDUCT TDS LOADINGS CONTROL STUDY

DESCRIPTION:	Conduct a study to determine strategies for controlling Total Dissolved Solids (TDS) loadings discharging at the Wastewater Treatment Plant (WWTP).
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	TDS source control or relocation of brine discharges may be necessary to comply with future TCEQ stream quality standards.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

2021-2022

PROJECT YEAR: 2021 - 2022

WATER & SEWER OVERSIZING COSTS - FY 2022

DESCRIPTION:	Provide funding for oversizing of water and sewer mains as development occurs.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	City participation required to meet costs of oversizing water and sewer mains as development occurs.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

REPLACE WWTP MAIN SWITCHGEAR BUILDING

DESCRIPTION:	Complete main switchgear building replacement project, which includes relocation of all main breakers and components to the new Blower Building Control Center, relocating transformers and rerouting of main power feeds.
ESTIMATED COST:	\$1,500,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Replacing components due to age and corrosion to prevent loss of facility power at the Wastewater Treatment Plant (WWTP).
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2021 - 2022

WWTP MAIN DIGESTER COMPLEX REHABILITATION

DESCRIPTION:	Engineering portion of the conduct assessment of digester electric switchgear and components, ventilation systems, pipe gallery, valves, etc. to determine scope of future rehabilitation of aging facility.
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Necessary due to potential explosive hazards and complexity of digester facility at Wastewater Treatment Plant (WWTP).
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

INSTALL WWTP SECURITY PROTECTION UPGRADES

DESCRIPTION:	Improve facility lighting and install additional security protection measures identified in the Wastewater Treatment Vulnerability Assessment.
ESTIMATED COST:	\$150,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Federal rules will require implementation of security upgrade features identified for the Wastewater Treatment Plant (WWTP).
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

2022-2023

PROJECT YEAR: 2022 - 2023

WATER & SEWER OVERSIZING COSTS - FY 2023

DESCRIPTION:	Provide funding for oversizing of water and sewer mains as development occurs.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	City participation required to meet costs of oversizing water and sewer mains as development occurs.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

WWTP MAIN DIGESTER COMPLEX REHABILITATION

DESCRIPTION:	Design and construction of the conduct assessment of digester electric switchgear and components, ventilation systems, pipe gallery, valves, etc. to determine scope of future rehabilitation of aging facility.
ESTIMATED COST:	\$1,750,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Necessary due to potential explosive hazards and complexity of digester facility at Wastewater Treatment Plant (WWTP).
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

PROJECT YEAR: 2022 - 2023

DEMOLISH OLD SLUDGE DRYING BEDS

DESCRIPTION:	At the Wastewater Treatment Plant (WWTP), remove sludge drying beds that are no longer part of the treatment process.
ESTIMATED COST:	\$250,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Removal of these drying beds could be utilized for future expansions of treatment processes at the Wastewater Treatment Plant (WWTP).
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

ODOR ABATEMENT STUDY

DESCRIPTION:	Conduct study to evaluate control strategies for managing odors from treatment processes.
ESTIMATED COST:	\$200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Utility Improvement Fund
PROJECT NECESSITY:	Odor control will be necessary as future development occurs near the plant location.
DEPARTMENT/DIRECTOR:	Director of Utilities, Mark Gibson

**STORMWATER SERVICES
2018 - 2023**

STORMWATER SERVICES

CAPITAL BUDGET: 2018-2023

Within the Five-year Capital Improvement Program, the first year, or “activated” year is considered the Capital Budget. Careful analysis of financial ability has been made on all of these projects and fund balances are anticipated for all projects listed. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year, barring unforeseen circumstances.

These are Stormwater Services Projects, being specifically related to the operation of the Municipal Drainage Utility System and having certain types of financing requirements different from those typically used for General Services.

2018-2019

PROJECT YEAR: 2018 - 2019

MS4 STORMWATER MANAGEMENT PLAN UPDATE

DESCRIPTION:	Update the Stormwater Management Plan, which describes the minimum control measures and best practices that will be implemented to reduce pollutants in the system.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Every five years the EPA and TCEQ require an update to the City Stormwater Management Plan to comply with current Texas Pollutant Discharge System Program (TPDES) rules and regulations.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

BLANTON DRIVE - DRAINAGE ENGINEERING & CONSTRUCTION

DESCRIPTION:	Design and construct a storm drain system under Blanton Drive to convey large weather event drainage to Post Oak Creek.
ESTIMATED COST:	\$250,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Currently, the drainage from large weather events floods homes east of Blanton Drive. A proper storm drainage system is required.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2018 - 2019

LAMBERTH ROAD - INCREASE CULVERT CAPACITY

DESCRIPTION:	Increase culvert capacity of culvert under Lamberth Road at T2 East Fork of Post Oak.
ESTIMATED COST:	\$1,500,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and will decrease road closures during 100-year storms.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

OVERLAND TRAIL - PIPING REPAIRS & REBUILD STREET

DESCRIPTION:	Repair piping and rebuilt street in 200-300 block of Overland Trail.
ESTIMATED COST:	\$250,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Significant settling over large area of 42" RCCP drain pipe fed by two 24" RCCP drain pipes from two box culverts.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2018 - 2019

KESSLER & HUNT DRAINAGE REPAIRS

DESCRIPTION:	Repair drainage damage to box culvert piping and outfall structure.
ESTIMATED COST:	\$250,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Necessary due to significant drainage damages which caused street collapse at intersection of Kessler and Hunt, opening sing holes in the right-of-way.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

2019-2020

PROJECT YEAR: 2019 - 2020

US 82/POST OAK CROSSING PROPERTY ACQUISITION

DESCRIPTION:	Acquisition of property near US 82 and Post Oak Crossing for the construction of a regional stormwater detention pond.
ESTIMATED COST:	\$300,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	The construction of this detention facility is identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

US 82/POST OAK CROSSING DETENTION POND - DESIGN & CONSTRUCTION

DESCRIPTION:	Design phase of a detention pond on Post Oak Creek, near US 82 and Post Oak Crossing.
ESTIMATED COST:	\$150,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	The construction of this detention facility is identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2019 - 2020

PEYTON DRIVE PROPERTY ACQUISITION FOR DETENTION POND

DESCRIPTION:	Acquisition of property on Peyton Street for the future location of a detention pond.
ESTIMATED COST:	\$200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Property is identified in the Post Oak Creek Flood Protection Plan and is necessary for flood damage mitigation.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PEYTON STREET DETENTION POND - DESIGN & CONSTRUCTION

DESCRIPTION:	Design phase of a detention pond on Post Oak Creek, near Peyton Street and Texoma Parkway.
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and is necessary to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2019 - 2020

CONTEMPORARY DRIVE PROPERTY ACQUISITION

DESCRIPTION:	Acquisition of properties on Contemporary Drive.
ESTIMATED COST:	\$1,242,646
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and is necessary to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

CANTERBURY DRIVE PROPERTY ACQUISITION FOR DETENTION POND

DESCRIPTION:	Acquisition of property on Canterbury Drive, near Post Oak Creek for the construction of a detention pond.
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	The construction of this detention facility is identified in the Post Oak Creek Flood Protection Plan as necessary to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2019 - 2020

CANTERBURY DRIVE DETENTION POND - DESIGN & CONSTRUCTION

DESCRIPTION:	Design phase of a detention pond on Post Oak Creek, near Canterbury Drive.
ESTIMATED COST:	\$50,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	The construction of this detention facility is identified in the Post Oak Creek Flood Protection Plan as necessary to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

TAYLOR STREET PROPERTY ACQUISITION

DESCRIPTION:	Acquisition of property of Post Oak Creek near Taylor Street for the construction of a regional storm water detention facility.
ESTIMATED COST:	\$600,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	The construction of this detention facility is identified in the Post Oak Creek Flood Protection Plan as necessary to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2019 - 2020

TAYLOR STREET DETENTION POND - DESIGN & CONSTRUCTION

DESCRIPTION:	Design phase of a detention pond on Post Oak Creek, near Taylor Street.
ESTIMATED COST:	\$300,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and will decrease road closures during 100-year storms.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

WEST LAMBERTH ROAD - REBUILD TO STABILIZE ROADWAY

DESCRIPTION:	Strip out roadway area on West Lamberth Road to rebuild, adding flow fill to sub-grade.
ESTIMATED COST:	\$200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	The west bound driving lane is failing, due to the proximity to a drainage way on the north side of street. Adding flow fill will mitigate deterioration and stabilize roadway.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2019 - 2020

TAYLOR/WASHINGTON BRIDGES - EROSION & OVERLAY

DESCRIPTION:	Repair erosion damage and overlay the bridge deck on the West Taylor Street Bridge and West Washington Bridge at Post Oak Creek Bridge.
ESTIMATED COST:	\$92,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	These bridges were identified in the 2016 Bridge Inventory, Inspection and Appraisal Program as in need of repair.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

SETTING SUNS DRAINAGE IMPROVEMENTS

DESCRIPTION:	Install drainage improvements to replace existing bar ditches at Setting Suns.
ESTIMATED COST:	\$200,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Drainage improvements are needed to tie into future development areas.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2019 - 2020

CENTER/LAMBERTH BRIDGES - EROSION & OVERLAY

DESCRIPTION:	Repair erosion damage and overlay the bridge deck on Center Street at Sand Creek Bridge and Lamberth Road Bridge.
ESTIMATED COST:	\$87,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	These bridges were identified in the 2016 Bridge Inventory, Inspection and Appraisal Program as in need of repair.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

2020-2021

PROJECT YEAR: 2020 - 2021

US 82/POST OAK CROSSING DETENTION POND - DESIGN & CONSTRUCTION

DESCRIPTION:	Construction phase of a detention pond on Post Oak Creek, near US 82 and Post Oak Crossing.
ESTIMATED COST:	\$1,036,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	The construction of this detention facility is identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

TAYLOR STREET DETENTION POND - DESIGN & CONSTRUCTION

DESCRIPTION:	Construction phase of a detention pond on Post Oak Creek, near Taylor Street.
ESTIMATED COST:	\$2,214,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and will decrease road closures during 100-year storms.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2020 - 2021

PROPERTY ACQUISITION FOR DAM 9A

DESCRIPTION:	Acquisition of property near Sand Creek along West Washington Street for a regional storm water detention facility.
ESTIMATED COST:	\$1,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	The construction of this detention facility is identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROPOSED DAM 9A - DESIGN & CONSTRUCTION

DESCRIPTION:	Design phase of a regional storm water detention facility on Sand Creek along West Washington Street.
ESTIMATED COST:	\$400,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	The construction of this detention facility is identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2020 - 2021

AYERS DRIVE PROPERTY ACQUISITIONS

DESCRIPTION:	Acquisition of properties on Ayers Drive.
ESTIMATED COST:	\$192,152
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and is necessary for flood damage mitigation.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

ARCHER DRIVE PROPERTY ACQUISITIONS FOR DETENTION POND

DESCRIPTION:	Acquisition of properties on Archer Drive for the future location of a regional storm water detention facility.
ESTIMATED COST:	\$4,238,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and is necessary for flood damage mitigation.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2020 - 2021

ARCHER DRIVE DETENTION POND - DESIGN & CONSTRUCTION

DESCRIPTION:	Design phase of a detention pond on Post Oak Creek, near the intersection of Archer Drive and Crescent Drive.
ESTIMATED COST:	\$100,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	This project is identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flood damage.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

SAM RAYBURN FREEWAY/TRAVIS STREET PROPERTY ACQUISITIONS

DESCRIPTION:	Acquisition of properties on Sam Rayburn Freeway and Travis Street.
ESTIMATED COST:	\$489,003
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	This project is identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flood damage.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2020 - 2021

SAM RAYBURN FREEWAY/CONTEMPORARY DRIVE PROPERTY ACQUISITIONS

DESCRIPTION:	Acquisition of properties at Sam Rayburn Freeway and Contemporary Drive.
ESTIMATED COST:	\$105,284
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and is necessary for flood damage mitigation.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

CHOCTAW CREEK EASEMENT ACQUISITIONS

DESCRIPTION:	Acquisition of access easements for Choctaw Creek Site 8A and Choctaw Creek Site 10A (Pickens Dam).
ESTIMATED COST:	\$15,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	The Emergency Action Plan for these dams recommends acquiring easements in order to access the dams during emergency situations.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2020 - 2021

HILLCREST/WOOD BRIDGES - EROSION & OVERLAY

DESCRIPTION:	Repair erosion damage and overlay the bridge deck on Hillcrest Street and North Woods Street bridges.
ESTIMATED COST:	\$77,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	These bridges were identified in the 2016 Bridge Inventory, Inspection and Appraisal Program as in need of repair.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

2021-2022

PROJECT YEAR: 2021 - 2022

PEYTON STREET DETENTION POND - DESIGN & CONSTRUCTION

DESCRIPTION:	Construction phase of a detention pond on Post Oak Creek, near Peyton Street and Texoma Parkway.
ESTIMATED COST:	\$757,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and is necessary to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

CANTERBURY DRIVE DETENTION POND - DESIGN & CONSTRUCTION

DESCRIPTION:	Construction phase of a detention pond on Post Oak Creek, near Canterbury Drive.
ESTIMATED COST:	\$378,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and will decrease road closures during 100-year storms.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2021 - 2022

ARCHER DRIVE DETENTION POND - DESIGN & CONSTRUCTION

DESCRIPTION:	Construction phase of a regional storm water detention facility on Post Oak Creek, near Archer Drive and Crescent Drive.
ESTIMATED COST:	\$757,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and is necessary for flood damage mitigation.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

INCREASE CULVERT CAPACITY UNDER GRIBBLE STREET

DESCRIPTION:	Increase the capacity of the Stream G box culvert under Gribble Street.
ESTIMATED COST:	\$275,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	This project is identified in the Post Oak Creek Flood Protection Plan as necessary to mitigate flood damage and decrease road closures during 100-year storms.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2021 - 2022

TOWN CENTER DETENTION POND - CONSTRUCTION

DESCRIPTION:	Construction of a regional storm water detention facility in Town Center.
ESTIMATED COST:	\$419,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	Project is identified in the Post Oak Creek Flood Protection Plan and is necessary for flood damage mitigation.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

RICKETS/CENTENNIAL/ETC. BRIDGES - EROSION & OVERLAY

DESCRIPTION:	Repair erosion damage and overlay the bridge deck on North Ricketts Street, Centennial Street, West Pecan Street and Blue Flame Road Bridges.
ESTIMATED COST:	\$68,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	These bridges were identified in the 2016 Bridge Inventory, Inspection and Appraisal Program as in need of repair.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

2022-2023

PROJECT YEAR: 2022 - 2023

PROPOSED DAM 9A - DESIGN & CONSTRUCTION

DESCRIPTION:	Construction phase of a regional storm water detention facility on Sand Creek along West Washington Street.
ESTIMATED COST:	\$5,000,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	Stormwater Fund
PROJECT NECESSITY:	The construction of this detention facility is identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

INCREASE CHANNEL CAPACITY NEAR LAMAR STREET & US 75

DESCRIPTION:	Increase capacity of the channel near Lamar Street and US 75.
ESTIMATED COST:	\$1,437,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This project was identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

PROJECT YEAR: 2022 - 2023

INCREASE CHANNEL CAPACITY NEAR CENTER STREET & POST OAK

DESCRIPTION:	Increase capacity of the channel near Center Street and Post Oak.
ESTIMATED COST:	\$2,698,000
ESTIMATED O&M COST:	N/A
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	This project was identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flooding.
DEPARTMENT/DIRECTOR:	Director of Engineering, Clint Philpott

CAPITAL FINANCING

CAPITAL FINANCING

In preparing a capital improvement program, care must be exercised to keep the proposed program within the financial capabilities of the City. To do this requires that consideration be given to existing revenue funds, as well as existing and proposed debt requirement. The main sources of revenue available to the City of Sherman for Capital Improvements at present are: (1) Ad Valorem Taxes, (2) General Fund Revenues, (3) segregated cash reserves, (4) segregated capital funds, (5) Texas Department of Transportation funds, (6) other governmental grants, and (7) private funds.

Ad Valorem Taxes: The form of revenue typically used for General Services Capital Financing is the Ad Valorem Tax. Most often this is used as a covenant of Debt Financing, and the tax is used to pay Debt Service requirements. Other uses of Ad Valorem Tax include the setting aside of a certain percent or amount of tax for "pay-as-you-go" capital financing. The City of Sherman does not currently do this. A history of property taxes for the City of Sherman is noted in Table I.

Debt Service: The City categorizes its debt as General Debt. General Debt is generally supported by Ad Valorem Taxes or Sales Taxes. Table II shows the General Debt Service Requirements. Due to favorable financing considerations, the majority of the city's long-term capital needs are addressed by issuing contractual debt through the Greater Texoma Utility Authority. Table III shows the debt service requirements for this obligation. Possible future bond issues must be considered in light of existing debt in order to minimize potential tax or rate increases.

Segregated Cash Reserves: In the past, unexpended balances of operating funds have been transferred into a segregated cash reserve for the purpose of future capital financing. The General Improvement Fund and the Utility Improvement Fund account for use of these resources.

Private Funds: Funding from developers.

TABLE I

**ANALYSIS OF ASSESSED VALUATION
FIVE YEAR PERIOD**

FISCAL YEAR ENDED	REAL PROPERTY ASSESSED VALUE	PERSONAL PROPERTY ASSESSED VALUE	TOTAL
2014	\$1,610,876,929	\$646,220,653	\$2,257,097,582
2015	\$1,704,026,301	\$671,124,549	\$2,375,150,850
2016	\$1,823,350,651	\$706,697,730	\$2,530,048,381
2017	\$2,123,113,603	\$658,138,894	\$2,781,252,497
2018	\$2,246,249,866	\$680,478,596	\$2,926,728,462

**ANALYSIS OF PROPERTY TAX LEVIES AND COLLECTIONS
FIVE YEAR PERIOD**

FISCAL YEAR ENDED	TAX LEVY	CURRENT COLLECTIONS	PERCENT COLLECTIONS	PRIOR YEAR COLLECTIONS	TOTAL COLLECTIONS
2014	\$7,854,700	\$7,737,469	98.51%	\$57,452	\$7,794,921
2015	\$8,835,561	\$8,638,949	97.77%	\$77,557	\$8,716,506
2016	\$9,411,780	\$9,137,999	97.09%	\$127,660	\$9,265,658
2017	\$10,966,479	\$10,712,045	97.68%	\$24,083	\$10,736,128
2018	\$12,505,911	\$11,857,653	94.82%	\$0	\$11,857,653

NOTE: 2018 COLLECTIONS ARE ESTIMATES AT 7-20-2018

TABLE II

BOND DEBT SERVICE FUNDS
STATEMENT OF BONDED INDEBTEDNESS: 2017 - 2018

DATE	TITLE & PURPOSE	TERM (YEARS)	ORIGINAL ISSUE AMOUNT	RETIRED IN PREVIOUS YEARS	DEBT BALANCE 10/01/2017
2004	COMBINATION TAX AND TAX INCREMENT REVENUE CERTIFICATES OF OBLIGATION FOR TAX INCREMENT FINANCING ZONE #1 IMPROVEMENTS	20	\$2,840,000	\$1,570,000	\$1,270,000
2006	LAKE TEXOMA WATER RIGHTS	40	\$3,727,060	\$1,079,601	\$2,647,459
2008	TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION FOR STREET & PARK DEVELOPMENT	20	\$5,000,000	\$4,755,000	\$245,000
2009	TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION FOR STREET & PARK DEVELOPMENT	20	\$5,000,000	\$4,755,000	\$245,000
2009A	TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION FOR STREET & PARK DEVELOPMENT	20	\$3,500,000	\$3,345,000	\$155,000
2016	LIMITED TAX NOTES FOR STREET IMPROVEMENTS	3	\$1,830,000	\$435,000	\$1,395,000
2016	TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION FOR STREET AND PARK DEVELOPMENT AND CITY FACILITIES	20	\$6,970,000	\$0	\$6,970,000

TABLE II - CONTINUED

DATE	TITLE & PURPOSE	TERM (YEARS)	ORIGINAL ISSUE AMOUNT	RETIRED IN PREVIOUS YEARS	DEBT BALANCE 10/01/2017
2017	TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION FOR PUBLIC WORKS PROJECTS	12	\$18,110,000	\$0	\$18,110,000
2017	GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017	12	\$9,360,000	\$0	\$9,360,000

BOND DEBT SERVICE FUND
SCHEDULE OF REQUIREMENTS: 2018 - 2025

FISCAL YEAR ENDING 09/30	PRINCIPAL	INTEREST	TOTAL
2018	\$1,783,104	\$1,657,731	\$3,440,835
2019	\$2,452,067	\$1,343,919	\$3,795,986
2020	\$2,536,364	\$1,271,120	\$3,807,484
2021	\$2,141,439	\$1,192,275	\$3,333,714
2022	\$2,226,087	\$1,118,081	\$3,344,168
2023	\$2,315,921	\$1,036,436	\$3,352,356
2024	\$2,150,948	\$947,053	\$3,098,000
2025	\$2,231,175	\$865,225	\$3,096,400
TOTAL	\$17,837,105	\$9,431,840	\$27,268,946

TABLE III

**CONTRACTUAL DEBT
2018 - 2024**

YEAR	PRINCIPAL	INTEREST	TOTAL
2018	\$4,950,820	\$1,675,835	\$6,626,655
2019	\$5,046,220	\$1,549,171	\$6,595,391
2020	\$5,151,800	\$1,448,929	\$6,600,729
2021	\$4,318,100	\$1,339,415	\$5,657,515
2022	\$4,178,500	\$1,265,018	\$5,443,518
2023	\$4,264,080	\$1,188,826	\$5,452,906
2024	\$4,360,560	\$1,104,106	\$5,464,666
TOTAL	\$32,270,080	\$9,571,300	\$41,841,380



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.6.

Meeting Date: 08/06/2018

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Approve Quarterly Investment Report for Quarter Ended June 30, 2018

Issue:

To approve the Investment Report for the quarterly period ending June 30, 2018

Background:

These reports are being presented in accordance with the state law that requires at least quarterly presentation to the Council. A separate report is included for the debt proceeds as required by the Investment Policy. The reports were given to the Investment Committee prior to submittal to the Council.

As of June 30, 2018, the portfolios were in compliance with applicable state laws and the Investment Policy. The operating investment portfolio had a book value of about \$17.3 million, an increase of about \$0.9 million from prior quarter of \$16.4 million, due to purchases of \$1.0 million in U.S. Agency Securities and \$1.5 million deposited in Local Government Investment Pools (LGIP) with maturities of \$0.6 million in State of Texas political subdivision obligations and \$1.0 million in U.S. Agency Securities. The underlying investments were adequately diversified among four different types of securities. This portfolio is appropriately liquid; and its weighted-average maturity was about 380 days, down from 476 days from last quarter. The portfolio yield of 1.78% for the quarter is 55 basis points lower than the benchmark yield of 2.33%. The portfolio value on the City's books is slightly below market value due to the effect of rising interest rates.

The debt proceeds portfolio balance of \$19.5 million was invested in a Local Government Investment Pool, a U.S. Agency, and an FDIC insured money market account. Transactions in this portfolio included the receipt of interest income and payments for capital projects. The yield of 1.5% was below the benchmark yield of 1.77% for this portfolio. Book value and market value were about the same.

Origination:

Finance

Financial Consideration:

None

Staff Recommendation:

It is recommended that the Council accept the Investment Report as presented.

Alternatives:

The Council could offer suggestions for improvement or could request more frequent reporting.

Attachments

Investment Committee Memo with Investment Reports for QE 06/30/2018

DATE: Friday, July 27, 2018

TO: The City of Sherman Investment Committee
Councilman Jason Sofey
Councilwoman Pam Howeth
Robby Hefton, City Manager

CC: Steve Ayers, Assistant City Manager

FROM: Mary Lawrence, Director of Finance *ml*

SUBJECT: Investment Reports for the Quarter Ended June 30, 2018

Enclosed is a copy of the quarterly investment reports for June 30, 2018. As of that date, the City was in compliance with all applicable state laws and internal policies for the portfolio.

The total operating portfolio balance of about \$17.3 million increased by about \$0.9 million from the previous quarter due to purchases of \$1.0 million in U.S. Agency Securities and \$1.5 million deposited in Local Government Investment Pools (LGIP) with maturities of \$0.6 million in State of Texas political subdivision obligations and \$1.0 million in U.S. Agency Securities. The underlying investments were adequately diversified among four different types of securities. The portfolio's weighted-average maturity of about 380 days decreased from last quarter due to investment in shorter-term securities. The portfolio yield of 1.781% was 55 basis point below our benchmark 1-year Constant Maturity Treasury Index of 2.33%. Book value was \$17.3 million with market value slightly less at \$17.2 million due to the effect of rising interest rates.

The debt proceeds portfolio balance of \$19.5 million had increased by about \$2.3 million due to payments for capital projects. The portfolio includes a Local Government Investment Pool, a U.S. Agency security, and an FDIC insured money market account. The portfolio's weighted-average maturity of about 26 days decreased by 10 days from last quarter. The portfolio yield of 1.50% was 27 basis points below the benchmark yield for this portfolio, the 1-month Constant Maturity Index, of 1.77%. Book value closely approximated market value.

The investment reports will be on the August 6, 2018 City Council agenda for their review and approval. Please call me if you have any questions about this item.

attachment (as stated above)

CITY OF SHERMAN, TEXAS
INVESTMENT PORTFOLIO SUMMARY
For the Quarter Ending June 30, 2018

Total Portfolio Summary			
	Current Quarter 6/30/2018	Prior Quarter 3/31/2018	Change From Prior Quarter
Book Value	\$ 17,340,863	\$ 16,449,465	\$ 891,398
Market Value	\$ 17,231,228	\$ 16,348,394	\$ 882,834
Weighted Average Maturity - Days	380	476	(96)
Weighted Average Yield	1.781%	1.619%	0.162%
Earned Income	\$ 64,957	\$ 34,436	\$ 30,521
Earned Income - Year-to-Date	\$ 141,260	\$ 76,303	\$ 64,957

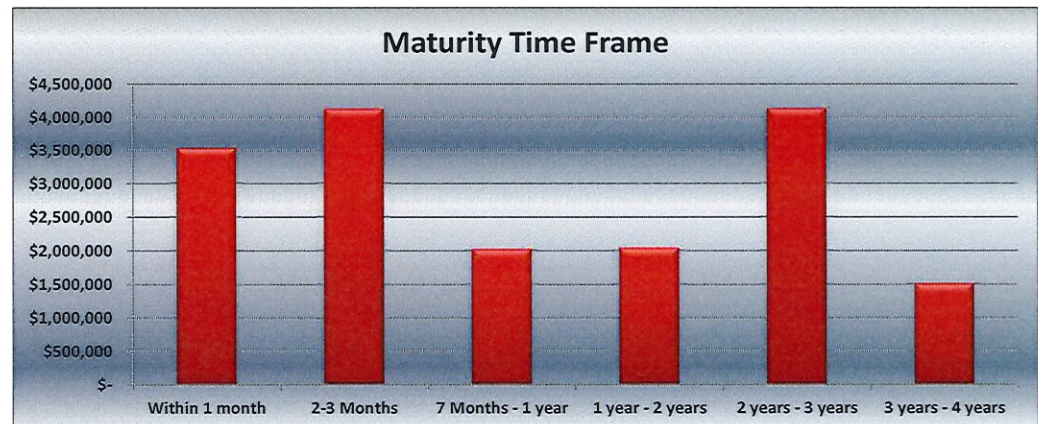
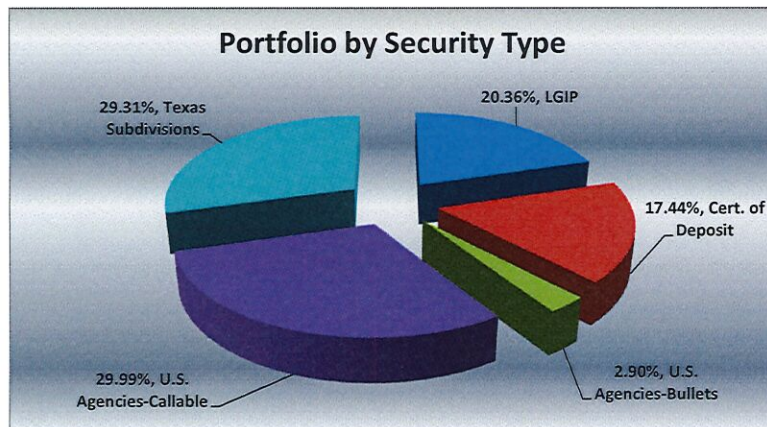
This report complies with the requirements of the public funds investment law and covers all the funds of the City of Sherman that are subject to that law.

As of June 30, 2018, the City's portfolio had a book value of about \$17.3 million, with a market value of \$17.2 million. Of this amount, approximately \$3.5 million was held in Local Government Investment Pools (LGIP), \$3.0 million was held in Certificates of Deposit (CD), \$5.7 million was held in U.S. Agency Securities and \$5.1 million was held in State of Texas political subdivision obligations.

The portfolio value increased by \$0.9 million from the previous quarter due to purchases of \$1.0 million in U.S. Agency Securities and \$1.5 million deposited in Local Government Investment Pools (LGIP) with maturities of \$0.6 million in State of Texas political subdivision obligations and \$1.0 million in U.S. Agency Securities.

The weighted average yield on the portfolio was 1.78%, 55 basis points below the 1-year Constant Maturity Treasury Index of 2.33% and 16 basis points above the previous quarter.

The weighted average maturity of the portfolio decreased from 476 days at March 31, 2018, to 380 days at June 30, 2018.



Mary Lawrence

Mary Lawrence, Finance Director and City of Sherman Investment Officer

Tammy Davis

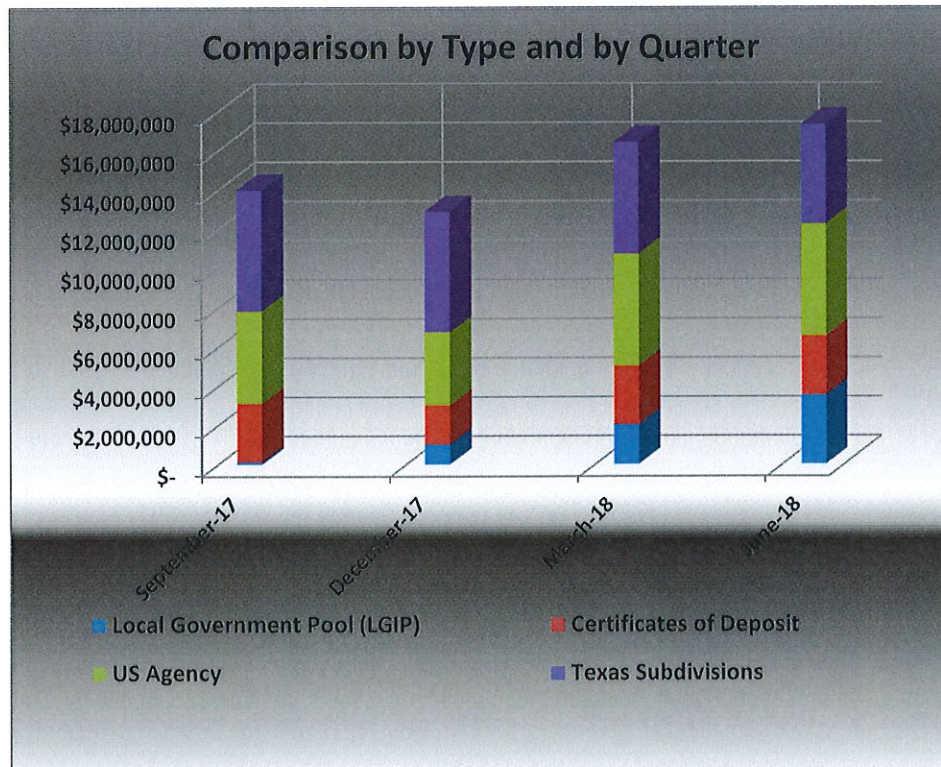
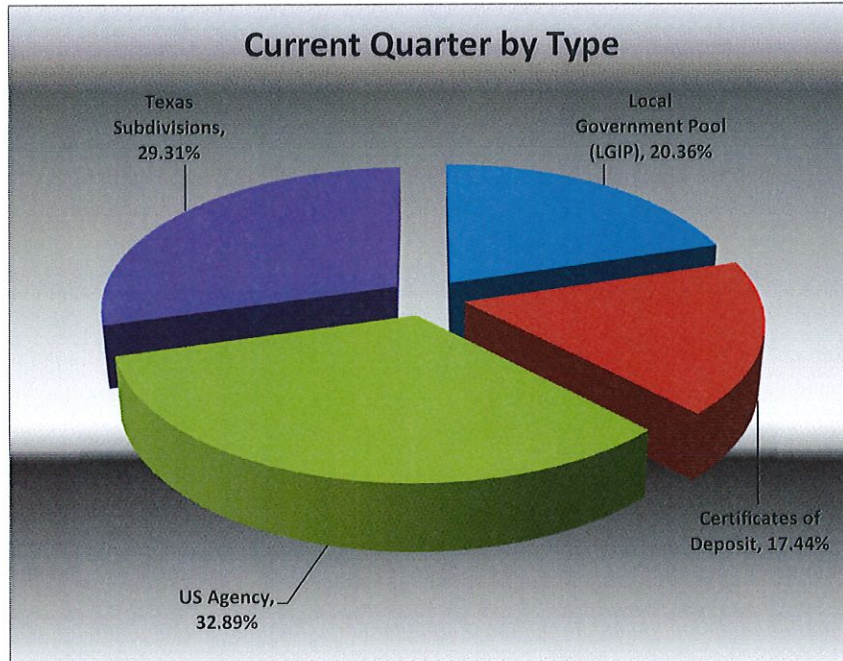
Tammy Davis, Controller and City of Sherman Investment Officer

CUSIP	Settlement Date	Security Type	Security Description	CPN Rate	Maturity Date	Credit Rating	Par Value	Purchase Price	Original Cost	Book Value	Market Price	Market Value	Days to Maturity	YTM
Tex-Pool		LGIP	TexPool			AAAm	\$ 1,015,130	100.00	\$ 1,015,130	\$ 1,018,005	100.00	\$ 1,018,005	1	1.73%
TexStar		LGIP	TexSTAR			AAAm	2,512,788	100.00	2,512,788	2,512,788	100.00	2,512,788	1	1.73%
CD 4176806562	2/22/2017	CD	Landmark Bank	1.15%	8/22/2018		1,000,000	100.00	1,000,000	1,014,386	100.00	1,014,386	53	1.15%
CD 4176807610	3/27/2018	CD	Landmark Bank	2.01%	9/27/2018		1,000,000	100.00	1,000,000	1,005,066	100.00	1,005,066	89	2.01%
CD 4176807628	3/27/2018	CD	Landmark Bank	2.11%	3/27/2019		1,000,000	100.00	1,000,000	1,005,318	100.00	1,005,318	270	2.11%
41421GFV4	2/27/2015	Texas Subdivision	Harris Co TX MUD # 468	2.00%	9/1/2018	A3	740,000	102.47	758,248	740,897	100.07	740,548	63	1.28%
82620YFZ1	6/19/2015	Texas Subdivision	Sienna Plantation MUD	2.00%	9/1/2018	A3	230,000	100.86	231,978	230,106	100.07	230,152	63	1.73%
34680CDA4	6/23/2015	Texas Subdivision	Ft Bend Co TX MUD #128	2.00%	9/1/2018	A3	650,000	102.02	663,130	650,710	100.08	650,520	63	1.35%
955496GC2	8/6/2015	Texas Subdivision	W Ranch TX Mgmt Dist	1.65%	9/1/2018	A3	340,000	100.60	342,030	340,114	99.85	339,473	63	1.45%
41421DRU2	3/24/2016	Texas Subdivision	Harris Co TX MUD #419	3.00%	9/1/2018	AA	140,000	104.43	146,203	140,432	100.22	140,309	63	1.15%
31331KB74	9/30/2015	Agency Bullet	FFCB	1.88%	3/29/2019	AA+	500,000	102.46	512,290	502,626	99.70	498,485	272	1.12%
88213ACF0	7/23/2015	Texas Subdivision	TX St A&M Sys Brd	4.00%	5/15/2019	AA+	500,000	108.07	540,330	509,259	101.32	506,595	319	1.80%
207435MH8	6/1/2016	Texas Subdivision	Conally TX Consol ISD	3.00%	8/15/2019	AAA	150,000	106.42	159,635	153,373	101.61	152,414	411	0.96%
34683CJU1	5/5/2016	Texas Subdivision	Ft Bend Co TX MUD #133	2.00%	9/1/2019	A3	100,000	102.76	102,762	100,970	100.11	100,113	428	1.15%
8827235D7	12/7/2016	Texas Subdivision	TXBL Ref TX Pub Fin Auth Military	4.00%	10/1/2019	AAA	250,000	106.48	266,205	257,192	101.89	254,725	458	1.64%
3134GA2P8	3/2/2017	Agency Callable	FHLMC	1.55%	11/27/2019	AA+	1,200,000	99.99	1,199,880	1,199,938	98.65	1,183,795	515	1.55%
414229FG8	5/5/2016	Texas Subdivision	Harris Co TX MUD #500	4.00%	12/1/2019	AA	315,000	107.76	339,435	324,690	101.21	318,812	519	1.75%
414935LK0	5/3/2016	Texas Subdivision	Harris Co MUD #120	2.00%	8/1/2020	AA	395,000	102.09	403,252	399,056	100.00	394,988	763	1.49%
41456PHW0	8/11/2016	Texas Subdivision	Harris-Montgomery TX MUD # 386	2.00%	9/1/2020	Aa3	350,000	103.16	361,050	355,903	100.00	349,997	794	1.20%
038395EP0	9/6/2016	Texas Subdivision	Aquilla TX Water SUD Series A	3.25%	9/1/2020	A	200,000	107.96	215,910	208,659	102.50	204,992	794	1.20%
038395FD6	9/6/2016	Texas Subdivision	Aquilla TX Water SUD Series B	3.25%	9/1/2020	A	160,000	106.95	171,114	166,049	99.96	159,931	794	1.45%
3130ADUK6	3/30/2018	Agency Callable	FHLB	2.50%	9/29/2020	AA+	1,000,000	100.00	1,000,000	1,000,000	99.44	994,369	822	2.50%
3134GSFE0	2/27/2018	Agency Callable	FHLMC	2.50%	2/26/2021	AA+	1,000,000	100.00	1,000,000	1,000,000	99.50	994,986	972	2.50%
3134GSNJO	6/28/2018	Agency Callable	FHLMC	2.65%	6/28/2021	AA+	1,000,000	100.00	1,000,000	1,000,000	99.94	999,380	1,094	2.65%
34679RNB1	6/6/2017	Texas Subdivision	Fort Bend Co TX MUD #23-A	2.00%	9/1/2021	A3	500,000	101.43	507,125	505,326	99.18	495,915	1,159	1.65%
3134GBRT1	6/29/2017	Agency Callable	FHLMC	2.00%	6/29/2022	Aaa	1,000,000	100.00	1,000,000	1,000,000	96.52	965,166	1,460	2.00%
Total							\$ 17,247,918	\$	17,448,493	\$ 17,340,863	\$	17,231,228		

CUSIP	Settle Date	Security Description	Maturity Date	Market Value 3/31/2018	Change in Market Value	Market Value 6/30/2018
Tex-Pool		TexPool		\$ 1,015,130	\$ 2,875	\$ 1,018,005
TexStar		TexSTAR		1,007,132	1,505,656	2,512,788
CD 4176806562	2/22/2017	Landmark Bank	8/22/2018	1,011,550	2,836	1,014,386
CD 4176807610	3/27/2018	Landmark Bank	9/27/2018	1,000,000	5,066	1,005,066
CD 4176807628	3/27/2018	Landmark Bank	3/27/2019	1,000,000	5,318	1,005,318
667489FV5	2/24/2015	NW Harris Co TX MUD #6	4/1/2018	210,000	(210,000)	-
643161HB1	5/21/2015	New Caney TX MUD	4/1/2018	270,000	(270,000)	-
414911JL2	2/25/2015	Harris Co TX MUD #119	5/1/2018	135,053	(135,053)	-
313379DT3	2/29/2016	FHLB	6/8/2018	999,014	(999,014)	-
41421GFW4	2/27/2015	Harris Co TX MUD # 468	9/1/2018	740,895	(347)	740,548
8260YFZ1	6/19/2015	Sienna Plantation MUD	9/1/2018	230,343	(191)	230,152
34680CDA4	6/23/2015	Ft Bend Co TX MUD #128	9/1/2018	651,196	(676)	650,520
955496GC2	8/6/2015	W Ranch TX Mgmt Dist	9/1/2018	338,752	721	339,473
41421DRU2	3/24/2016	Harris Co TX MUD #419	9/1/2018	140,741	(432)	140,309
31331KB74	9/30/2015	FFCB	3/29/2019	498,957	(472)	498,485
88213ACFO	7/23/2015	TX St A&M Sys Brd	5/15/2019	509,370	(2,775)	506,595
207435MH8	6/1/2016	Conally TX Consol ISD	8/15/2019	152,703	(289)	152,414
34683CJU1	5/5/2016	Ft Bend CO TX MUD #133	9/1/2019	100,135	(22)	100,113
8827235D7	12/7/2016	TXBL Ref TX Pub Fin Auth Military	10/1/2019	256,405	(1,680)	254,725
3134GA2P8	3/2/2017	FHLMC	11/27/2019	1,185,576	(1,781)	1,183,795
414229FG8	5/5/2016	Harris Co TX MUD #500	12/1/2019	320,516	(1,704)	318,812
414935LK0	5/3/2016	Harris Co TX MUD #120	8/1/2020	394,676	312	394,988
4146PHWO	9/6/2016	Harris-Montgomery TX MUD #386	9/1/2020	349,752	245	349,997
038395EPO	9/6/2016	Aquilla TX Water SUD Series A	9/1/2020	205,388	(396)	204,992
038395FD6	9/6/2016	Aquilla TX Water SUD Series B	9/1/2020	160,731	(800)	159,931
3130AUDK6	3/30/2018	FHLB	9/29/2020	999,750	(5,381)	994,369
3134GSFE0	2/27/2018	Freddie Mac	2/26/2021	1,000,069	(5,083)	994,986
3134GSNJO	6/28/2018	Freddie Mac	6/28/2021	-	999,380	999,380
34679RNB1	6/6/2017	Fort Bend Co TX MUD #23-A	9/1/2021	495,460	455	495,915
3134GBRT1	6/29/2017	FHLMC	6/29/2022	969,100	(3,934)	965,166
Total				\$ 16,348,394	\$ 882,834	\$ 17,231,228

Trade Date	Settle Date	CUSIP	Security Description	Coupon	Maturity Date	Call Date	Par Value	Principal Amount	Interest Purchased/Received	Total Amount	YTM
<i>Maturities</i>											
	4/1/2018	667489FV5	NW Harris Co TX MUD #6	2.00%	4/1/2018		\$ 210,000	\$ 210,000	\$ 2,100	\$ 212,100	1.10%
	4/1/2018	643161HB1	New Caney TX MUD	2.00%	4/1/2018		270,000	270,000	2,700	272,700	1.51%
	5/1/2018	414911JL2	Harris Co TX MUD #119	2.00%	5/1/2018		135,000	135,000	1,350	136,350	1.10%
	6/8/2018	313379DT3	FHLB	1.25%	6/8/2018		1,000,000	1,000,000	6,250	1,006,250	0.94%
<i>Purchases</i>											
	6/14/2018	Texstar	LGIP	1.50%	6/14/2018		1,500,000	1,500,000	-	1,500,000	1.50%
	6/28/2018	3134GSNJO	FHLMC	2.65%	6/28/2021		1,000,000	1,000,000	-	1,000,000	2.65%
<i>Income Payments</i>											
	6/30/2018	TexPool	LGIP	1.73%	4/1/2018		1,018,005		1,821	1,821	1.73%
	6/30/2018	TexStar	LGIP	1.73%	4/1/2018		2,512,788		5,657	5,657	1.83%
	5/22/2018	CD 4176086562	Landmark Bank	1.15%	8/22/2018		1,000,000		2,837	2,837	1.16%
	6/27/2018	CD 4176807628	Landmark Bank	2.11%	3/27/2019		1,000,000		5,318	5,318	2.12%
	6/27/2018	CD 4176807610	Landmark Bank	2.01%	9/27/2018		1,000,000		5,066	5,066	2.03%
	4/1/2018	8827235D7	TXBL Ref TX Pub Fin Auth Military	4.00%	10/1/2019		\$250,000		5,000	5,000	1.64%
	5/27/2018	3134GA2P8	FHLMC	1.55%	11/27/2019		1,200,000		9,300	9,300	1.55%
	5/15/2018	88213ACF0	TX St A&M Univ Sys Brd	4.00%	5/15/2019		500,000		10,000	10,000	1.80%
	6/29/2018	31468BRT1	FHLMC	2.00%	6/29/2022		1,000,000		10,000	10,000	2.00%
	6/1/2018	414229FG8	Harris Co TX MUD #500	4.00%	12/1/2019		315,000		6,300	6,300	1.75%
Total									\$ 73,699		

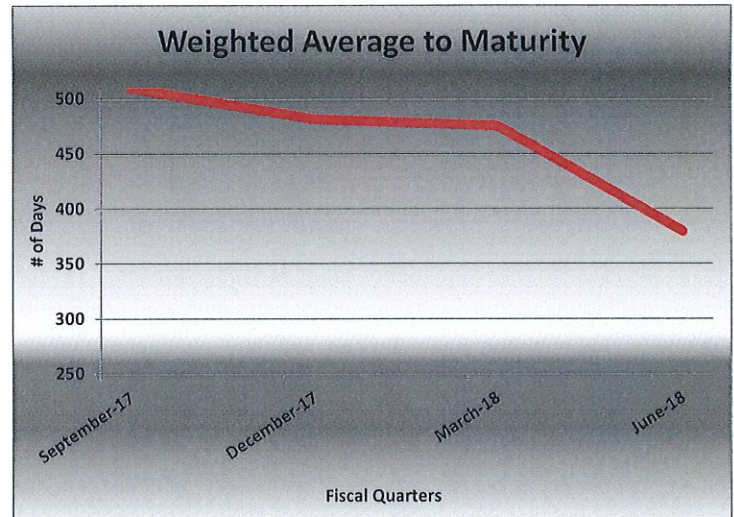
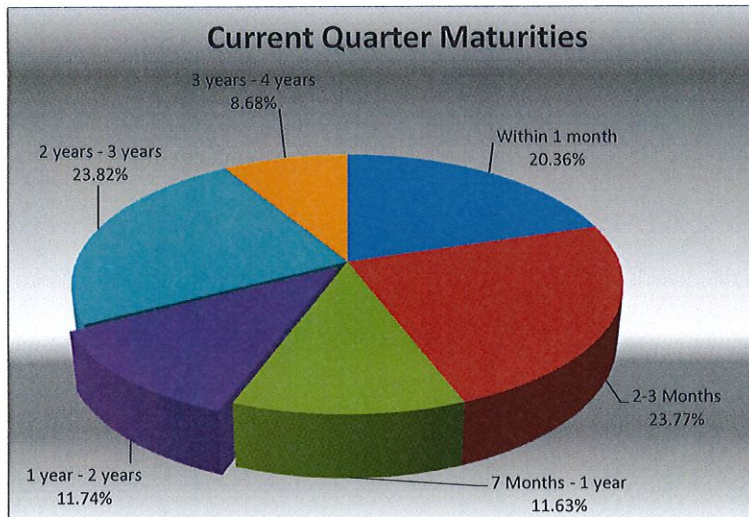
Cash/Investment Type	Balance 9/30/2017	Balance 12/31/2017	Balance 3/31/2018	Balance 6/30/2018	Percent of Portfolio	Portfolio Cap
Local Government Pool (LGIP)	\$ 106,392	\$ 1,017,019	\$ 2,022,262	\$ 3,530,793	20.36%	50.00%
Certificates of Deposit	3,020,619	2,017,164	3,011,550	3,024,770	17.44%	50.00%
US Agency	4,708,146	3,705,624	5,704,002	5,702,564	32.89%	50.00%
Texas Subdivisions	6,191,857	6,176,404	5,711,651	5,082,736	29.31%	50.00%
Total	\$ 14,027,014	\$ 12,916,211	\$ 16,449,465	\$ 17,340,863	100.00%	



Maturity Time Frame	Balance 9/30/2017	Balance 12/31/2017	Balance 3/31/2018	Balance 6/30/2018	Percent of Portfolio
Within 1 month	\$ 1,115,595	\$ 1,017,019	\$ 2,502,287	\$ 3,530,793	20.36%
2-3 Months	1,000,860	1,459,047	1,135,701	4,121,711	23.77%
4-6 Months	1,457,218	1,617,560	4,117,082	-	0.00%
7 Months - 1 year	4,737,212	3,117,413	1,503,496	2,017,203	11.63%
1 year - 2 years	2,418,144	3,463,450	2,552,341	2,036,163	11.74%
2 years - 3 years	1,791,394	735,554	3,132,800	4,129,667	23.81%
3 years - 4 years	506,591	-	505,758	1,505,326	8.68%
4 years - 5 years	1,000,000	1,506,168	1,000,000	-	0.00%
	\$ 14,027,014	\$ 12,916,211	\$ 16,449,465	\$ 17,340,863	100.00%

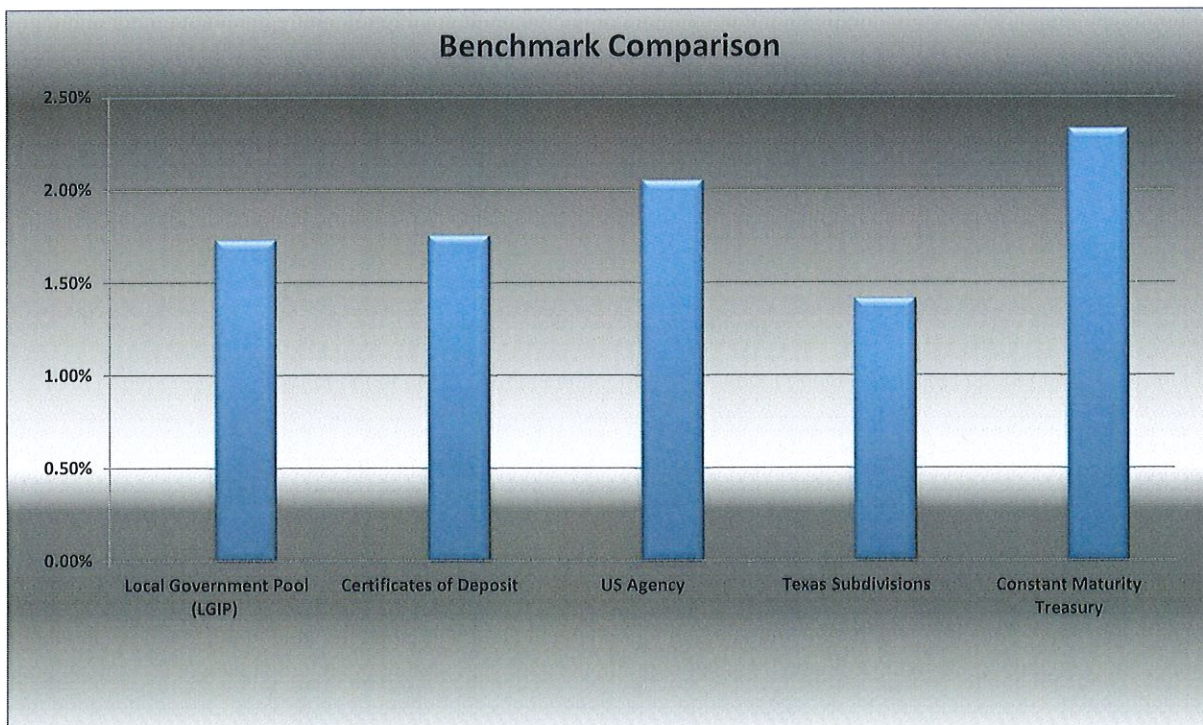
Liquidity Indicator	Maximum Allowable				
Weighted Average Maturity	510.35 ***	481.87	475.69	379.71	500.00

*** As of 9/30/2017, the Weighted Average Maturity exceeded the maximum allowed by policy by 10 days. The situation was identified and corrected on October 6, 2017, bringing it into compliance at 494 days.



Date Received/ Purchased	CUSIP	Security Description	Coupon	YTM	Interest Purchased/ Received	Accrued Interest/ Amortization	Income Earned
6/30/2018	Tex-Pool	TexPool		1.73%	\$ 1,821	\$ -	\$ 1,821
6/30/2018	TexStar	TexSTAR		1.73%	5,657	-	5,657
6/27/2018	CD 4176807610	Landmark Bank	2.01%	2.01%	5,066	(54)	5,012
5/22/2018	CD 4176806562	Landmark Bank	1.15%	1.15%	2,837	67	2,904
6/27/2018	CD 4176807628	Landmark Bank	2.11%	2.12%	5,318	(57)	5,261
6/30/2018	207435MH8	Conally TX Consol ISD	3.00%	0.96%	-	374	374
6/30/2018	34679RNB1	Fort Bend Co TX MUD #23-A	2.00%	1.65%	-	2,080	2,080
6/30/2018	82620YFZ1	Sienna Plantation MUD	2.00%	1.73%	-	995	995
6/30/2018	3468CDA4	Ft. Bend Co TX MUD #128	2.00%	1.35%	-	2,225	2,225
6/30/2018	954496GC2	W Ranch TX Mgmt Dist	1.65%	1.45%	-	1,238	1,238
6/30/2018	41421DRU2	Harris Co TX MUD #419	3.00%	1.15%	-	416	416
6/30/2018	038395EP0	Aquilla TX Water SUD Series A	3.25%	1.20%	-	627	627
6/30/2018	038395FD6	Aquilla TX Water SUD Series B	3.25%	1.45%	-	603	603
6/30/2018	41456PHW0	Harris Cnty TX MUD#386	2.00%	1.20%	-	1,069	1,069
6/30/2018	41421GFW4	Harris Co TX MUD # 468	2.00%	1.28%	-	2,405	2,405
6/30/2018	414935LK0	Harris Co MUD #120	2.00%	1.49%	-	1,489	1,489
6/30/2018	34683CJU1	Ft Bend Co TX MUD #133	2.00%	1.15%	-	292	292
6/30/2018	31331KB74	FFCB	1.88%	1.12%	-	1,465	1,465
6/29/2018	31346BRT1	FHLMC	2.00%	2.00%	10,000	(5,000)	5,000
6/30/2018	3130ADUK6	FHLB	2.50%	2.50%	-	6,250	6,250
6/30/2018	3134GSFE0	FHLMC	2.50%	2.50%	-	6,250	6,250
6/30/2018	3134GSNJO	FHLMC	2.65%	2.65%	-	147	147
4/1/2018	667489FV5	NW Harris Co TX MUD #6	2.00%	1.10%	2,100	(2,125)	(25)
4/1/2018	643161HB1	New Caney TX MUD	2.00%	1.51%	2,700	(2,700)	-
5/1/2018	8827235D7	TXBL Ref TX Pub Fin Auth Milit	4.00%	1.64%	5,000	(3,938)	1,062
5/1/2018	414911JL2	Harris Co TX MUD #119	2.00%	1.10%	1,350	(1,239)	111
5/15/2018	88213ACF0	TX St A&M Sys Brd	4.00%	1.80%	10,000	(7,646)	2,354
5/27/2018	3134GA2P8	FHLMC	1.55%	1.55%	9,300	(4,639)	4,661
6/1/2018	414229FG8	Harris Co TX MUD #500	4.00%	1.75%	6,300	(4,860)	1,440
6/8/2018	313379DT3	FHLB	1.25%	0.94%	6,250	(4,476)	1,774

\$ 73,699 \$ (8,742) \$ 64,957



CITY OF SHERMAN, TEXAS
DEBT PROCEEDS PORTFOLIO SUMMARY
For the Quarter Ending June 30, 2018

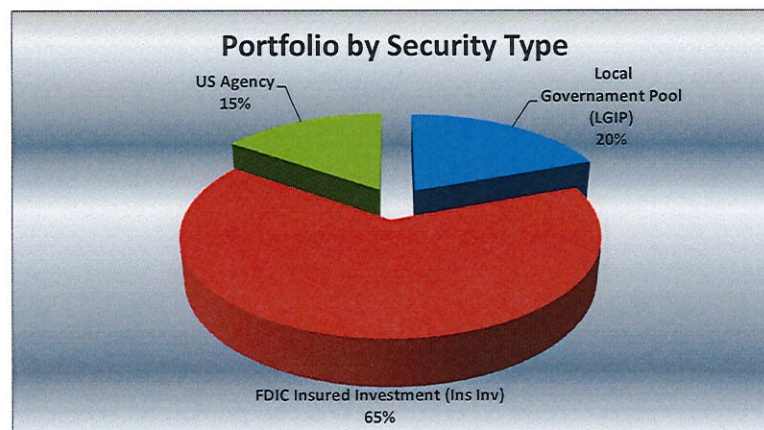
Total Portfolio Summary			
	Current Quarter 6/30/2018	Prior Quarter 3/31/2018	Change From Prior Qtr
Book Value	\$ 19,534,915	\$ 21,810,146	\$ (2,275,231)
Market Value	\$ 19,522,036	\$ 21,818,550	\$ (2,296,514)
Weighted Average Maturity - Days	26	36	(10)
Weighted Average Yield	1.50%	1.26%	0.24%
Earned Income	\$ 80,141	\$ 68,421	\$ 11,720
Earned Income - Year-to-Date	\$ 205,557	\$ 125,416	\$ 80,141

This report complies with the requirements of the public funds investment law and covers all the funds of the City of Sherman that are subject to that law.

As of June 30, 2018, the City of Sherman's debt proceeds portfolio had a book value of about \$19.5 million, which approximates the market value. Of this amount, approximately \$3.8 million was held in Local Government Investment Pools (LGIP), \$12.7 million was held in FDIC Insured Investment Accounts (Ins Inv), and \$3.0 million was held in U.S. Agency Securities.

During the current quarter interest income of \$80 thousand was added and approximately \$2.35 million was drawn down for project payments.

The weighted average yield on the portfolio was 1.50%, 27 basis points below the 4-week Constant Maturity Treasury Index of 1.77% and 24 basis points above the previous quarter.



Mary Lawrence

Mary Lawrence, Finance Director and City of Sherman Investment Officer

Tammy Davis

Tammy Davis, Controller and City of Sherman Investment Officer

Name/CUSIP	Debt Issuance	Settlement Date	Security Type	Security Description	Maturity Date	Credit Rating	Par Value	Purchase Price	Original Cost	Book Value	Market Price	Market Value	Days to Maturity	YTM
TexPool	2016 Tax & Rev CO's		LGIP	Texpool	7/1/2018	AAAm	8,646	100.00	8,646	8,646	100.00	8,646	1	1.73%
TexPool	2017A Tax & Muni Drainage Rev Co's		LGIP	Texpool	7/1/2018	AAAm	3,797,064	100.00	3,797,064	3,797,064	100.00	3,797,064	1	1.73%
Anova	2017 CO's		Ins Inv	Anova	7/1/2018		12,729,658	100.00	12,729,658	12,729,658	100.00	12,729,658	1	1.50%
3133EGW84	2017 CO's	4/21/17	US Agency Bullet	FFCB	12/19/2018	Aaa	3,000,000	99.95	2,998,397	2,999,547	99.57	2,986,668	172	1.20%
Total							\$ 19,535,368	\$ 19,533,765	\$ 19,534,915	\$ 19,522,036				



CITY OF SHERMAN, TX
Market Value Summary
AS of 6/30/2018

CUSIP	Security Type / Description	Maturity Date	Market Value 3/31/2018	Change in Market Value	Market Value 6/30/2018
TexPool Cert of Obligation	LGIP		8,609	37	8,646
TexPool 2017A & Muni Drainage Rev Co's	LGIP		3,780,712	16,352	3,797,064
Anova	Ins Inv		15,044,226	(2,314,568)	12,729,658
3133EGW84	US Agency Bullet	12/19/2018	2,985,003	1,665	2,986,668
Total			\$ 21,818,550	\$ (2,296,514)	\$ 19,522,036

Settle Date	Name	Security Description	Coupon	Maturity Date	Par Value	Price	Principal Amount	Interest Purchased/Received	Total Amount	YTM
<u>Project Payments</u>										
6/12/2018	2017 CO-Anova	Ins Inv	1.50%		\$ 2,346,372		\$ 2,346,372	\$ -	\$ 2,346,372	1.50%
<u>Purchases</u>										
<u>Income Payments</u>										
4/30/2018	TexPool Tax & Rev CO	LGIP	1.67%		8,610		8,610	12	12	1.67%
4/30/2018	2017 CO-Anova	Ins Inv	1.50%		15,021,520		15,021,520	19,137	19,137	1.50%
4/30/2018	TexPool 2017A & Muni Drainage Rev CO	LGIP	1.67%		3,780,712		3,780,712	5,191	5,191	1.67%
5/31/2018	TexPool Tax & Rev CO	LGIP	1.72%		8,621		8,621	13	13	1.72%
5/31/2018	2017 CO-Anova	Ins Inv	1.50%		15,040,658		15,040,658	19,161	19,161	1.50%
5/31/2018	TexPool 2017A & Muni Drainage Rev CO	LGIP	1.72%		3,785,903		3,785,903	5,517	5,517	1.72%
6/30/2018	TexPool Tax & Rev CO	LGIP	1.81%		8,635		8,635	13	13	1.81%
6/30/2018	2017 CO-Anova	Ins Inv	1.50%		15,059,819		15,059,819	16,212	16,212	1.50%
6/30/2018	TexPool 2017A & Muni Drainage Rev CO	LGIP	1.81%		3,791,420		3,791,420	5,644	5,644	1.81%
6/30/2018	3133EGW84	FFCB	1.20%		3,000,000		2,999,467	18,000	18,000	1.20%
Total							\$	88,900		



CITY OF SHERMAN, TX
Comparison by Type
AS of 6/30/2018

Cash / Investment Type	Balance 9/30/2017	Balance 12/31/2017	Balance 3/31/2018	Balance 6/30/2018	Percent of Portfolio	Portfolio Cap
Local Government Pool (LGIP)	\$ 2,572,202	\$ 3,776,388	\$3,789,321	\$ 3,805,710	19.48%	100.00%
FDIC Insured Investment (Ins Inv)	15,865,598	15,044,226	\$15,021,520	12,729,658	65.16%	100.00%
US Agency Bullet	2,998,825	2,999,068	\$2,999,305	2,999,547	15.35%	100.00%
Total	\$ 21,436,625	\$ 21,819,682	\$ 21,810,146	\$ 19,534,915	100.00%	



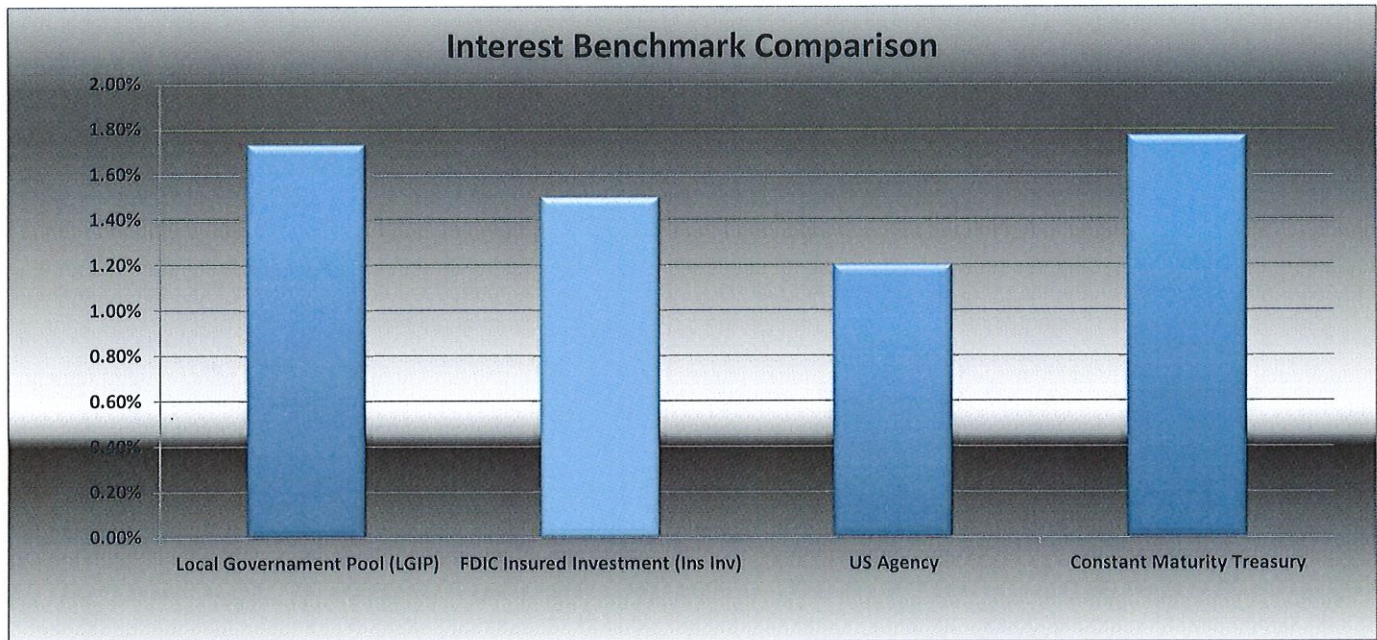
CITY OF SHERMAN, TX
Portfolio by Maturity
AS of 6/30/2018

Maturity Time Frame	Balance 9/30/2017	Balance 12/31/2017	Balance 3/31/2018	Balance 6/30/2018	Percent of Portfolio	Minimum Allowable
Within 1 month	\$ 18,437,800	\$ 18,820,614	\$ 18,810,841	\$16,535,368	84.65%	100.00%
7 months - 1 year	-	-	-	2,999,547	15.35%	100.00%
1 year - 2 years	2,998,825	2,999,068	2,999,305	-	0.00%	100.00%
	\$ 21,436,625	\$ 21,819,682	\$ 21,810,146	\$ 19,534,915		

Liquidity Indicator

Weighted Average Maturity	62.25	48.52	36.17	26.41
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Date Received/ Purchased	Name	Security Description	Coupon	YTM	Interest Purchased/ Received	Accrued Interest/ Amortization	Income Earned
4/30/2018	TexPool Tax & Rev CO	LGIP		1.67%	12	-	12
4/30/2018	2017 CO-Anova	Insured Investment		1.50%	19,137	-	19,137
4/30/2018	2017A Tax & Muni Drainage Rev Co's	LGIP		1.49%	5,191	-	5,191
5/31/2018	TexPool Tax & Rev CO	LGIP		1.72%	13	-	13
5/31/2018	2017 CO-Anova	Insured Investment		1.50%	19,161	-	19,161
5/31/2018	2017A Tax & Muni Drainage Rev Co's	LGIP		1.49%	5,517	-	5,517
6/30/2018	TexPool Tax & Rev CO	LGIP		1.81%	13	-	13
6/30/2018	2017 CO-Anova	Insured Investment		1.50%	16,212	-	16,212
6/19/2018	3133EGW84	FFCB	1.20%	1.20%	18,000	(8,759)	9,241
6/30/2018	2017A Tax & Muni Drainage Rev Co's	LGIP		1.81%	\$ 5,644	-	5,644
					\$ 88,900	\$ (8,759)	\$ 80,141





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.7.

Meeting Date: 08/06/2018

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Consider Calling a Special Meeting of the City Council for Tuesday, September 4, 2018, due to Conflict with a Federal Holiday

Issue:

To consider calling a special meeting of the City Council for 5:00 p.m. on Tuesday, September 4, 2018, to make up for the first regular meeting in September, which falls on the Federal Holiday of Labor Day

Background:

The City Charter provides that City Council regular meetings shall fall “on the first and third Mondays of each month, excluding holidays, at its discretion.” The regular date for the Council’s first meeting in September is Monday, September 3rd, a Federal Holiday to celebrate Labor Day. This day is an officially recognized holiday for City of Sherman employees and is traditionally respected by not holding regular City Council meetings on this Federal Holiday. While the Charter provision does not require the City Council to meet on a Federal Holiday, neither does it establish a make up date, which would be done by a motion and order with a 72-hour public notice.

Origination:

City Manager's Office

Financial Consideration:

There is no financial impact to be considered.

Staff Recommendation:

It is recommended that the City Council call a special City Council meeting for 5:00 p.m. on Tuesday, September 4th.

Alternatives:

No alternative is recommended since the first meeting in September is necessary in the process to set the property tax rate.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.8.

Meeting Date: 08/06/2018

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

*** 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 27, 2018, to Review and Approve 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 27, 2018, to review and approve 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 2018-2019 fiscal year.

Origination:

SEDCO Board Chairman John Sild
City Manager Robby Hefton

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 28th in the City Council Chambers.

Alternatives:

An alternate date, if needed, is Friday, September 28th.

Attachments

SEDCO's Joint Meeting Request dated July 3, 2018



SHERMAN
ECONOMIC DEVELOPMENT CORPORATION

July 3, 2018

Mr. David Plyler
Mayor, City of Sherman
220 W. Mulberry St.
Sherman, Texas 75090

Dear Mayor Plyler:

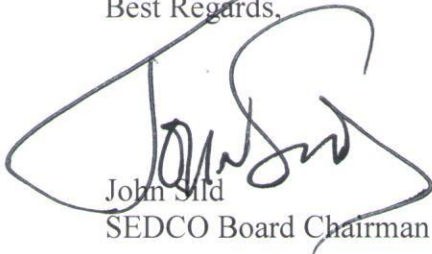
The Bylaws of the Sherman Economic Development Corporation (SEDCO) require the organization to present an annual program of work and budget to the Sherman City Council.

Sherman Economic Development Corporation requests a joint meeting of the SEDCO Board of Directors and Sherman City Council to be held at 12:00 noon on either Thursday, September 27 or Friday, September 28, 2018 at Sherman City Hall.

At the meeting, SEDCO will present the results of the 2017-18 Program of Work, the proposed 2018-19 Program of Work and the proposed budget for 2018-19.

Thank you for your consideration of this request.

Best Regards,



John Mld
SEDCO Board Chairman



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.9.

Meeting Date: 08/06/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Site Plan Approval and Exceptions for Yellow Equipment & TRMS, Owners; YRC Freight, Tenant; Shaw Services, LLC, Contractor/Representative; and Helvey-Wagner Surveying, Inc., Surveyor under Ordinance No. 2252, Article IV, Section 410(2)(j) for Site Plan Approval for an Equipment and Terminal Building for YRC Freight and Exceptions under Section 410 (2) (m) to allow "BPR" Type Panels on the Sides of the Freight Terminal Building and Stucco Finish on the Office viewable from the street; Section 410 (2) (j) and Ordinance No. 2280, Section 7, Subsection (10)(h) to allow a Granite Parking Lot in lieu of the required Concrete or Asphalt; and Section 410 (2) (h) & (l) to allow a 6' EnviroScreen Fence on the Property Line in lieu of the required 55.7' Setback in the Blalock Industrial Park at 211 Dorsett Drive

Issue:

Site plan approval for an equipment and terminal building for Yellow Equipment & TRMS (Owners), YRC Freight (Tenant), Shaw Services, LLC (Contractor/Representative) and Helvey-Wagner Surveying, Inc. (Surveyor) and exceptions to allow "PBR" type panels on the sides of the Freight Terminal Building and stucco finish on the office viewable from the street; to allow a granite parking lot in lieu of the required concrete or asphalt; and to allow a 6' EnviroScreen fence on the property line in lieu of the required 55.7' setback in the Blalock Industrial Park at 211 Dorsett Drive.

Background:

The property is located at 211 Dorsett Drive between Howe Drive and U.S. Highway 75 in the Blalock Industrial Park; YRC Freight is the tenant.

The building at 211 Dorsett Drive was damaged by a windstorm and was demolished in 2017. The owners would like to build a new 10,602 square foot building on the existing foundation. They are also requesting exceptions: to allow "PBR" type panels on the sides and stucco on the office for the exterior finish of the building; to allow granite topping compacted over existing hard gravel parking lot and to allow a 6' EnviroScreen fence on the property line on the Dorsett Drive side and 100' back on either side to obscure view of property from the street.

Origination:

Yellow Equipment & TRMS (Owners)
YRC Freight (Tenant)
Shaw Services, LLC (Contractor/Representative)
Helvey-Wagner Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the July 17, 2018 regular meeting, the Planning & Zoning Board voted 6/0 to recommend to the City Council that the site plan and exceptions be approved subject to the Staff Review Letter with the condition that the 6' EnvironScreen Fence be a solid natural color.

Alternatives:

None

Attachments

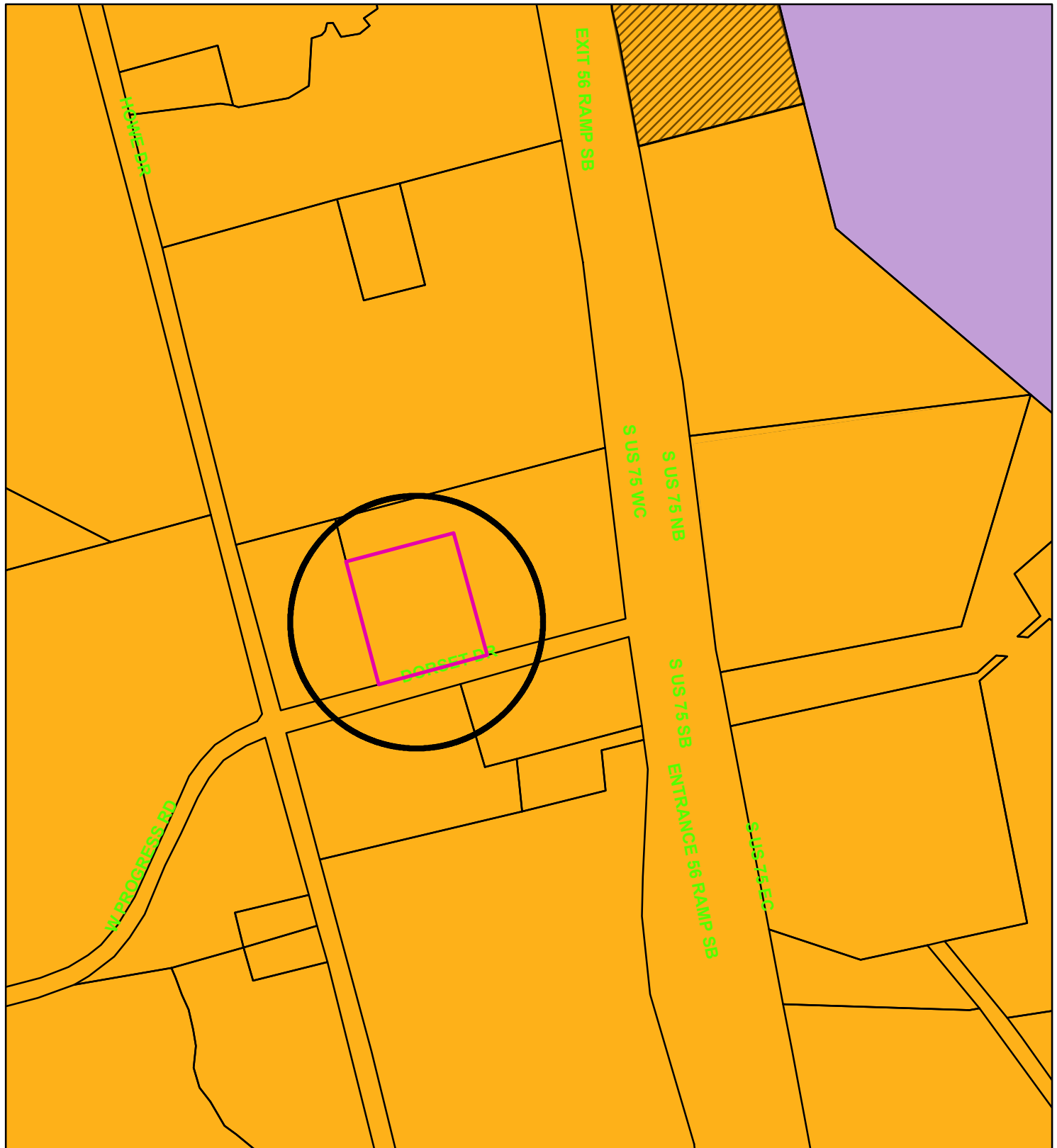
Location Map
Zoning Map
Zoning Sign Photo
Site Plan
Elevations
Elevations
Elevations
Staff Review Letter
P&Z Communication



211 Dorsett



1 in = 1,000 ft



Zoning - 211 Dorsett Drive

Legend

Special Districts Overlay

DISTRICT_NAME

-  Arts and Cultural District
-  Blalock Commercial Overlay District
-  Central Business District
-  College Park District
-  Downtown Overlay District
-  Historic Preservation District

Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep

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

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

-  Unknown
-  BIP - Blalock Industrial Park
-  C-1 Retail Business District

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



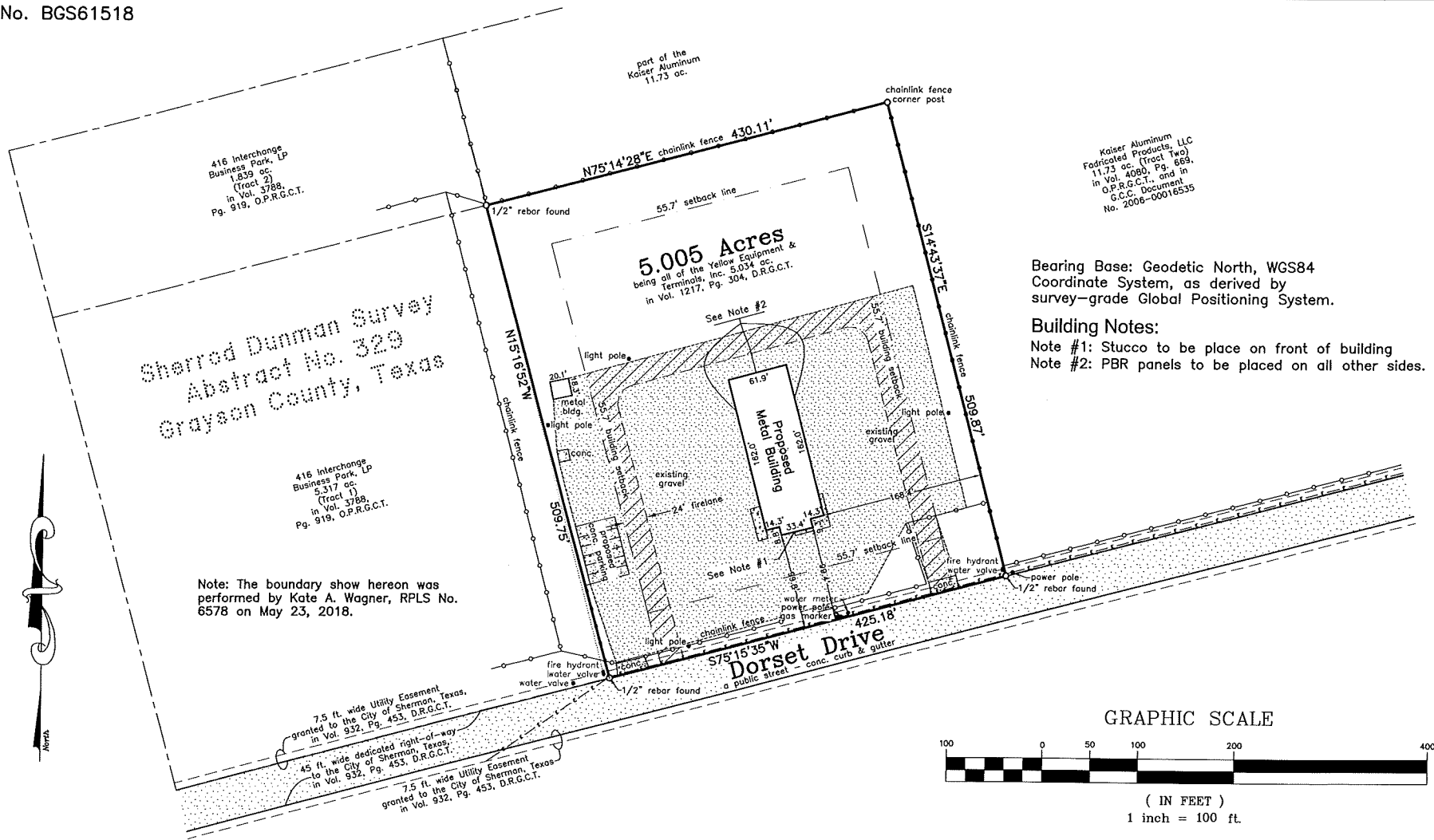
NOT TO SCALE

1 in = 538 ft

211 Dorsett



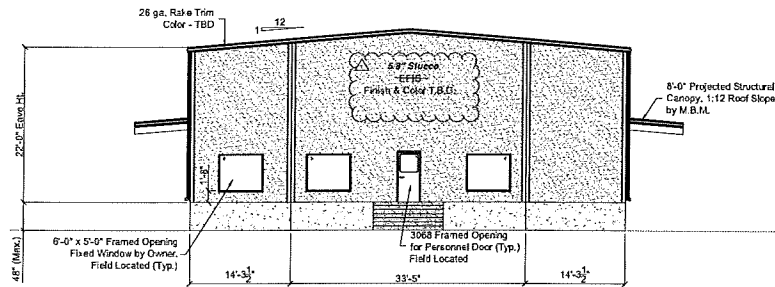
Job No. BGS61518



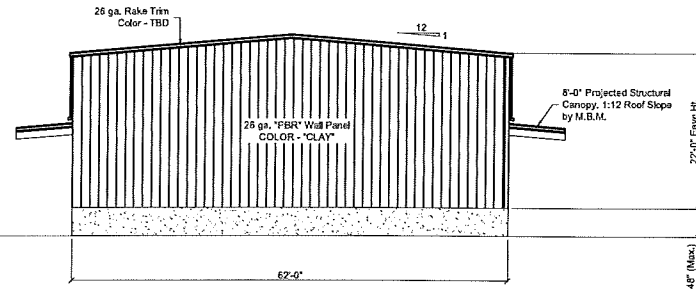
Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph: (903) 463-6191 Fax: (903) 463-4088
Email: helveysurvey@cableone.net
Texas Board of Professional Land Surveying
Firm Registration No. 10088100

Site Plan of the Yellow Equipment & Terminals, Inc. 5.034 Acres

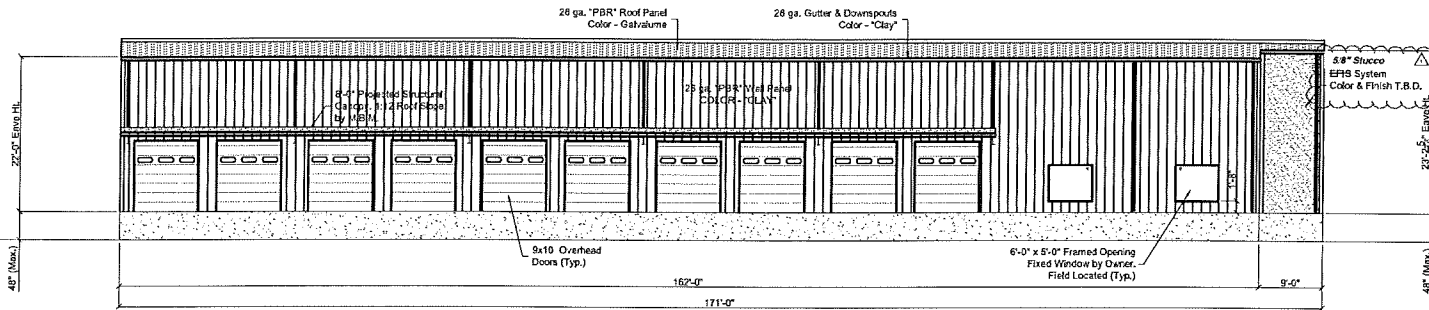
Revised Date: June 27, 2018



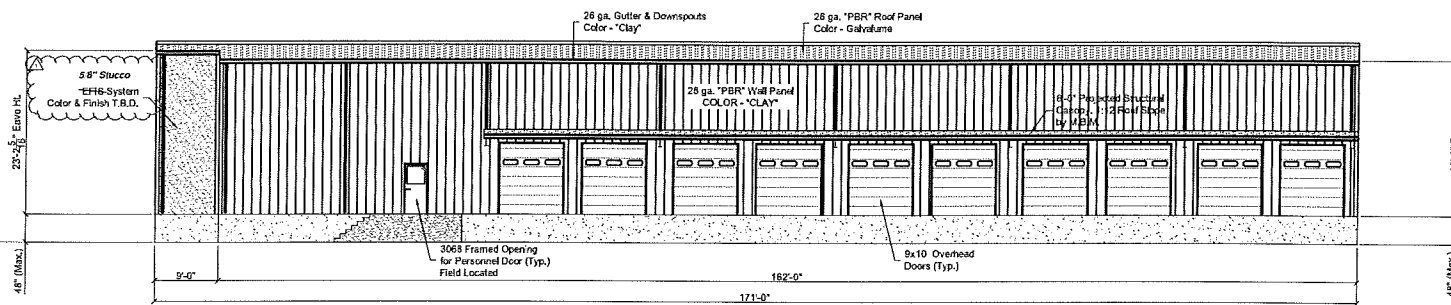
EXTERIOR ELEVATION - LEFT ENDWALL
SCALE 1/8" = 1'-0"



EXTERIOR ELEVATION - RIGHT ENDWALL
SCALE 1/8" = 1'-0"



EXTERIOR ELEVATION - BACK SIDEWALL
SCALE 1/8" = 1'-0"



EXTERIOR ELEVATION - FRONT SIDEWALL
SCALE 1/8" = 1'-0"

△A26/18 EFIS To Stucco

DRAWN BY:	DATE:	REVISIONS	CUSTOMER:
SLS	09/20/18	DESCRIPTION BY DATE	Reade Metals, Inc. - Tupelo, MS
CHECKED BY:	DATE:	1 EFIS SLS/6/26	120 Industrial Park Rd., Suwanee, MS 38666
APPROVED BY:	DATE:	FOR 12 Stucco	PROJECT:
SCALE: N.T.S.	DATE:		Shaw Services
			211 Dorsett Drive, Sherman, TX 75092
			COUNTY: Grayson
			CITY: Sherman
			STATE: TX

June 13, 2018

Shaw Services, LLC
861 Old Hwy. 4 West
Holly Springs, MS 38635

RE: Site Address
211 Dorsett Dr.
Sherman, TX 75091
Grayson County

Building #1 RF 62'0 x 162'0 x 22'0 w/ 1:12 Roof Slope
Building #2 RF 33'5 x 9'0 x 23'2 w/ 1:12 Roof Slope
Reed's Metals, Inc. Work Order No. TH4071-0318

Gentlemen:

This letter is to confirm that the painted wall panels and trim provided by Reed's Metals, Inc. are fabricated from pre-painted coils and roll-formed or press broken by Reed's Metals, Inc.. No panels or trim are painted in the shop or field painted by Reed's Metals, Inc.. Product sheets for 26 gauge, PBR roof and wall panels are attached for your reference. The PBR panel profile and section properties are shown in the product data sheets.

The undersigned is not the Design Professional or Engineer of Record for the construction project and is only certifying the products manufactured by Reed's Metals, Inc.

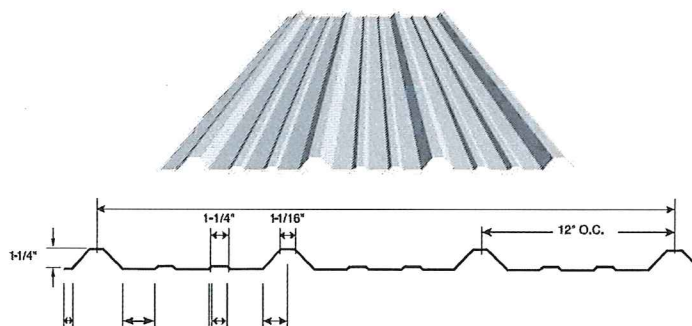
Respectfully,

Stephen L. Sowell, PE
Reed's Metals, Inc. – Tupelo, MS



PBR ROOFING & SIDING PANEL

These panels are the strongest, most commonly used profile on a wide variety of commercial, industrial, and agricultural applications. Bold 1-1/4 inch ribs on 12 inch centers make it strong enough to span 5 feet across purlins minimizing the cost of additional framing.



- Available in all colors and acrylic coated Galvalume (see color palette on page 5)
- 36" Net Coverage
- 26 & 24 Gauge
- Substrates: AZ-50 Galvalume (painted)
AZ-55 Galvalume (acrylic coated)
- Warranty: 40 years (painted)
25 years (acrylic coated Galvalume)
- Minimum Slope: 1:12
- Substructures: 15/32" CDX (minimum) or #2 1x4 Yellow Pine (minimum)
Steel Purlins
Hat Channel
Underlayment recommended for wood substructure



40 Year Limited Paint Warranty

Reed's Metals of Tupelo, Inc., hereafter "Reed's Metals," recognizes that most metal paint coatings, including WeatherXL® will fade and change appearance to some degree over a period of time, and that such changes may not be uniform between surfaces not equally exposed. Reed's Metals warrants that the painted panels covered by this warranty will conform to the performance standards listed below, when handled, installed and maintained properly. (See reverse side.) Items #1 through #3 below apply to metal buildings and similar structures installed north of the 15th parallel in the northern hemisphere, or south of the 15th parallel in the southern hemisphere. Only item #1 applies to metal buildings and similar structures installed between these latitudes.

Paint Warranty Coverage

1. For forty (40) years, WeatherXL® will not peel, flake or otherwise lose adhesion to an extent that is apparent on ordinary outdoor visual observation. NOTE: Minute fracturing, slight crazing or cracking may occur on roll-formed edges or break bends at the time of forming, and is considered as standard—such crazing or cracking shall not constitute a basis for complaint under this limited warranty; and
2. For thirty (30) years, sidewall vertically installed panels of WeatherXL® will not change color more than five (5) E (delta E) Hunter units and roof panels will not change more than seven (7) E (delta E) Hunter units when measured per ASTM D 2244 as compared on surfaces equally exposed to the sun and elements that are clean surfaces after removing dirt, other surface deposits and chalk per ASTM D 3964 (Note: Color changes may not be uniform on surfaces that are not equally exposed.);
3. For thirty (30) years, sidewall vertically installed panels of WeatherXL® will not chalk more than a number eight (8) rating and roof panels will not chalk more than a number six (6) rating when measured per ASTM D 4214, Method A.

Warranty Limitations

- A. This warranty is extended to the original purchaser and is not transferable.
- B. Conditions of this warranty apply only to normal weathering and atmospheric conditions and does not apply to aggressive atmospheric conditions that include, but are not limited to: corrosive or harmful chemicals (whether solids, liquids, or gases), airborne contaminants, biological contaminants (animal waste), excessive salt atmospheres or salt spray, presence of damp insulation, contact with green or wet lumber, hail, falling objects, acts of war, riots, civil commotions, excessive radiation, external forces, explosions, fire, acts of God, misuse, improper installation, vandalism, deliberate destruction, harmful gases or fumes, sand or dirt particles, or any other occurrences that are similar or dissimilar that are beyond our control whether naturally occurring or caused by man.
- C. This warranty is for installations that are 3:12 pitch or steeper for residential roofing or 1:12 or steeper for commercial roofing and that are in excess of 1000 meters (3250 feet) of either a saltwater shoreline at means of high tide or other marine environment.
- D. Proper installation must provide for drainage so as not to hold water. This warranty does not cover damage to the product's finish due to the installation or adherence of snow guards and/or solar panels.
- E. This warranty does not cover damaged to the product's finish due to improper storage, improper installation, improper cleaning, handling or shipping.
- F. This warranty does not cover any failures or damage due to cut edge corrosion or substrate corrosion.
- G. This warranty does not cover damage due to the use of incorrect or improperly installed fasteners. Selection of suitable long-lasting fasteners to be used with roofing and siding panels rests solely with the buyer.
- H. Except as provided herein, Seller is liable for product only and shall not be liable for any losses, damage or expense, whether direct, incidental or consequential, to structure or its contents caused by defective panels. Seller's total Liability to the purchase price of any defective panels and does not allow for any labor costs incurred for removing and replacing any defective panels.

Buyer's Responsibility

- A. The Buyer shall inspect all warranted materials prior to installation for any potential future problems to keep expenses to a minimum of repairing or replacing any defective sheets.
- B. The Buyer accepts responsibility for receiving and storing any materials that may be described in paragraph E or Warranty Limitations above.
- C. Any claim from the Buyer due to a defect in the product shall be deemed waived by the Buyer unless notice is given to the Seller within (30) days after discovery of the defect and within the applicable warranty period. The Buyer must submit proof of purchase in the event of such claim. Seller shall be given reasonable opportunity to investigate all claims.

Exclusive Remedy

Seller's remedy for any breach of this warranty is to replace or repaint, at seller's option, the defective portion of the field installation. After replacement or refinishing, the repaired area shall be deemed to have been installed as of the original installation date for purposes of the application of this warranty to the repaired area. Reed's Metals will not be liable for any special, incidental, or consequential damages.

THIS LIMITED WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHER WARRANTY OF QUALITY, WHETHER EXPRESS OR IMPLIED, AND WHETHER WRITTEN OR ORAL.

Reed's Metals of Tupelo, Inc.
120 Industrial Park Rd
Salttillo, MS 38866

Contractor: _____
Customer: _____
Address: _____
City, State: _____
Zip: _____
Phone: _____

Date of Issuance: _____
Invoice #: _____
Coil #: _____
Coil #: _____
Coil #: _____
Coil #: _____



EnviroScreen Specifications

Material:	High Density Knitted Polyethylene
Density/Opacity:	90%
Material Weight:	4.56 oz/sq-yd (ASTM-D3776)
Tear Strength:	Warp 40lbs/Fill 41lbs (ASTM-D 5587, Opt #1)
Breaking Strength:	Warp 84lbs/Fill 98lbs (ASTM-D5034)
Bursting Strength:	158 psi (ASTM-D3786)
Air Permeability:	441 CFM/Sq. Ft. (ASTM-D737)
Hems:	3-ply reinforced with a polypropylene binding
Grommets:	#2 brass grommets every 12"

This product is MADE IN THE USA.



****ORANGE & MAROON NO LONGER AVAILABLE****
****NEW COLOR NAVY BLUE – NOT SHOWN****

SAMPLE OF ENVIROSCREEN WITH LOGO

25'

5'8"



5'7"

Windscreen



**Proposed Warehouse
Yellow Equipment & Terminals Inc.**



**Proposed Warehouse
Yellow Equipment & Terminals Inc.**



**Proposed Warehouse
Yellow Equipment & Terminals Inc.**



STAFF REVIEW LETTER

July 10, 2018

Yellow Equip & TRMS
10990 Roe Ave.
Overland Park, KS 66211-1213

Shaw Services LLC
861 Old Hwy 4 West
Holly Springs, MS 38635

YRC Freight
10990 Roe Ave.
Overland Park, KS 66211-1213

YRC Freight
C/O HBC Strategies
165 Middle Street, Ste. 1101
Lake Mary, FL 32746

Dear Applicants,

The request for site plan approval for an Equipment and Terminal Building for YRC Freight and exception to allow "R" type panels in the Blalock Industrial Park for the property located at 211 Dorsett Drive has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, July 17, 2018 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the Blalock Industrial Park Ordinance must be followed.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903-892-7267).
3. All parking shall be on private property and shall not encroach into Dorsett Drive right-of-way.
4. Parking and service driveways are permitted on paved surfaces only; concrete or asphalt unless an exception is granted.
5. A parking space is considered to be 9'x20'.
6. No outside storage is allowed unless it is screened and cannot be seen from the public street.
7. Shall comply with all EPA, City, Federal and State regulations for this use.
8. Review the zoning and development ordinance for additional requirements.
9. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

10. New drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from the City of Sherman Engineering Department.
11. Detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.

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,

A handwritten signature in black ink, reading "Scott Shadden". The signature is fluid and cursive, with the first name "Scott" and last name "Shadden" clearly legible.

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

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

Danny Fuller, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager



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

Agenda Item No. 5.

Meeting Date: 07/17/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

Jeff Adams, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Requested Action/Proposed Use:

211 DORSETT DRIVE

The request of Yellow Equipment & TRMS (Owners), YRC Freight (Tenant), Shaw Services, LLC (Contractor/Representative) and Helvey-Wagner Surveying, Inc. (Surveyor) concerning the property located at 211 Dorsett Drive, being 5 acres in the Sherod Dunman Survey, Abstract No. 329 and in Tract 2 of the Blalock Industrial Park, as follows:

Planning and Zoning Commission

- Site plan approval to Ordinance No. 2252 Article IV Section 410 (2) (j) for an Equipment & Terminal Building for YRC Freight in the Blalock Industrial Park.
- Exception to Ordinance No. 2252 Article IV, Section 410 (2) (m) to allow "PBR" type panels on the sides of the Freight Terminal Building and stucco finish on office viewable from the street for YRC Freight in the Blalock Industrial Park.
- Exception to Ordinance No. 2252 Article IV, Section 410 (2) (j) and Ordinance No. 2280, Section 7, Subsection (10)(h) to allow a granite parking lot in lieu of the required concrete or asphalt in the Blalock Industrial Park.
- Exception to Ordinance No. 2252 Article IV, Section 410 (2) (h & l) to allow a 6' EnviroScreen fence on the property line lot in lieu of the required 55.7' setback in the Blalock Industrial Park.

Background:

This item was tabled at the June 19, 2018, Planning and Zoning Commission Meeting. The property is located at 211 Dorsett Drive between Howe Drive and U.S. Highway 75 in the Blalock Industrial Park; YRC Freight is the tenant.

The building at 211 Dorsett Drive was damaged by a windstorm and was demolished in 2017. They would like to build a new 10,602 square foot building on the existing foundation. They are also requesting exceptions: to allow "PBR" type panels on the sides and stucco on the office for the exterior finish of the building; to allow granite topping compacted over existing hard gravel parking lot and to allow a 6' EnviroScreen fence on the property line on the Dorsett Drive side and 100' back on either side to obscure view of property from the street.

Adjacent Zoning:

Blalock Industrial Park

Origination:

Yellow Equipment & TRMS (Owners)

YRC Freight (Tenant)

Shaw Services, LLC (Contractor/Representative)

Helvey-Wagner Surveying, Inc. (Surveyor)

Master Plan Designation:

Business Park and Research – Business Park designation allows for compatibility with the use of the roadway and rail system for frequent truck and rail traffic. Industrial and office uses are the most appropriate and compatible land uses adjacent to a truck route and the state road and/or rail system. Typical tenants of a business park and research center include light industrial manufacturing, wholesaling, warehouse facilities, light assembly plants, research and development firms and distribution centers.

Number of notices mailed:

40

Objections Received:

0

Attachments

Location Map

Zoning Map

Zoning Sign Photo

Site Plan

Elevations

Elevations

Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.10.

Meeting Date: 08/06/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Final Plat Approval of Flanary Road Business Addition, being 23.115 acres in the William Martin Survey, Abstract No. 765; Sherman Economic Development Corporation, Owners; Sherman RE, LLC, an Ohio Limited Liability Company, Developer; Benchmark Design Group, LLC, Ed Snodgrass, Civil Engineer; and Thompson & Associates, Inc., Surveyor [1426 West F.M. 1417 (Heritage Parkway)]

Issue:

To consider Final Plat approval of the Flanary Road Business Addition, being 23.115 acres in the William Martin Survey, Abstract No. 765, located at 1426 West F.M. 1417 (Heritage Parkway)

Background:

The property is located at 1426 West F.M. 1417 (Heritage Parkway), the southeast corner of F.M. 1417 (Heritage Parkway) and Flanary Road. It is zoned an M-1 (Light Manufacturing) District and is also located in the O-1.1 (FM Highway 1417) District. The owners would like to plat the property into one lot for development of FedEx Freight.

Origination:

Sherman Economic Development Corporation (Owners)
Sherman RE, LLC, an Ohio Limited Liability Company (Developer)
Benchmark Design Group, LLC, Ed Snodgrass (Civil Engineer)
Thompson & Associates, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the July 17, 2018 regular meeting, the Planning & Zoning Board voted unanimously to recommend to the City Council that the Final Plat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map

Zoning Map

Final Plat

Staff Review Letter

P&Z Communication

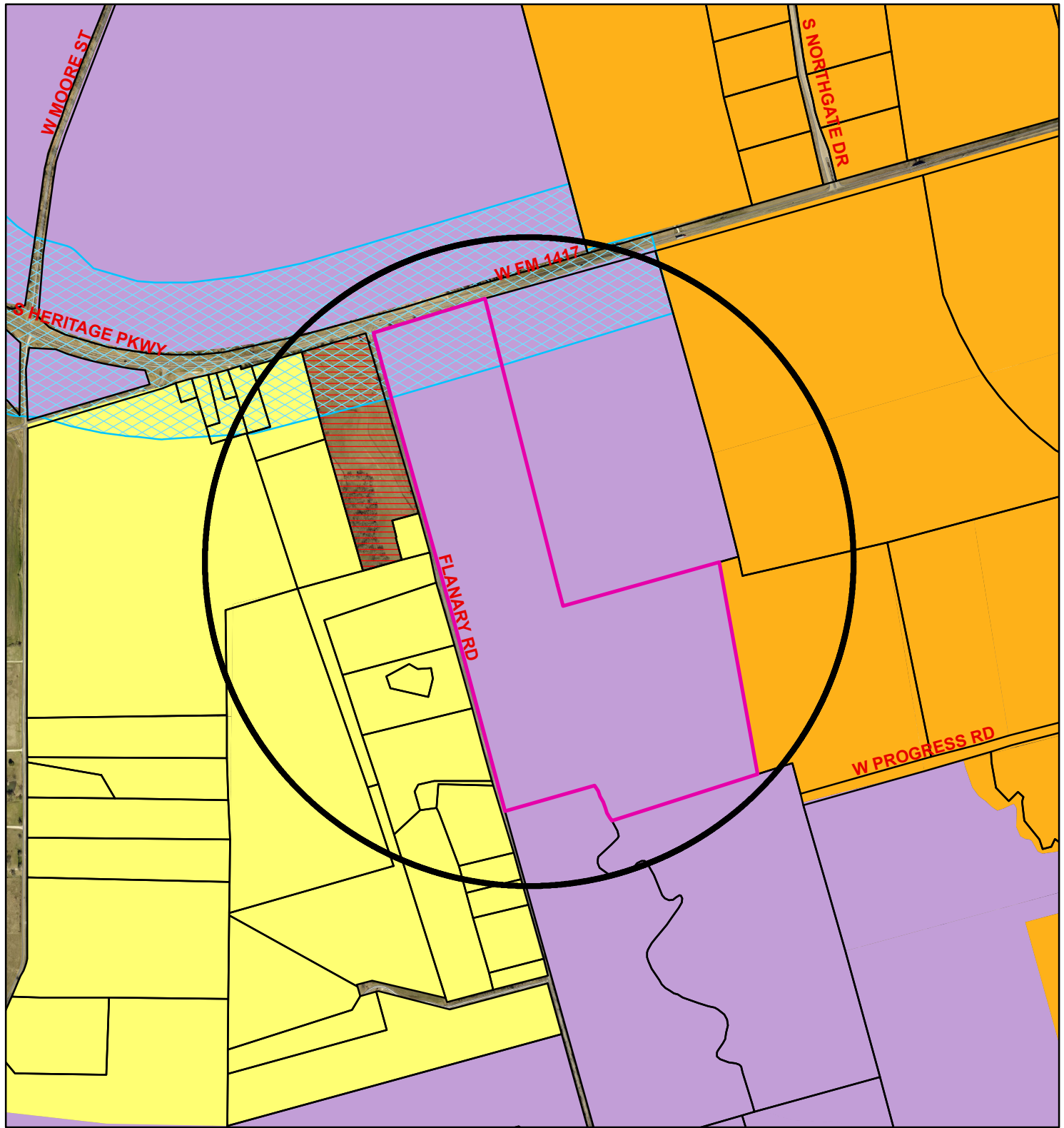


1426 West FM 1417 (Heritage Parkway)



1 in = 1,947 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 1426 West FM 1417 (Heritage Parkway)

Legend

Special Districts Overlay

DISTRICT_NAME

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

Representation: SpermGIS.DBO.TransportationCorridor_Rep

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

Zoning Districts

Representation: SpermGIS.DBO.ZoningDistrict_Rep

- BIP - Blalock Industrial Park
- C-1 Retail Business District

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





STAFF REVIEW LETTER

July 6, 2018

Sherman RE, LLC
Attn: Michael T. Schueler
3000-G Henkle Drive
Lebanon, OH 45036

Thompson & Associates, Inc.
P.O. Box 132479
Tyler, TX 75713-2479

Dear Applicants,

The request for approval of the Final Plat of Flanary Road Business Addition has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, July 17, 2018 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates with \$0.00 balance shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman and TxDOT standards and a permit is required from the City of Sherman Engineering Department.
4. Detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
5. The width of the right-of-way and pavement for streets shall be shown on the plat.
6. Label parcel with Lot and Block number.
7. Remove setback lines. (Per P&Z)
8. Joint access easements should be filed at the Grayson County Courthouse by separate instrument and recording information should be shown on drawing. (Per P&Z)
9. Joint access easement shall be maintained by owners. (Per P&Z)
10. Water Pro-Rata will be due at the time of development.
11. Sewer shall be extended to serve the development. Sewer capacity shall be verified for proposed use.
12. Verify location of water line on Flanary Road and verify location of proposed sewer line. Water and Sewer must meet state separation requirements. Coordinate with City of Sherman Engineering Department.
13. Coordinate with City of Sherman Engineering Department regarding plat layout.
14. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
15. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County

requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block

and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

The Board will not consider a request unless it has representation. You are hereby notified to be present, either in person or by a legally authorized representative to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,



Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Danny Fuller, Fire Marshal

Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager



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

Agenda Item No. 12.

Meeting Date: 07/17/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

Jeff Adams, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Requested Action/Proposed Use:

*** 1426 W. FM 1417 (HERITAGE PARKWAY)**

The request of Sherman Economic Development Corporation (Owners), Sherman RE, LLC, an Ohio Limited Liability Company (Developer), Benchmark Design Group, LLC, Ed Snodgrass (Civil Engineer) and Thompson & Associates, Inc. (Surveyor) concerning the property located at 1426 West FM 1417 (Heritage Parkway), being 23.115 acres in the William Martin Survey, Abstract No. 765, as follows:

Planning and Zoning Commission

Final Plat approval of Flanary Road Business Addition.

Background:

The property is located at 1426 West FM 1417 (Heritage Parkway), the southeast corner of FM 1417 (Heritage Parkway) and Flanary Road; it is zoned an M-1 (Light Manufacturing) District and also located in the O-1.1 (FM Highway 1417) District. The owner would like to plat the property into one lot for development of FedEx Freight.

Adjacent Zoning:

C-2 (General Commercial) District

M-1 (Light Manufacturing) District

Origination:

Sherman Economic Development Corporation (Owners)

Sherman RE, LLC, an Ohio Limited Liability Company (Developer)

Benchmark Design Group, LLC, Ed Snodgrass (Civil Engineer)

Thompson & Associates, Inc. (Surveyor)

Master Plan Designation:

Business Park and Research – Business Park designation allows for compatibility with the use of the roadway and rail system for frequent truck and rail traffic. Industrial and office uses are the most appropriate and compatible land uses adjacent to a truck route and the state road and/or rail system. Typical tenants of a business park and research center include light industrial manufacturing, wholesaling, warehouse facilities, light assembly plants, research and development firms and distribution centers.

Number of notices mailed:

Not required.

Objections Received:

0

Attachments

Location Map

Zoning Map

Plat

Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.11.

Meeting Date: 08/06/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Final Plat Approval of Erika Lopez Addition in the City of Sherman's Extra Territorial Jurisdiction (ETJ), being 2.976 acres in the Joseph Deaver Survey, Abstract No. 359; Erika Lopez, Owner; and Underwood Drafting & Surveying, Surveyor (600-700 blocks of North Friendship Road)

Issue:

To consider Final Plat approval of the Erika Lopez Addition in the City of Sherman's ETJ, being 2.976 acres in the Joseph Deaver Survey, Abstract No. 359, located in the 600-700 blocks of North Friendship Road

Background:

The property is located in the 600-700 blocks of North Friendship Road, the northwest corner of Friendship Road and Elliott Road in the City of Sherman's ETJ. The owner would like to plat the property into two (2) lots for residential development.

Origination:

Erika Lopez (Owner)

Underwood Drafting & Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the July 17, 2018 regular meeting, the Planning & Zoning Board voted unanimously to recommend to the City Council that the Final Plat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

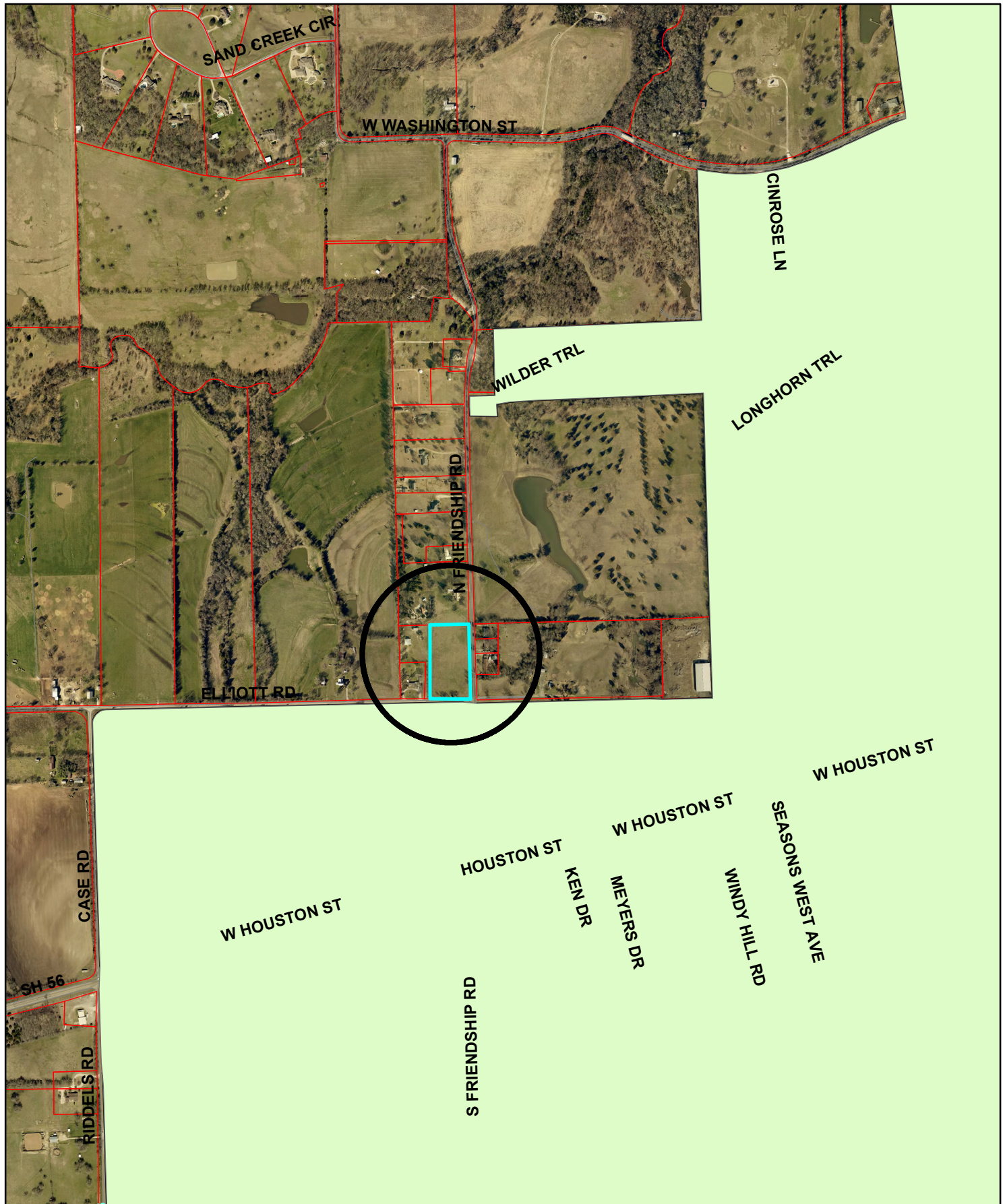
Location Map

Zoning Map

Final Plat

Staff Review Letter

P&Z Communication

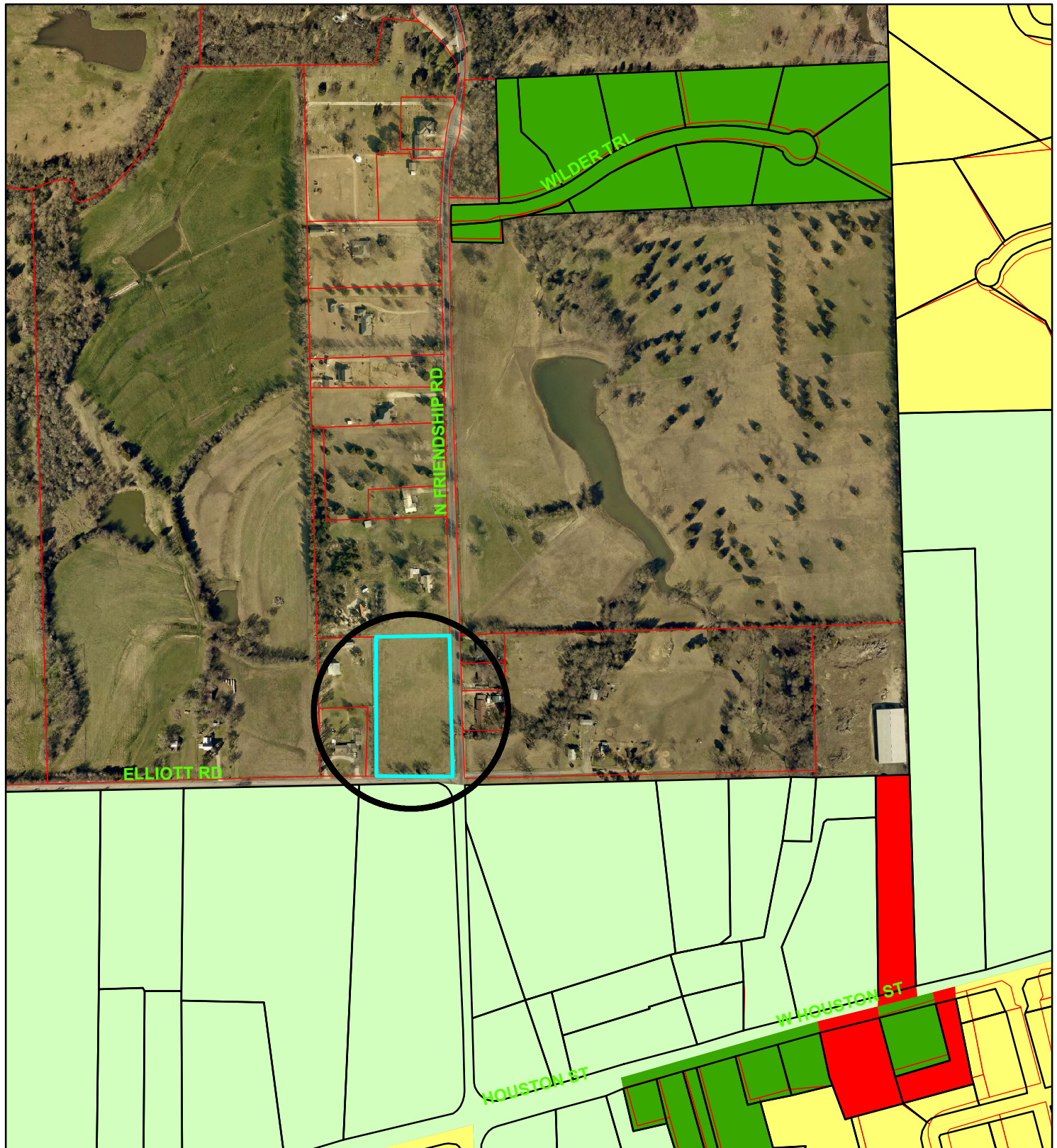


600-700 Blocks N. Friendship Road



NOT TO SCALE

1 in = 897 ft



Zoning - 600-700 Blocks N. Friendship Road (ETJ)

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep

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

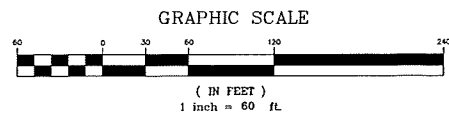
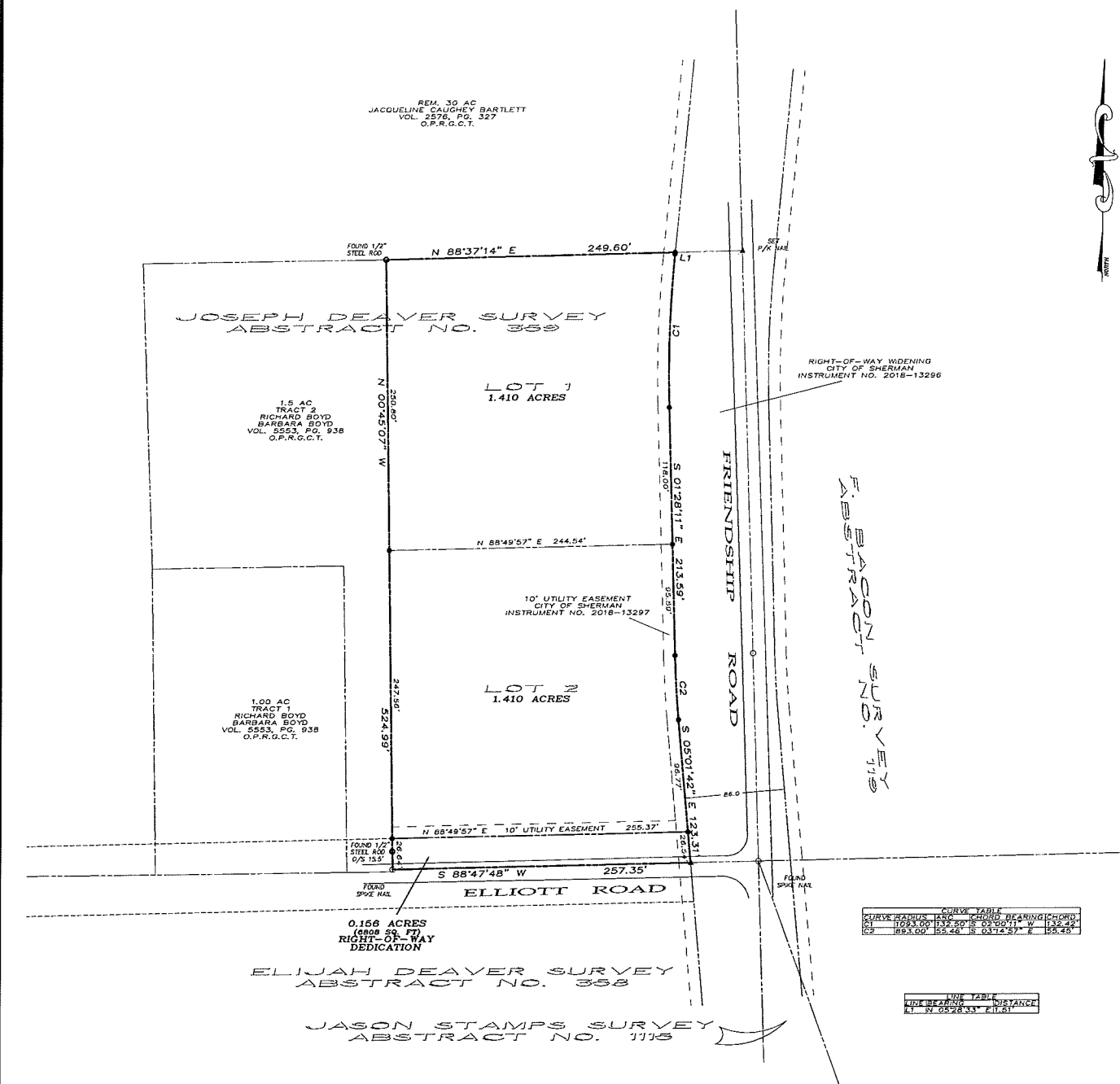
Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

- Unknown
- BIP - Blalock Industrial Park
- C-1 Retail Business District

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





FINAL PLAT
ERIKA LOPEZ ADDITION
BEING A TOTAL OF 2.976 ACRES IN THE
JOSEPH DEEVER SURVEY, ABSTRACT NO. 359
AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS

OWNERS/DEVELOPER
ERIKA LOPEZ
1426 MALLARD DRIVE
SHERMAN, TEXAS 75092

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS

UNDERWOOD
DRAFTING & SURVEYING

3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

SHEET 1 OF 2

LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, being a part of the Joseph Deaver Survey, Abstract No. 359, and being a part of the 3.76 acre tract of land conveyed to Erika Roxana Lopez by deed of record in Volume 5937, Page 571, Official Public Records, Grayson County, Texas and being more particularly described by metes and bounds as follows:

Beginning at a spike nail found near the center of Elliott Road (a public road) said nail maintaining the southwest corner of said 3.76 acre tract and the southeast corner of a 1.5 acre Tract 2 of lands conveyed to Richard Boyd & Barbara Boyd by deed of record in Volume 5553, Page 938, of said Official Public Records;

Thence North 00°45'07" West, along the east line of said 1.5 acre tract, a distance of 524.99 feet to a 1/2" steel rod found maintaining the northwest corner of said 3.76 acre tract the northeast corner of said 1.5 acre tract;

Thence North 88°37'14" East, along the north line of said 3.76 acre tract a distance of 249.60 feet to a 1/2" steel rod set in the west right-of-way line of Friendship Road (86' right-of-way);

Thence southerly along the west right-of-way line of Friendship Road the following calls and distances:

South 05°30'56" West, a distance of 1.51 feet to a 1/2" steel rod set;

With a tangent curve to the left having a radius of 1080.73 feet, (chord bears South 02°00'11" West, a distance of 132.42 feet) an arc length of 132.50 feet to a 1/2" steel rod set;

South 01°28'11" East a distance of 213.59 feet to a 1/2" steel rod set;

With a tangent curve to the left having a radius of 892.88 feet, (chord bears South 03°14'57" East, a distance of 55.45 feet) an arc length of 55.46 feet to a 1/2" steel rod set;

South 05°01'42" East a distance of 123.31 feet to a P/K nail set near the center of said Elliott Road;

Thence South 88°47'48" West, near the center of said Elliott Road, with the south line of said Joseph Deaver Survey and south line of said 3.76 acre tract, a distance of 257.35 feet to the Point-of-Beginning and containing 2.976 acres of land.

SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

That I, Douglas W. Underwood, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments thereon were properly placed, under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

Douglas W. Underwood
Registered Professional
Land Surveyor, No. 4709

Date

~ GENERAL NOTES ~

- Water Supply to be provided by the City of Sherman.
- Sewer service at a minimum to be provided by individual on-site sewage treatment systems (OSSS), permitted and approved by Grayson County. OSSS evaluations, reports and permits must be obtained and submitted to the City for each lot to regarding the suitability of the system based on user and type of development. The City of Sherman reserves the right to require connection to the City's system by sewer connection or main extension based on user and availability.
- Electrical service is provided by Oncor Electrical Delivery.
- Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the roadway is prohibited.
- Any existing creeks or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
- The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or drainage easements for the control of erosion.
- Neither the City of Sherman nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
- The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
- Bearings are based on the City of Sherman Control Monument Network.
- The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.
- The subject property lies within the limits of an area defined as Zone "X" determined to be outside a flood hazard area, according to the Federal Emergency Management Agency Flood Insurance Rate Map for Grayson County, Texas and incorporated areas, Map No. 48181C0270 F, revised 8/29/2010.

OWNERS/DEVELOPER
ERIKA LOPEZ
1426 MALLARD DRIVE
SHERMAN, TEXAS 75092

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS

UNDERWOOD
DRAFTING & SURVEYING

3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

SHEET 2 OF 2

OWNERS DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

THAT I, ERIKA ROXANA LOPEZ, do hereby adopt this plat designating the hereinabove property as the ERIKA LOPEZ ADDITION, an addition to the City of Sherman, and do hereby dedicate to the public use forever the streets and easements shown on this plat for the mutual use and accommodation of all public and private utilities desiring to use or using same. Any public or private utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs or other improvements or growths which in anyway endanger or interfere with the construction, maintenance, or efficiency of its respective systems on any of these easements strips and any public or private utility shall, at all times, have a right of ingress and egress to and from and upon the said easement strips for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or part of its respective system without the permission of anyone. This plat approved subject to all ordinances, rules regulations and resolutions of the City of Sherman, Texas.

WITNESS MY HAND this _____ day of _____, 2018.

ERIKA ROXANA LOPEZ

STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared ERIKA ROXANA LOPEZ 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 purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2018.

Notary Public in and for
the State of Texas

ACCEPTANCE

Approved this _____ day of _____, 2018, by the
City Planning Commission to the City of Sherman, Texas.

Chairman

Secretary

CERTIFICATE OF ACCEPTANCE OF DEDICATION

Accepted by the City Council of the City of Sherman.

Mayor, City of Sherman, Texas

Date

CERTIFICATE OF COMPLIANCE

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, ERIKA LOPEZ ADDITION, an addition to the City of Sherman, Texas, was submitted to the City Council on the _____ day of _____, 2018, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as herein above subscribed.

Witness my hand this _____ day of _____, 2018.

Clerk, City of Sherman, Texas

FINAL PLAT
ERIKA LOPEZ ADDITION
BEING A TOTAL OF 2.976 ACRES IN THE
JOSEPH DEEVER SURVEY, ABSTRACT NO. 359
AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS

6-11-18



STAFF REVIEW LETTER

July 6, 2018

Erika Lopez
1426 Mallard Dr.
Sherman, TX 75092

Underwood Drafting & Surveying
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request for approval of the Final Plat of Erika Lopez Addition has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, July 17, 2018 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates with \$0.00 balance shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from the City of Sherman Engineering Department.
4. The width of the right-of-way and pavement for streets shall be shown on the plat.
5. Show Point-of-Beginning on drawing.
6. Metes and bounds descriptions must match drawing.
7. Annexation into City Limits required to access City water.
8. City water must be extended to serve property.
9. Change "Right of Way Widening City of Sherman" note along Friendship Road to say "Right-of-Way Deed City of Sherman Instrument No. 2018-13296."
10. Detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
11. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
12. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

The Board will not consider a request unless it has representation. You are hereby notified to be present, either in person or by a legally authorized representative to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,



Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Danny Fuller, Fire Marshal

Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager



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

Agenda Item No. 6.

Meeting Date: 07/17/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

Jeff Adams, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Requested Action/Proposed Use:

*** 600-700 BLOCKS N. FRIENDSHIP ROAD**

The request of Erika Lopez (Owner) and Underwood Drafting & Surveying (Surveyor) concerning the property in the 600 - 700 blocks of North Friendship Road, being 2.976 acres in the Joseph Deaver Survey, Abstract No. 359, as follows;

Planning and Zoning Commission

Final Plat approval of Erika Lopez Addition in the City of Sherman's extra territorial jurisdiction (ETJ).

Background:

The property is located in the 600-700 Blocks of North Friendship Road, the northwest corner of Friendship Road and Elliott Road in the City of Sherman's extra territorial jurisdiction (ETJ). The owners would like to plat the property into two (2) lots for residential development.

Adjacent Zoning:

R-A (Single Family Agricultural) District

Origination:

Erika Lopez (Owner)

Underwood Drafting & Surveying (Surveyor)

Master Plan Designation:

Not a part of the Master Plan

Number of notices mailed:

Not required.

Objections Received:

0

Attachments

Location Map

Zoning Map

Plat

Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.12.

Meeting Date: 08/06/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Replat Approval of College Park Estates Addition, being a Replat of Lot 3 and Parts of Lots 4, 5 and 6 of Bond's 2nd Addition, being all of Lot 3 and part of Lots 4-6, Block 2, G.W. Bond's Supplement No. 2 Addition, containing 0.465 acres; Lazy L Enterprises, Owners; and Underwood Drafting and Surveying, Surveyor (400 block of East Brockett Street)

Issue:

To consider Replat approval of College Park Estates Addition, being a Replat of Lot 3 and Parts of Lots 4, 5 and 6 of Bond's 2nd Addition, being all of Lot 3 and part of Lots 4-6, Block 2, G.W. Bond's Supplement No. 2 Addition, containing 0.465 acres, located in the 400 block of East Brockett Street

Background:

The property is located in the 400 block of East Brockett Street, the northeast corner of Brockett and Branch Streets. The owners would like to plat the property into three lots for residential development.

Origination:

Lazy L Enterprises (Owners)

Underwood Drafting and Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the July 17, 2018 regular meeting, the Planning & Zoning Board voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map

Zoning Map

Replat

Staff Review Letter

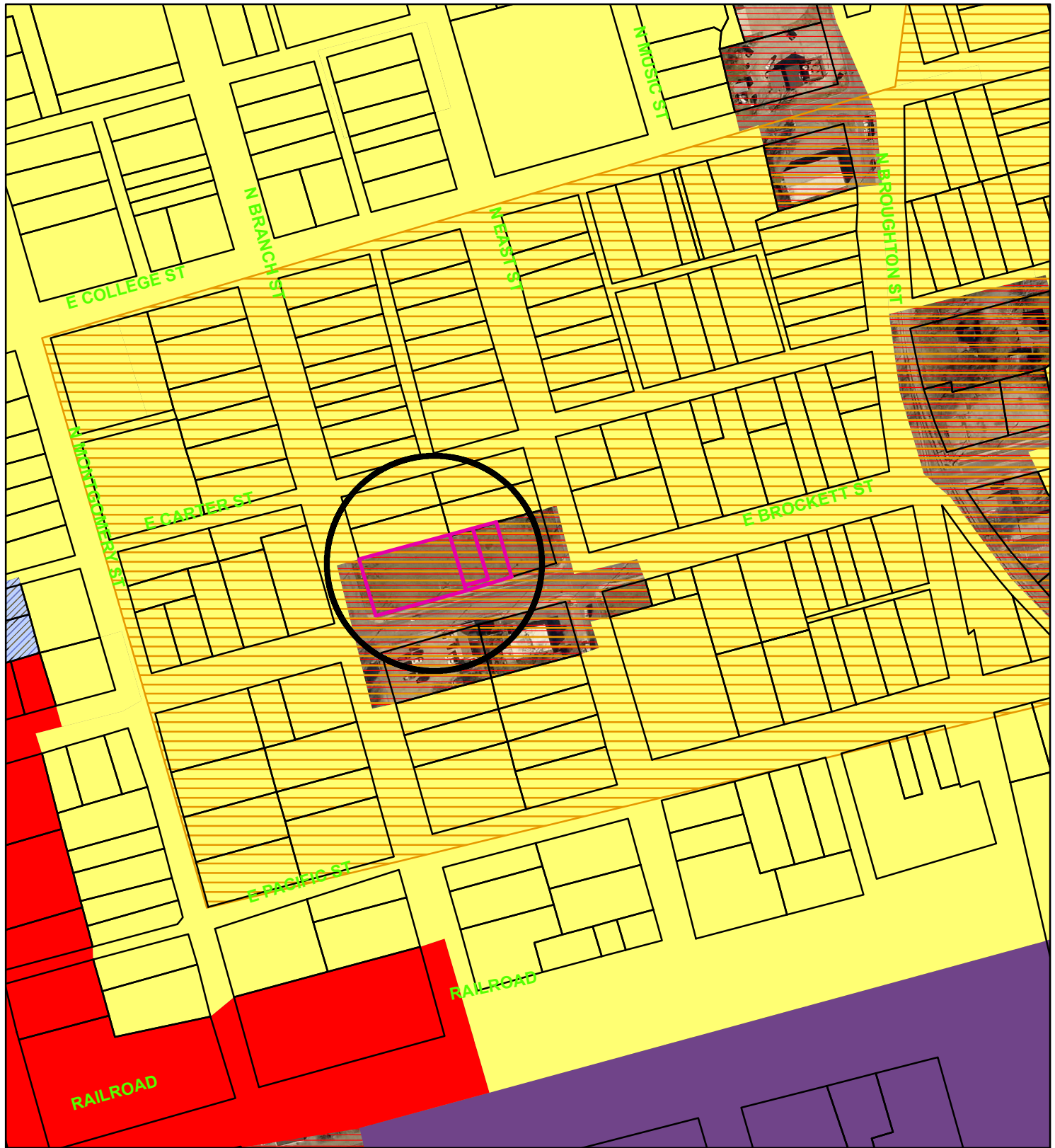
P&Z Communication



400 Block East Brockett Street



1 in = 600 ft



400 Block East Brockett Street

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep

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

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District

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

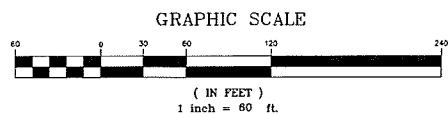
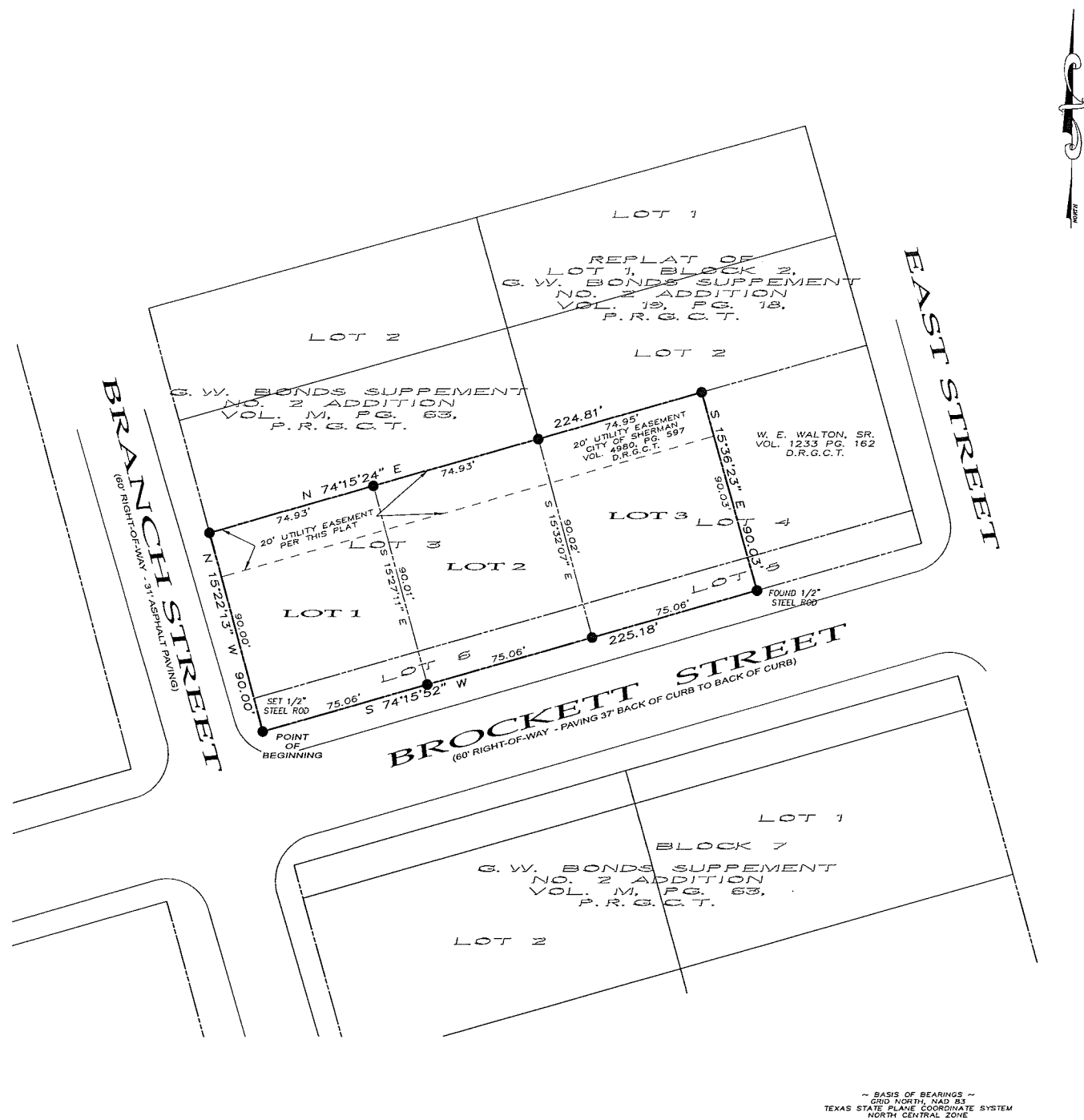


NOT TO SCALE

1 in = 215 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department



OWNERS/DEVELOPER
LAZY L ENTERPRISES
4 TIMBERCREEK ROAD
SHERMAN, TEXAS 75092

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS

UNDERWOOD
DRAFTING & SURVEYING

3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

6-20-18

LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, being all of Lot 3 part of Lots 4-6, Block 2, G. W. Bonds' Supplement No. 2 Addition, on addition to the City of Sherman as recorded in Volume M, Page 63 and being those tracts of land conveyed to Lazy L Enterprises by deed recorded in Volume 5976, Page 846, Official Public Records, Grayson County, Texas and Document No. 2017-23620 and being more particularly described by metes and bounds as follows:

Beginning at a 1/2" steel rod set at the intersection of the north right-of-way line of Brockett Street, a 60' right-of-way and the east right-of-way line of Branch Street, a 60' right-of-way;

Thence North 15°22'13" West with said east right-of-way line, a distance of 90.00 feet to a set 1/2" steel rod at the northwest corner of said Lot 3;

Thence North 74°15'24" East with the north line of said Lot 3 and then with the north line of said Lot 4, a distance of 224.81 feet to a set 1/2" steel rod;

Thence South 15°36'23" East, a distance of 90.03 feet to a 1/2" steel rod found in the north right-of-way line of Brockett Street;

Thence South 74°15'52" West with said north right-of-way line, a distance of 225.18 feet to the Point of Beginning and containing 0.465 acres or 20253 square feet of land.

SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

That I, Douglas W. Underwood, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments thereon where properly placed, under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

Douglas W. Underwood
Registered Professional
Land Surveyor, No. 4709

Date

OWNERS DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

THAT LAZY L ENTERPRISES, does hereby adopt this plat designating the hereinabove property as the COLLEGE PARK ESTATES ADDITION, on addition to the City of Sherman, and do hereby dedicate to the public use forever the streets and easements shown on this plat for the mutual use and accommodation of all public and private utilities desiring to use or using same. Any public or private utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs or other improvements or growths which in anyway endanger or interfere with the construction, maintenance, or efficiency of its respective systems on any of these easements strips and any public or private utility shall, at all times, have a right of ingress and egress to and from and upon the said easement strips for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or part of its respective system without the permission of anyone. This plat approved subject to all ordinances, rules regulations and resolutions of the City of Sherman, Texas.

WITNESS MY HAND this _____ day of _____, 2018.

LAZY L ENTERPRISES
By William Magers

STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared WILLIAM MAGERS known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2018.

Notary Public in and for
the State of Texas

ACCEPTANCE

Approved this _____ day of _____, 2018, by the
City Planning Commission to the City of Sherman, Texas.

Chairman

Secretary

CERTIFICATE OF ACCEPTANCE OF DEDICATION

Accepted by the City Council of the City of Sherman.

Mayor, City of Sherman, Texas

Date

CERTIFICATE OF COMPLIANCE

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, COLLEGE PARK ESTATES ADDITION, on addition to the City of Sherman, Texas, was submitted to the City Council on the _____ day of _____, 2018, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as herein above subscribed.

Witness my hand this _____ day of _____, 2018.

Clerk, City of Sherman, Texas

~ GENERAL NOTES ~

1. Water Supply to be provided by the City of Sherman.
2. Sewer service at a minimum to be provided by individual on-site sewage treatment systems (OSSST), permitted and approved by Grayson County. OSSST evaluations, reports and permits must be obtained and submitted to the City for each lot to regarding the suitability of the system based on user and type of development. The City of Sherman reserves the right to require connection to the City's system by sewer connection or main extension based on user and availability.
3. Electrical service is provided by Oncor Electrical Delivery.
4. Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the roadway is prohibited.
5. Any existing crease or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
6. The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or drainage easements for the control of erosion.
7. Neither the City of Sherman nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
8. The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
9. Bearings are based on the City of Sherman Central Monument Network.
10. The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.
11. The subject property lies within the limits of an area defined as Zone "X" determined to be outside a flood hazard area, according to the Federal Emergency Management Agency Flood Insurance Rate Map for Grayson County, Texas and Incorporated areas, Map No. 48161C0270 F, revised 9/25/2010.

OWNERS/DEVELOPER
LAZY L ENTERPRISES
4 TIMBERCREEK ROAD
SHERMAN, TEXAS 75092

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS

UNDERWOOD
DRAFTING & SURVEYING

3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

6-20-18

COLLEGE PARK ESTATES ADDITION

BEING A REPLAT OF LOT 3 AND PARTS OF LOTS 4, 5 AND 6

OF BONDS 2ND ADDITION

AN ADDITION TO THE CITY OF SHERMAN

GRAYSON COUNTY, TEXAS

CONTAINING 0.465 ACRES



STAFF REVIEW LETTER

July 6, 2018

Lazy L Enterprises
4 Timbercreek Road
Sherman, TX 75092

Underwood Drafting & Surveying
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request for approval of the Final Plat of College Park Estates Addition has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, July 17, 2018 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates with \$0.00 balance shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from the City of Sherman Engineering Department.
4. Detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
5. The width of the right-of-way and pavement for streets shall be shown on the plat.
6. Correct typo in metes and bounds description.
7. Show additional found monuments.
8. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
9. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

The Board will not consider a request unless it has representation. You are hereby notified to be present, either in person or by a legally authorized representative to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,



Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Danny Fuller, Fire Marshal

Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager



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

Agenda Item No. 10.

Meeting Date: 07/17/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

Jeff Adams, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Requested Action/Proposed Use:

*** 400 BLOCK E. BROCKETT STREET**

The request of Lazy L Enterprises (Owners) and Underwood Drafting and Surveying (Surveyor) concerning the property located in the 400 Block of East Brockett Street, being all of Lot 3 and part of Lots 4-6, Block 2, G.W. Bond's Supplement No. 2 Addition, containing 0.465 acres, as follows:

Planning and Zoning Commission

Replat approval of College Park Estates Addition, being a Replat of Lot 3 and Parts of Lots 4, 5 and 6, of Bond's 2nd Addition

Background:

The property is located in the 400 block of East Brockett Street, the northeast corner of Brockett and Branch Streets. The owner would like to plat the property into three lots for residential development.

Adjacent Zoning:

C-2 (General Commercial) District

R-1 (One Family Residential) District

Origination:

Lazy L Enterprises (Owners)

Underwood Drafting and Surveying (Surveyor)

Master Plan Designation:

Auto-Urban Single Family Residential – This character type is the single-family residential category with the greatest density and the shortest building setbacks. Most driveways will face the street as well as the garage. Sidewalks are available for pedestrians. Less lot area is devoted to open space and greenery.

Number of notices mailed:

Not required.

Objections Received:

0

Attachments

Location Map

Zoning Map

Replat

Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Meeting Date: 08/06/2018

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2018 Council Calendar

2018

JANUARY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
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FEBRUARY						
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OCTOBER						
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DECEMBER						
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30	31					

1/1/2018	New Year's Day/Regular City Council Meeting on 01/02/2018
2/28/2018	Called Council Meeting - Training Session for Council Members
4/27/2018	Called Budget Planning Mtg in Council Chambers
6/14/2018	Called Budget Workshop in Council Chambers
6/15/2018	Called Budget Workshop in Council Chambers - Cancelled
7/2/2018	City Council Meeting - Cancelled
9/3/2018	Labor Day/Regular City Council Meeting on 09/04/2018

[illegible]