CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, AUGUST 1, 2011
5:00 P.M.

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

A.2 PLEDGE OF ALLEGIANCE

A.3 INVOCATION BY COUNCIL MEMBER CHIP ADAMI

A.4 APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF JULY 18, 2011

Public Hearing

B.1 INTRODUCTION AND FIRST PUBLIC HEARING OF ORDINANCE NO. 5705
Providing for the Appropriation of Funds for Operating and Capital Expenditures for the Fiscal Year beginning October 1, 2011, and ending September 30, 2012

B.2 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5706
Approving a Negotiated Resolution between the Atmos Cities Steering Committee ("ACSC" or "Steering Committee") and Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company") regarding the Company's Fourth Annual Rate Review Mechanism ("RRM") Filing in all Cities Exercising Original Jurisdiction; Declaring Existing Rates to be Unreasonable; Adopting Tariffs that Reflect Rate Adjustments Consistent with the Negotiated Settlement and Finding the Rates to be Set by the Attached Tariffs to be Just and Reasonable; Requiring the Company to Reimburse Cities' Reasonable Ratemaking Expenses; Declaring an Effective Date; Requiring Delivery of this Ordinance to the Company and the Steering Committee's Legal Counsel

B.3 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5707
Amending Ordinance No. 5694; Establishing Maximum, Reasonable, and Prudent Rates of Speed on Certain Portions of S.H. 289 in the City of Sherman; Fixing Penalties for Violation Thereof; Declaring an Emergency

B.4 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5708
Establishing Maximum, Reasonable, and Prudent Rates of Speed on Certain Portions of F.M. Highway 1417 in the Corporate Limits of Sherman, Grayson County, Texas; Fixing Penalties for Violation Thereof; Declaring an Emergency

<u>Close Public Hearing and Consider Adoption of Ordinances</u>

B.5 ADOPTION OF ORDINANCES
Consider Adoption of Ordinance Numbers:
(a) 5706
(b) 5707
(c) 5708

B.6 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

<u>Resolutions</u>

C.1 RESOLUTION NO. 5593
Authorizing the Acceptance and Recordation of a Gift Deed Without Warranty from A-S 78 Hwy 82-Pecan Grove, L.P., a Texas Limited Partnership, Conveying a 0.698 Acre Tract of Land in the J.B. McAnair Survey, Abstract No. 763, for Public Use and Utility Purposes, being the Construction of a Road between Canyon Grove Road and the U.S. Highway 82 Frontage Road

C.2 RESOLUTION NO. 5594
Authorizing the Execution of an Ambulance Service Agreement with Grayson County for the Period of October 1, 2011, through September 30, 2012

C.3 ** RESOLUTION NO. 5595*
Declaring the City of Sherman's Eligibility and Intention to Renew its Tax Abatement Program to Promote Development/Redevelopment in the Central Business District of the City; Establishing Guidelines and Criteria

C.4 RESOLUTION NO. 5596
Authorizing Execution of a 20' Sanitary Sewer Easement to the City of Sherman for the Placement of a Sanitary Sewer Line on Lot 3, Block 2 of the Bond's 2nd Addition

C.5 ** RESOLUTION NO. 5597*
Accepting the Contract with Tri-Con Services, Inc. as Complete for Construction of the Sherman Highway 75 North Sewer Contract "B"

<u>Other Business</u>

D.1 OTHER BUSINESS
Review Draft Capital Improvement Program (CIP) 2011-2016 and Set Public Hearing for Tuesday, September 6, 2011

D.2 **** OTHER BUSINESS***
Approve Quarterly Investment Reports for Period Ending June 30, 2011

D.3 **** OTHER BUSINESS***
Consider Calling a Special Meeting of the City Council for Tuesday, September 6, 2011, due to Conflict with a Federal Holiday

D.4 CITIZEN REQUESTS

D.5 MEDIA QUESTIONS

D.6 COUNCIL COMMENTS

Executive Session

E.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 Consider the Qualifications, Appointment and Removal of Members to Boards and Commissions:
(a) Mental Health Mental Retardation Services of Texoma Board of Directors (1)

Section 551.087 Deliberation Regarding Economic Development Negotiations:
(a) Deliberate Regarding Commercial or Financial Information that the City has Received from Business Prospects and Deliberate any Offers or Incentives to the Business Prospects, including the following:
(i) Property at 4344 Loy Lake Road, Sherman, Texas

The Council reconvenes into General Session

F.1 OPEN MEETING
Reconvene into Open Meeting and consider action, if any, on items discussed in Executive Session

F.2 ADJOURNMENT

COUNCIL CALENDAR

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. A.1

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. A.2

PLEDGE OF ALLEGIANCE

The Honorable Chip Adami, Council Member

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. A.3

INVOCATION BY COUNCIL MEMBER CHIP ADAMI

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. A.4

APPROVE MINUTES
OF THE REGULAR CITY COUNCIL MEETING OF JULY 18, 2011

STATE OF TEXAS §

July 18, 2011

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 18, 2011.

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

MEMBERS ABSENT: NONE.

CALL TO ORDER

CALL TO ORDER

Mayor Magers called the meeting to order at 5:00 p.m. The Pledge of Allegiance and the Invocation were given by Council Member Cary Wacker.

Mayor Magers welcomed the Herald Democrat's new City Reporter Jerrie Whiteley.

APPROVE MINUTES

APPROVE MINUTES

The Council reviewed the Minutes of the Called City Council Meeting (Budget Workshop) of June 17, 2011; the Regular City Council Meeting of June 20, 2011; and the Called City Council Meeting (held jointly with the Sherman Economic Development Corporation Board of Directors) of June 23, 2011. Council Member Smith moved to approve the Minutes as presented; Second by Council Member Adami. All present voted AYE.
MOTION CARRIED.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

ORD 5703
AMEND SUP FOR PORTABLE CLASSROOMS

Mayor Magers introduced Ordinance 5703 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 AN AMENDMENT TO A SPECIFIC USE PERMIT TO ALLOW THE ADDITION OF THREE (3) PORTABLE CLASSROOM BUILDINGS IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT WITH A SPECIFIC USE PERMIT TO ALLOW A CHURCH AT 2605 REX CRUSE DRIVE, BEING LOTS 1-6, JOE E. PRICE SUBDIVISION (NORTH PARK BAPTIST CHURCH, OWNERS; AND DAVID MURPHY AND JOHN McDONALD, REPRESENTATIVES); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Jean Kunitz, 2615 Rex Cruse

Ms. Kunitz lives next door to North Park Baptist Church. There is a driveway between her property and the Church's playground, where they plan to set the portable buildings.

She did not know what affect the buildings would have on her property but said she had lived there prior to the construction of the Church. She said they have been a good neighbor, but felt that they should try to maintain the quality of the residential area.

No other citizens appeared before the City Council to discuss Ordinance 5703.

Mayor Magers introduced Ordinance 5704 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-2 (GENERAL COMMERCIAL) DISTRICT AND SECTION 9, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A BILLBOARD IN A C-2 (GENERAL COMMERCIAL) DISTRICT AND O-1 (75 & 82) OVERLAY DISTRICT AT 5833 U.S. HIGHWAY 75 NORTH, BEING 0.31 ACRES IN THE A.C. SMITH SURVEY, ABSTRACT NO. 1561 (TONY AND SALLY THOMASON, OWNERS; JASON SOFEY, SOFEY CONSTRUCTION AND DESIGN, LLC, REPRESENTATIVE; AND UNDERWOOD DRAFTING AND SURVEYING, SURVEYORS); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

ORD 5704
SUP FOR A
BILLBOARD

Jason Sofey, 1218 Preston Dr.
Mr. Sofey provided the Council with information concerning the safety issues of digital billboards. He represented the request for a two-sided, high resolution, digital billboard that will be digital on both sides, facing south and north. It will be a 16 mil billboard which is a higher resolution than anything currently located in Grayson County.

He added that the owners will be giving 10% of the face time of the billboard for public service announcements in the community. These announcements might include items such as Amber Alerts, burn bans, weather advisories, and highway repairs.

No other citizens appeared before the City Council to discuss Ordinance 5704.

The Public Hearing was closed.

ADOPTION OF ORDINANCES
Ordinance 5703
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 AN AMENDMENT TO A SPECIFIC USE PERMIT TO ALLOW THE ADDITION OF THREE (3) PORTABLE CLASSROOM BUILDINGS IN AN R-1 (ONE FAMILY RESIDENTIAL)

ORD 5703
AMEND SUP FOR
PORTABLE
CLASSROOMS

DISTRICT WITH A SPECIFIC USE PERMIT TO ALLOW A CHURCH AT 2605 REX CRUSE DRIVE, BEING LOTS 1-6, JOE E. PRICE SUBDIVISION (NORTH PARK BAPTIST CHURCH, OWNERS; AND DAVID MURPHY AND JOHN McDONALD, REPRESENTATIVES); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Scott Shadden, Director of Development Services, said the proposed buildings will be located about even with the church on the north side. The church faces west. The request includes an eight-foot fence and landscaping.

<u>David Murphy, 71 Fawn Hollow Circle, Denison</u>
Mr. Murphy explained that there has previously been a playground on the north side of their building and this will be the least visible location for the portable buildings and will allow them to complete the other improvements to the property.

Council Member Smith verified that this was in front of the north wing of the church, on the west side. The church will serve as a buffer between the portable buildings and the residences on Dover Drive. Mr. Murphy said they will also locate an eight-foot privacy fence on the north side at the property line and landscaping on the west side facing Rex Cruse Drive.

Council Member Wacker confirmed that location of the portable buildings on the property was limited to five years. Mr. Murphy said they plan to build a permanent structure and will use the five years to raise funds for the construction project. They are currently in a three-year building campaign, and the five years will allow two additional years to raise funds.

Deputy Mayor Steele verified that after the five year limit, the portable buildings will either be removed or representatives will come back to the Council. He asked what type of material the portable buildings were made from. Mr. Murphy said they were made from hardiplank and were the ones previously used at Sherman Bible Church on F.M. 1417.

Mayor Magers verified that there is a driveway between the church and Mrs. Kunitz's property and this area will be screened with an eight-foot privacy fence. He urged the church to "do the right thing in the neighborhood." Mr. Murphy agreed adding that he is trying to reach the community, not offend the community.

ACTION TAKEN.

> **Motion by Deputy Mayor Steele to approve Ordinance No. 5703, as presented. Second by Council Member Smith.**

VOTING AYE: Adami, Howeth, Smith, Softly, Steele, Wacker.

VOTING NAY: None.
MOTION CARRIED.

Ordinance 5704
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-2 (GENERAL COMMERCIAL) DISTRICT AND SECTION 9, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A BILLBOARD IN A C-2 (GENERAL COMMERCIAL) DISTRICT AND O-1 (75 & 82) OVERLAY DISTRICT AT 5833 U.S. HIGHWAY 75 NORTH, BEING 0.31 ACRES IN THE A.C. SMITH SURVEY, ABSTRACT NO. 1561 (TONY AND SALLY THOMASON, OWNERS; JASON SOFEY, SOFEY CONSTRUCTION AND DESIGN, LLC, REPRESENTATIVE; AND UNDERWOOD DRAFTING AND SURVEYING, SURVEYORS); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

ORD 5704
SUP FOR A
BILLBOARD
(TABLED)

Mayor Magers expressed his concern for the safety issues of digital billboards. He said billboards are a sensitive issue in the community and digital billboards are “changing the game.”

The Council has appointed a committee to study this issue and their recommendations will be presented to the Planning and Zoning Commission at tomorrow’s meeting. He added that the rules don’t change just because a committee was appointed. He was in support of the previous request because there had been no such proclamation and no research done.

Mayor Magers said personally, he would like to wait to consider any billboard until such time as the committee has reported back to the Planning and Zoning Commission and they have reviewed the proposal, and the City Council has had a chance to receive feedback on it. He urged the Council to wait, receive the Planning and Zoning Commission’s recommendations, and then make a decision.

Council Member Smith asked if the request was to be tabled, since their application was made prior to consideration of the proposed ordinance, would they be under the old rules or the new rules. Brandon Shelby, City Attorney, said their application would be considered under the rules in existence when the application was made.

Council Member Wacker said the request is still a specific use permit and the Council has the latitude to approve or deny the request no matter which rules are in effect. Mr.

Shelby said an application for a billboard at the same location was previously denied by the Council approximately ten years ago.

Mr. Sofey said they filed the application on May 19, 2011. Mayor Magers clarified that this was three days after the Council Meeting where they asked the staff to include in the next agenda, consideration of a 90-day moratorium on billboards in the Overlay Districts. Mr. Sofey said he had discussed the application with staff prior to that time and the intent of the application was there previously. He said this application was under the rules currently in place.

Council Member Smith asked about the zone change from C-1 to C-2. Mr. Sofey said the current ordinance requires that a specific use permit for a billboard must be in a C-2 zone. He added that he has reviewed the new ordinance that will be proposed, knowing that it can be altered by the Planning and Zoning Commission or the City Council. It includes 10 items, eight of which he said they would support. Mayor Magers said the Council has not seen the proposed ordinance and it is not official.

Mr. Sofey said under the new proposed ordinance, it would not require that a billboard be located in a C-2 zone. He said if the Council voted approval tonight and the proposed ordinance passes at a later date, he would be willing to relinquish the C-2 zoning issue.

Council Member Wacker said the issue at hand, was whether or not to approve the specific use permit tonight. She noted that she was opposed to the last request and is still opposed to this request. To be fair to other property owners and because the Council announced a moratorium and requested the study to determine how billboards should develop along the highway, and that this request was filed after the Council signaled their intention for the moratorium and study, that it would be wiser to wait until the recommendations are made.

Mr. Sofey felt that his request should have been halted at the application process instead of allowing him to apply for the specific use permit knowing they were going to consider a moratorium. Mayor Magers reminded Mr. Sofey that the City Council has the final say in what is approved and what is not approved.

Council Member Adami said he was in favor of tabling the request, but Mr. Sofey did warn the Council that he had another application coming up.

Council Member Wacker said their consideration of a moratorium on billboards was in response to Mr. Sofey's previous request, but only because it triggered the need to review the requirements on a broader level.

Deputy Mayor Steele felt it was a good idea to table the current issue, however Mr. Sofey had met the ordinance as it was presently in effect and followed the rules. Mayor Magers added that it requires a specific use permit by the Council.

Council Member Smith said if the Council saw this coming years ago, then they should have done something years ago. Council Member Adami agreed.

Council Member Howeth addressed an article presented by Mr. Sofey on the safety of digital billboards, and asked if that wasn't the reason why DFW Airport changed all their digital billboards and removed them from the airport. Mayor Magers said currently Dallas allows only electronic billboards.

Mayor Magers expressed concern about the two–sided digital billboards and drivers across the highway being distracted by a billboard on the opposite side of the road where they had to look across traffic. He emphasized that he wanted to hear the committee's recommendations before he made a decision.

Mr. Sofey addressed non-animation and the fade-out time as safety issues. Those are addressed in the proposed ordinance and Mr. Sofey said they will comply.

ACTION TAKEN.

> **Motion by Council Member Adami to table Ordinance No. 5704, until the Council has a chance to review the proposed ordinance, recognizing that the current applicants can or cannot be required to satisfy those changes to the ordinance. Second by Council Member Wacker.**

VOTING AYE: Adami, Howeth, Softly, Steele, Wacker.
VOTING NAY: None.
AGAINST: Smith.
MOTION CARRIED TO TABLE.

Mayor Magers said the proposed ordinance will be presented to the Planning and Zoning Commission tomorrow and they can discuss the issue. Their recommendation will then be presented to the City Council and citizens will have a chance to voice their opinions. After consideration of the proposed ordinance, this application can be placed back on the agenda.

Mr. Sofey said he understood that the current request will not have to comply with the requirements in the new ordinance, but they will make an effort to comply as much as possible. He also hoped to have additional answers to the safety questions.

Council Member Adami asked that the Council receive a copy of the proposed ordinance even before it is reviewed by the Planning and Zoning Commission.

CONSENT AGENDA

CONSENT AGENDA

The Council reviewed the Consent Agenda. Deputy Mayor Steele asked to remove Item D-1 entitled "Change Order No. 1 – Sherman Wastewater Treatment Plant Fine Screen Improvements; J.R. Sheldon & Co., Inc.; $6,915.05 increase" and Council Member Smith asked to remove Item D-2 entitled "Change Order No. 1 – Sherman Highway 75 North Sewer Contract "A"; Lynn Vessels Construction, LLC.; $25,474.56 decrease" from the Consent Agenda for consideration in their regular order of business.

Council Member Smith moved to approve the Consent Agenda, with the exception of Items D-1 and D-2, which will be considered in their regular order of business. Second by Council Member Adami. All present voted AYE.

RESOLUTIONS

RESOLUTION NO. 5584 – AUTHORIZING EXECUTION OF AN AMENDMENT TO THE ENGINEERING SERVICES AGREEMENT WITH ESPEY CONSULTANTS, INC. FOR THE DEVELOPMENT OF A SHERMAN WATERSHED MANAGEMENT PLAN (POST OAK CREEK WATERSHED)

RES 5584
WATERSHED
MANAGEMENT PLAN

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AMENDMENT TO THE ENGINEERING SERVICES AGREEMENT WITH ESPEY CONSULTANTS, INC. FOR THE DEVELOPMENT OF A SHERMAN WATERSHED MANAGEMENT PLAN (POST OAK CREEK WATERSHED).

Council Member Wacker said the City received a grant for half of the cost of preparing the study and it will continue the work the City has promised on the watershed management.

ACTION TAKEN.

Motion by Council Member Wacker to approve Resolution No. 5584, as presented. Second by Council Member Howeth.

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

RESOLUTION NO. 5585 – AUTHORIZING SUBMISSION OF A JOINT GRANT APPLICATION WITH GRAYSON COUNTY FOR, AND THE ACCEPTANCE OF, A GRANT AWARDED UNDER THE 2011 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738

RES 5585
JAG GRANT
APPLICATION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF A JOINT GRANT APPLICATION WITH GRAYSON COUNTY FOR, AND THE ACCEPTANCE OF, A GRANT AWARDED UNDER THE

2011 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738.
CONSENT AGENDA.

RES 5586
JAG GRANT
AGREEMENT WITH
GRAYSON COUNTY

<u>RESOLUTION NO. 5586 – AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY FOR GRANT FUNDING TO BE AWARDED BY THE U.S. DEPARTMENT OF JUSTICE UNDER THE 2011 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY FOR GRANT FUNDING TO BE AWARDED BY THE U.S. DEPARTMENT OF JUSTICE UNDER THE 2011 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738.
CONSENT AGENDA.

RES 5587
WWTP FINE SCREENS

<u>RESOLUTION NO. 5587 – ACCEPTING THE CONTRACT WITH J.R. SHELDON & CO., INC. AS COMPLETE FOR THE IMPROVEMENTS TO THE SHERMAN WASTEWATER TREATMENT PLANT FINE SCREENS</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH J.R. SHELDON & CO., INC. AS COMPLETE FOR THE IMPROVEMENTS TO THE SHERMAN WASTEWATER TREATMENT PLANT FINE SCREENS.
CONSENT AGENDA.

RES 5588
WWTP CLARIFIER

<u>RESOLUTION NO. 5588 – ACCEPTING THE CONTRACT WITH J.R. SHELDON & CO., INC. AS COMPLETE FOR THE IMPROVEMENTS TO THE SHERMAN WASTEWATER TREATMENT PLANT CLARIFIER</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH J.R. SHELDON & CO., INC. AS COMPLETE FOR THE IMPROVEMENTS TO THE SHERMAN WASTEWATER TREATMENT PLANT CLARIFIER.
CONSENT AGENDA.

RES 5589
HWY 75 NORTH
SEWER

<u>RESOLUTION NO. 5589 – ACCEPTING THE CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC. AS COMPLETE FOR CONSTRUCTION OF THE SHERMAN HIGHWAY 75 NORTH SEWER CONTRACT “A”</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC. AS COMPLETE FOR CONSTRUCTION OF THE SHERMAN HIGHWAY 75 NORTH SEWER CONTRACT “A”.
CONSENT AGENDA.

RES 5590
ANNUAL SEAL
COAT OIL

<u>RESOLUTION NO. 5590 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH ERGON ASPHALT AND EMULSIONS, INC. FOR THE PURCHASE OF AN ANNUAL SUPPLY OF EMULSIFIED ASPHALT OIL FOR THE 2011 SEAL COAT PROGRAM</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH ERGON ASPHALT AND EMULSIONS, INC FOR THE PURCHASE OF AN ANNUAL SUPPLY OF EMULSIFIED ASPHALT OIL FOR THE 2011 SEAL COAT PROGRAM.
CONSENT AGENDA.

RES 5591
ANNUAL SEAL
COAT COVER STONE

<u>RESOLUTION NO. 5591 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH JAMES THORPE COMPANY FOR THE PURCHASE OF AN ANNUAL SUPPLY OF COVER STONE FOR THE 2011 SEAL COAT PROGRAM</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH JAMES THORPE COMPANY FOR THE PURCHASE OF AN ANNUAL SUPPLY OF COVER STONE FOR THE 2011 SEAL COAT PROGRAM.
CONSENT AGENDA.

RES 5592
EQUALIZATION BASIN
STORMWATER
CONTINGENCY
PROJECT

<u>RESOLUTION NO. 5592 – AUTHORIZING EXECUTION OF AN AMENDMENT TO THE ENGINEERING SERVICES CONTRACT WITH FREEMAN-MILLICAN, INC. FOR THE EQUALIZATION BASIN STORMWATER CONTINGENCY, PHASE II PROJECT</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AMENDMENT TO THE ENGINEERING SERVICES CONTRACT WITH FREEMAN-MILICAN, INC. FOR THE EQUALIZATION BASIN STORMWATER CONTINGENCY, PHASE II PROJECT.
CONSENT AGENDA.

CHANGE ORDER
WWTP FINE SCREEN
IMPROVEMENTS

<u>CHANGE ORDER NO. 1</u>
<u>SHERMAN WASTEWATER TREATMENT PLANT FINE SCREEN IMPROVEMENTS; J.R. SHELDON & CO., INC.; $6,915.05 INCREASE</u>
The Council considered Change Order No. 1 to J.R. Sheldon & Co., Inc. for an increase of $6,915.05 for the Wastewater Treatment Plant Fine Screen Improvements. Deputy Mayor Steele asked why there was an increase in cost for the project.

Mark Gibson, Director of Engineering and Public Works, explained that the fine screen equipment took up more room on the grit chamber than was anticipated. Therefore more room was needed around the equipment to safely work on the equipment. The amount of grating was expanded to cover this area.

The total contract amount was $556,915.05.

CHANGE ORDER NO. 1
SHERMAN HIGHWAY 75 NORTH SEWER CONTRACT "A"; LYNN VESSELS CONSTRUCTION, LLC.; $25,474.56 DECREASE

CHANGE ORDER HWY 75 NORTH SEWER

The Council considered Change Order No. 1 to Lynn Vessels Construction, LLC, resulting in a decrease of $25,474.56 for the Sherman Highway Sewer Contract "A" project. The project was funded through debt issued by the Greater Texoma Utility Authority on the City's behalf.

Council Member Smith asked why there was a decrease in the project cost. Mr. Gibson explained that the majority of the cost decrease was due to the elimination of grade stabilization that was not required. After the decrease, the final contract price was $788,962.47.

ACTION TAKEN.

> **Motion by Deputy Mayor Steele to approve the change orders for J.R. Sheldon & Co., Inc. for an increase of $6,915.05 for the Wastewater Treatment Plant Fine Screen Improvements and for Lynn Vessels Construction, LLC. for a decrease of $25,474.56 for the Highway 75 North Sewer Contract "A", as presented. Second by Council Member Smith.**

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

OTHER BUSINESS
REVIEW 2011-2012 DRAFT BUDGET

DRAFT BUDGET

Robby Hefton, Assistant City Manager/CFO, said there had been a change to the positive on the draft budget which had to do with the staff having additional information. Sales taxes have improved slightly since the June meeting so that is reflected in the base calculations, which has helped the General Fund. Since there was not sustained sales tax growth over many months, Mr. Hefton would not say it was a "trend."

In the budget, all the major funds are balanced, on-going. It is a $57 million budget, which is flat with last year's budget. The draft ordinance will be on the Council Agenda for consideration on the August 1, 2011 Meeting.

ACTION TAKEN.

> **Motion by Council Member Adami to approve the FY 2011-2012 Draft Budget as presented. Second by Deputy Mayor Steele.**

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

CITIZENS REQUESTS

SHERMAN MUNICIPAL AIRPORT — **MUNICIPAL AIRPORT**

Ross Richardson, 2115 Turtle Creek Circle, reminded the Council that he appeared before them at the first of the year with two requests for the Municipal Airport.

First, he asked that they listen to the presentation that the 2010 Advisory Board had compiled. That has been done and he thanked the Council.

Second, he asked that the Council make appointments to the Advisory Board. That has not been done and the board cannot function without the appointment of members. He said that is the Council's duty. He asked them to consider those appointments so the board can "get on with business."

Mayor Magers thanked Mr. Richardson for his comments.

MEDIA QUESTIONS — **MEDIA QUESTIONS**

There were no media questions.

COUNCIL COMMENTS

TECHNOLOGY ISSUES — **TECHNOLOGY ISSUES**

Council Member Softly said technology is great but he referenced the "Burma Shave" signs.

WASHINGTON STREET PROJECT — **WASHINGTON STREET PROJECTS**

Mayor Magers said the Washington Street project is moving forward. Grayson County Commissioner Jackie Crisp is in the process of having Washington Street from S.H. 289 to the Sherman City limits paved. This project should be completed by the end of July 2011. He said this is an example of the County and the City working together.

He also thanked Mr. Gibson and Don Keene, Executive Director of Planning and Public Works, for making water available for the project.

ADJOURNMENT — **ADJOURNMENT**

On Motion duly made and carried, the meeting adjourned at 5:42 p.m.

____

MAYOR

____

CITY CLERK

Proposed Billboard
Hwy 75 N. @ Blue Flame Rd.

Proposing a two sided high resolution digital billboard

Both sides of this billboard will be higher resolution than any other current billboard in Grayson County

Both sides of this structure will have 16 mil
Current digital billboards have 20 mil

This is a $375,000 structure that will have a positive effect on marketing to both North & Southbound traffic for businesses & public service announcements for the City of Sherman and Grayson County

Benefits

The owners intend to offer up to 10% of the face time to local PSA's
This could equal up to 36 ten second spots per hour, per side (72 total)

We have began talks with a local television station regarding giving them access to be able to post Weather alerts

We have the support of Sarah Somers with the Office of Emergency Management and Judge Drue Bynum
They will utilize it for burn bans, heat advisories and other postings including the Grayson County Sherriff's Dept.

Have discussed with Chief Jeff Jones with Sherman Fire Dept. & Chief Tom Watt with the Sherman Police Dept. and they both said they could utilize this for alerts

Have discussed with the President of the SISD School Board and she is in favor of having the structure there and being able to use it to post events, etc....

Will be made available to TXDOT

We are going to also be linked in with Amber Alert programs

Will be available for advertising local events for charities & non-profits

It will be the first thing that South bound traffic will see. It will be a perfect opportunity for Hotel's to advertise. The city benefits greatly from tax dollars generated from Hotel/Motel tax that goes directly to downtown development and the tourism department

Advertisers

Sherman based businesses that service a larger area

Hospitals, Doctors, Construction, Various retail (town center, downtown)

Businesses based in Sherman with locations in Denison and other cities

Fuel, grocery, banks, insurance, restaurants, car dealers, etc...

We have several different Doctors and other services that are based in Sherman that would like to utilize this location

Once again, the Southbound side would be a great opportunity to catch people as they enter town. Because of the location of our on and off ramps, this would be a great directional advertising tool for all businesses.

It would also be a great opportunity to catch the Northbound traffic. This would be the last opportunity to catch consumers before they leave the city limits.

New Proposed Ordinance

We have reviewed the new proposed ordinance and are willing to comply with everything except the location & two sided portion.

The location is critical to help with the development of the section of Hwy that the city of Sherman has spent a lot of money on infrastructure for development

The two sided portion is critical for both directions of traffic
It will catch Northbound for the 691 exit to help with advertising at that intersection. Half of that intersection is within the Sherman city limits.
Closest northbound exit to 691 is Loy Lake which is 2.5 miles away
It will catch Southbound for Loy lake and 82 as well as the rest of town

We are willing to downgrade the strip of C-2 portion, if the proposed ordinance passes

We are willing to comply with the "brightness" portion of the proposed ordinance whether the new ordinance requires it or not. This would require the sign to dim when it becomes overcast, and at night

History & Precedent

There have been 4 billboards approved within the last 13 months

One single sided digital billboard on Hwy 82

Unanimous at P&Z and Council

One double sided billboard on Hwy 75 S at Loy Lake that will be digital on one side and static on the other

Councilman Wacker only opposing vote at Council

Commissionser Morgan only opposing vote at P&Z

*****(Commisioner Morgan made the motion to approve this billboard)

One double sided billboard (both sides static) on Hwy 56 W at Sunset blvd.

Unanimous at P&Z and council

One double sided billboard (both sides static) on Hwy 75 S south of Hwy 56

Unanimous at P&Z and council

This billboard was passed unanimously at P&Z

Opposition

At the open meetings (P&Z and Council) the only time any citizens had any opposition, was at the Hwy 75 @ Loy lake. One of those that were opposed, were not opposed to billboards, but they had questions about the ordinance. The other one, now has requested a billboard on their property

The only opposition to this request at the P&Z meeting was an adjacent property owner that was not opposed to billboards, he was concerned that he would not be able to erect one if this one was approved

To our knowledge there were no other letters sent to the city in opposition of any of the mentioned requests

Timing

We are not trying to slide in to beat the moratorium.

I notified city staff and city officials that I had intended to bring this billboard to the city before I presented the other request at the April 19th P&Z meeting, which was over three months ago. A request was placed at this location almost 10 years ago, and have been discussing a digital for several months

They have owned the property for 15 years

Locations of current billboards on Hwy 75 on both sides in 5.5 mile stretch

Between Hwy 56 & North Travis	0	
North Travis to Lamberth Rd.	2	
Lamberth Rd. to Loy Lake	1	
Loy Lake to Hwy 691	0	(one approved, not built)

All 3 of these are on the East side

Closest billboard is over a mile away (approved not built) on West side of hwy

Engineer: Digital Billboards Not Linked to Accidents

(Philadelphia, PA) – Eight years of data covering 35,000 traffic accidents in Reading, PA, indicate digital billboards are not related to traffic accidents, according to a new traffic safety analysis released today. The study, conducted by Philadelphia's Tantala Associates, LLC, is the latest in a growing body of evidence showing digital billboards do not pose a problem for drivers.

"The overall conclusion of the study is that digital billboards in the greater Reading area have no statistically significant relationship with the occurrence of accidents," the report says.

The Reading study reviewed accident records in proximity to 26 digital billboard faces on state and local roads. More than 233 million cars pass by these billboards every year.

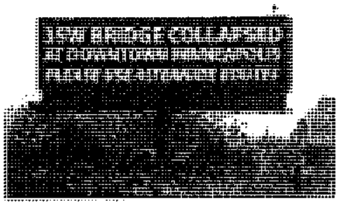
The data came from local police and the Pennsylvania Department of Transportation accident records. In addition to the overall lack of a relationship between digital billboards and traffic accidents, the study looked at other factors and measures. Driver age and time of day are neutral factors. And, for the first time, a predictive method called the "Empirical Bayes Method" was used to determine if accidents near digital billboards are inconsistent with what is statistically predicted. The answer was an unequivocal no.

Previous studies in Ohio, Minnesota, and New Mexico found similar results. Combined, five studies in four locations have examined over 100,000 traffic accidents. In all cases, the science indicates there is no correlation between the presence of digital billboards and an increase in accidents.

"At some point, the evidence just starts to become overwhelming," said Outdoor Advertising Association of America (OAAA) President and CEO Nancy Fletcher. "The Reading data matches data from Cleveland, Rochester, and Albuquerque, and it all says the same thing: digital billboards are safe."

The report was commissioned by the Foundation for Outdoor Advertising Research and Education (FOARE). Reading was chosen because it is also the site of a federal human factors study on the effect of digital billboards on driver behavior

Study: Digital Billboards Don't Cause Accidents, People Do


Digital billboard in Minneapolis, Minnesota Enlarge Photo

Earlier this year, we talked about some of the controversies surrounding digital billboards. Proponents insist that they're cleaner than their analog variants, simpler to use, look better, and make outdoor advertising affordable to more companies, small and large. Haters say that they're unattractive energy hogs that distract drivers and cause accidents. Now, a new study shows that at least one of the opponents' complaints is baseless – but it comes with a catch.

The study in question comes from Tantala Associates, "a multi-disciplined, professional, consulting-engineering firm...established in 1966". Tantala dug through eight years of traffic data from Reading, Pennsylvania; the data included some 35,000 accidents, stretching across an area that's home to 26 digital billboards. Tantala's conclusion? "[D]igital billboards in the greater Reading area have no statistically significant relationship with the occurrence of accidents". That finding matches those generated by similar studies in Ohio, Minnesota, and New Mexico.

Study: Digital Billboards Safe for Drivers

by FINDLAW on SEPTEMBER 1, 2010 · 0 COMMENTS · in EDUCATION, FINDLAW, PERSONAL INJURY

Written By: FindLaw
A FindLaw Blog post

Digital or analog? A recent study says that it does not matter which format a billboard takes when it comes to driving accidents. The eight year study, commissioned by the Foundation for Outdoor Advertising Research and Education, looked at the frequency of traffic accidents at various billboard locations throughout Reading, Pennsylvania to conclude that there is no greater chance for an accident when looking at print or digital billboards.

The Car Connection reports on the study: "The overall conclusion of the study is that digital billboards in the greater Reading area have no statistically significant relationship with the occurrence of accidents. The Reading data matches data from Cleveland, Rochester, and Albuquerque, and all says the same thing: digital billboards are safe." The concern was based on the same features that make digital billboards appealing– the increased sensory experience was also an increased distraction to drivers.

The conclusion is a welcome one for those proponents of digital billboards, which are said to be environmentally cleaner, and make outdoor advertising more affordable than their analog counterparts. Since their inception, digital billboards have been a popular form of advertising employed by business, and even the FBI. Featuring a brightly-lit visual display rather than static print, fans of the technologically-enhanced form of advertising are hoping that the study will encourage more cities to make the switch, or lift the ban placed on this form of advertising by some cities concerned by the potential for driving distractions.

Currently there are close to 450,000 digital billboards across the country. Whether catching criminals or increasing customers, the presence of a digital billboard is no more distracting than a print advertisement, at least if you are a Pennsylvania driver. Looks like we are back to blaming drivers for accidents.

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. B.1

INTRODUCTION AND FIRST PUBLIC HEARING OF ORDINANCE NO. 5705
Providing for the Appropriation of Funds for Operating and Capital Expenditures for the Fiscal Year beginning October 1, 2011, and ending September 30, 2012

Issue
To introduce and open the first public hearing on the proposed budget ordinance for the 2011-2012 fiscal year

Background
The proposed budget reflects the direction given by the Council at the recent budget workshop held during June 17, 2011 and is focused on continuing to provide essential services. The budget contains $57.2 million in appropriations, which is essentially identical to the prior year's original budget of $57.2 million. In accordance with the discussions at the budget workshop, the draft budget maintains the property tax rate at $.32/$100 and provides for increases in water/sewer rates of about 4%. More detailed information is available on the attachments.

Origination
Assistant City Manager/Chief Financial Officer

Financial Consideration
The proposed budget contains appropriations of $57.2 million for the 2011-2012 fiscal year.

Staff Recommendation
The staff recommends that the Council hold the second and final public hearing on August 15, 2011, and consider adoption at that meeting.

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

Attachments
Ordinance No. 5705; summary budget text; summary budget schedule; individual fund statements; bonded debt summary; property tax historical summary

Prepared by:
Robby Hefton, Assistant City Manager/CFO

Approved by:
George Olson, City Manager

ORDINANCE NO. 5705

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2011, AND ENDING SEPTEMBER 30, 2012; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That, pursuant to Article V of the City Charter, there is hereby appropriated for Operating Expenditures the sums of money as established in the approved Operating Budget Document for fiscal year beginning October 1, 2011, and ending September 30, 2012.

SECTION 2. That, pursuant to Article V of the City Charter, there is hereby appropriated for Capital Expenditures the sums of money as established in the approved Capital Budget Document for fiscal year beginning October 1, 2011, and ending September 30, 2012.

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 ________________, 2011.

ADOPTED on this the _______________ day of ________________, 2011.

EFFECTIVE DATE on this the ________ day of ________________, 2011.

CITY OF SHERMAN, TEXAS

BY: ______________________________

BILL MAGERS, MAYOR

ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: ________________________________
BRANDON S. SHELBY,
CITY ATTORNEY

DRAFT BUDGET FOR THE CITY OF SHERMAN
FOR FISCAL YEAR 2011-2012
August 1, 2011

SUMMARY:

The attached draft budget for 2011-2012 is based on the direction provided by the City Council at the budget workshop that was held on June 17, 2011.

The draft budget reflects a focus on funding our essential services and balancing the budget using available fund balances and moderate utility rate increases while holding the property tax rate unchanged at $.32/$100 valuation. Additional revenue will be generated from a 4% increase in water and sewer rates. However, revenue losses due to industry closings and conservation improvements in one of the industry's operations will result in an overall utility revenue decrease.

Appropriations for 2011-2012 total about $57.2 million, of which $2.5 million is earmarked for capital spending. This total is essentially the same as the $57.2 million in the original 2010-2011 budget.

Total budgeted full-time positions in the draft budget are 403, down from 405 in fiscal year 2010-2011. This decrease is the result of the budget's emphasis on continuing to efficiently fund essential services and reduce the cost of complementary services.

The General Fund is balanced through the use of transfers for fiscal year 2011-2012, but unbalanced on an ongoing basis. Passage of the street sales tax initiative is assumed for 2011-2012, which will provide an additional estimated $0.3 million increase for the 2012 budget year. The annual full-year effect of the street sales tax is about $0.95 million. A decrease in property taxes for the General Fund is primarily due to the allocation of a portion of the tax to the debt service funds. Other revenues, such as sales tax and fines and forfeitures, are expected to increase slightly. Fund balance is projected to be $5.8 million or 76 days at the end of FY 2012.

For the budget year 2012, the Utility Fund is balanced after a transfer from the Utility Improvement Fund. The loss of two major industrial customers and the water conservation efforts by another industrial customer is projected to reduce revenue by about $2.3 million annually from FY 2010 revenue highs, beginning primarily in 2011-2012. Therefore, a 4% rate increase in 2012 is budgeted to help offset the projected revenue loss. The need for an additional rate increase will be evaluated next year based on the projections at that time, but additional moderate increases are expected in the future. Financial pressures could be relieved in 2013 when the city's projected annual debt service costs decrease by about $1.3 million per year. Remaining fund balances at the end of 2012 are projected to be about $3.3 million, or about 62 days of ongoing operating expenses.

The Solid Waste Fund is balanced on an on-going basis. Substantial transfers will be made out of this fund to reduce fund balances to an appropriate level. Therefore, fund balances in this fund remain healthy, with an expected $1.0 million, or 73 days of operating funds, available at the end of FY 2012.

The draft budget of about $0.5 million in the General Improvement Fund primarily consists of several small projects for street and park improvements. Reserves of about $0.3 million are expected at the end of FY 2012.

The Utility Improvement Fund draft budget contains a transfer of $0.4 million to the Utility Fund to balance that fund. Utility Improvement Fund reserves will be essentially gone after the transfer and the completion of some small projects.

DETAILED INFORMATION:

Additional information on major components of the 201-2012 draft budget follows.

Water/Sewer Rate Increase - Revenue losses from industry closings and conservation improvements have contributed to the need for a rate increase of 4%. This 4% rate increase is expected to generate about $700,000 annually.

Property Tax Rates – The current property tax rate of $.32/$100 valuation will remain unchanged, and is expected to generate about $6.0 million in revenues for the General Fund and about $0.6 for the debt service funds.

SUMMARY SCHEDULES, DETAILED FUND STATEMENTS, AND OTHER INFORMATION

The following pages include a schedule that summarizes the draft 2011-2012 budget, eliminating double counting for internal service funds and inter-fund transfers. Also included are statements of revenues and expenditures/expenses for each fund, and a debt schedule.

Summary of Budgeted Receipts and Expenditures/Expenses
Fiscal Year 2011-2012

	General Fund	Enterprise Funds	Internal Service Funds	Special Revenue Funds	Capital Improvement Funds	Trust Fund	Debt Service Funds	Elim. Interfund Transfers	Totals
Beginning Fund Balance	$ 5,584,168	$ 5,784,730	$ 528,798	$ 471,757	$ 2,893,738	$ 1,289,144	$ 503,379	$ 74,118	$ 17,129,832
Receipts:									
Taxes	21,090,500	-	-	495,000	-	-	1,561,500	-	23,147,000
Water Sales	-	11,090,000	-	-	-	-	-	-	11,090,000
Sewer Sales	-	6,416,000	-	-	-	-	-	-	6,416,000
Solid Waste Sales	-	5,586,850	-	-	-	-	-	-	5,586,850
Other Fees for Services	3,709,390	647,000	7,191,479	914,000	118,000	-	-	(6,350,979)	6,228,890
Interest	70,000	17,400	2,100	1,625	30,450	70,000	1,100	-	192,675
Other	232,220	874,095	40,081	185,100	166,500	15,000	-	-	1,512,996
Transfers In	3,206,500	1,167,500	1,069,615	-	90,393	-	565,000	(6,099,008)	-
Total Receipts	28,308,610	25,798,845	8,303,275	1,595,725	405,343	85,000	2,127,600	(12,449,987)	54,174,411
Expenditures/Expenses:									
Personnel	20,214,727	5,894,740	973,883	136,590	-	-	-	-	27,219,940
Supplies	1,162,481	1,107,693	1,039,709	569,250	-	-	-	-	3,879,133
Maintenance	993,289	1,677,447	882,450	140,350	-	-	-	-	3,693,536
Utilities	1,327,400	2,799,400	74,000	49,800	-	-	-	-	4,250,600
Contract Wages	202,420	66,080	6,500	-	-	-	-	-	275,000
Computer Services	496,790	88,090	11,250	-	-	-	-	(596,130)	-
Debt Service	69,263	5,841,567	267,844	-	-	-	2,113,901		8,292,575
Contractual Services	1,545,829	3,305,748	4,364,102	434,350	-	-	-	(3,291,870)	6,358,159
Vehicle Usage	1,291,020	1,171,959	-	890	-	-	-	(2,462,979)	890
Capital Expenses	151,068	21,500	756,468	17,000	1,637,000	-	-	-	2,583,036
Other	-	330,107	-	354,911	-	-	-	-	685,018
Transfers Out	569,711	4,536,267	-	128,200	850,000	-	14,830	(6,099,008)	-
Total Expenditures/Expenses	28,023,998	26,840,598	8,376,206	1,831,341	2,487,000	-	2,128,731	(12,449,987)	57,237,887
Ending Fund Balance	$ 5,868,780	$ 4,742,977	$ 455,867	$ 236,141	$ 812,081	$ 1,374,144	$ 502,248	$ 74,118	$ 14,066,356

General Fund
Summary of Revenues & Expenditures (Budget Basis)

	Actual 2009-2010	Adjusted Budget 2010-2011	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 5,399,709	$ 3,908,199	$ 5,044,396	$ 5,473,908
Revenues				
Property Taxes	6,184,599	6,733,500	6,727,540	6,041,500
Sales Taxes	11,248,428	11,260,000	11,420,000	11,727,000
Franchise Taxes	3,296,355	3,191,000	3,199,000	3,195,000
Other Taxes	123,489	137,000	127,000	127,000
Fines & Forfeitures	785,704	877,700	1,013,800	1,053,700
Recreation	255,346	297,400	276,250	275,000
Permits & Licenses	293,550	155,045	220,750	227,500
Rentals	80,636	70,950	71,300	70,650
Cemetery Sales and Services	125,693	241,000	191,700	190,200
Sales & Services	333,294	478,860	480,900	492,340
Ambulance Services	1,418,114	1,300,000	1,384,000	1,400,000
Interest	102,264	65,000	69,000	70,000
Grants and Miscellaneous	497,842	342,710	532,000	193,600
Total Revenues	24,745,314	25,150,165	25,713,240	25,063,490
Transfers In	2,799,000	3,138,066	3,138,066	3,206,500
Total Receipts	27,544,314	28,288,231	28,851,306	28,269,990
Total Funds Available	32,944,023	32,196,430	33,895,702	33,743,898
Expenditures				
Personnel	20,378,036	20,577,585	20,679,381	20,214,727
Supplies	1,097,147	1,462,254	1,496,315	1,162,481
Maintenance	796,755	1,092,397	1,038,157	993,289
Utilities	1,532,331	1,420,200	1,370,100	1,327,400
Contract Wages	285,710	312,330	294,615	202,420
Computer Services	502,869	556,700	568,180	496,790
Debt Service	259,267	69,262	69,262	69,263
Contractual and Sundry Services	1,366,204	1,493,879	1,498,537	1,403,779
Vehicle Usage	1,081,870	1,060,430	1,179,136	1,291,020
Equipment and Buildings	178,375	33,000	113,000	151,068
Transfer Out to Debt Service Fund	210,000	-	-	75,563
Transfer Out to Fleet Fund	211,063	15,111	115,111	494,148
Total Expenditures	27,899,627	28,093,149	28,421,794	27,881,948
Excess Receipts over Expenditures	(355,313)	195,082	429,512	388,042
Ending Fund Balance	$ 5,044,396	$ 4,103,281	$ 5,473,908	$ 5,861,950

Utility Fund
Summary of Revenues & Expenses (Budget Basis)

	Actual 2009-2010	Adjusted Budget 2010-2011	Projected 2010-2011	Proposed 2011-2012
Beginning Reserve	$ 1,737,806	$ 3,371,880	$ 3,056,079	$ 3,253,409
Revenues				
Water Revenues	10,902,320	11,250,000	11,350,000	11,090,000
Sewer Revenues	6,794,276	6,785,000	6,965,000	6,416,000
Laboratory Charges	117,551	115,000	110,000	100,000
Service & Penalties	481,710	475,000	465,000	475,000
Earned Interest	9,617	20,000	10,000	10,000
Intergovernmental	236,285	215,942	215,942	453,447
Miscellaneous	210,535	306,715	255,400	224,148
Total Revenues	18,752,294	19,167,657	19,371,342	18,768,595
Transfers-in	450,000	1,121,500	1,121,500	1,167,500
Total Receipts	19,202,294	20,289,157	20,492,842	19,936,095
Total Funds Available	20,940,100	23,661,037	23,548,921	23,189,504
Expenses				
Personnel	4,414,912	4,541,438	4,478,283	4,436,555
Supplies	819,054	969,487	930,577	1,015,477
Maintenance & Repair	999,548	1,313,887	1,342,600	1,626,127
Utilities	2,659,930	3,005,800	2,784,800	2,778,300
Computer Services	77,825	87,200	89,490	78,720
Debt Service	5,638,762	6,003,634	6,018,648	5,783,068
Contract Wages	68,058	64,000	74,000	64,000
Contractual & Special Services	906,580	2,684,480	2,580,409	1,798,602
Vehicle Usage	230,712	218,800	204,489	229,750
Other	169,047	239,000	176,000	330,107
Capital Expenses	49,249	11,950	11,950	21,500
Total Expenses	16,033,677	19,139,676	18,691,246	18,162,206
Transfers Out				
General Fund	1,850,067	1,604,266	1,604,266	1,544,000
Others	277	-	-	209,700
Total Transfers Out	1,850,344	1,604,266	1,604,266	1,753,700
Total Expenses	17,884,021	20,743,942	20,295,512	19,915,906
Excess Revenues over Expenditures	1,318,273	(454,785)	197,330	20,189
Ending Reserve	$ 3,056,079	$ 2,917,095	$ 3,253,409	$ 3,273,598

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

	Actual 2009-2010	Adjusted Budget 2010-2011	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 891,254	$ 1,617,127	$ 1,503,995	$ 2,104,619
Revenues				
Solid Waste Fees	5,393,325	5,481,500	5,558,000	5,586,850
Service Penalties	59,744	67,000	60,000	62,000
Interest	1,593	1,000	3,700	5,000
Miscellaneous	136,090	155,500	185,500	196,500
Total Revenues	5,590,752	5,705,000	5,807,200	5,850,350
Total Funds Available	6,482,006	7,322,127	7,311,195	7,954,969
Expenses				
Personnel	1,577,274	1,549,367	1,504,298	1,458,185
Supplies	79,486	88,534	87,044	92,216
Maintenance & Repair	13,853	40,570	35,943	51,320
Utilities	17,956	20,500	19,100	21,100
Contract Wages	635	3,680	2,000	2,080
Computer Services	9,978	10,900	11,180	9,370
Solid Waste Debt Service	213,982	58,498	58,000	58,499
Contractual & Sundry Services	1,333,763	1,504,097	1,467,133	1,497,146
Vehicle Usage	889,219	864,700	835,035	942,209
Capital Expenses	302,865	242,940	234,504	-
Transfers Out	539,000	952,339	952,339	2,782,567
Total Expenses	4,978,011	5,336,125	5,206,576	6,914,692
Excess Receipts over Expenditures	612,741	368,875	600,624	(1,064,342)
Ending Fund Balance	$ 1,503,995	$ 1,986,002	$ 2,104,619	$ 1,040,277

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

	Actual 2009-2010	Amended Budget 2010-2011	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 9,303,735	$ 4,683,931	$ 4,683,931	$ 666,456
Revenues:				
Transfers In	-	435,439	210,439	-
Austin College Participation	400,000	-	-	-
SEDCO	-	1,430,000	1,430,000	-
Grant Proceeds	-	162,500	-	166,500
Investment Interest	12,518	20,000	6,000	3,000
Total Revenues	412,518	2,047,939	1,646,439	169,500
Total Funds Available	9,716,253	6,731,870	6,330,370	835,956
Expenditures:				
Comprehensive Plan Study	14,346	-	-	-
Pecan Grove Park - Phase I	11,300	-	20,250	-
Brockett St. - Grand to Travis	967,910	-	-	-
Washington Street West	827,340	1,860,704	1,861,983	-
Lamberth Rd West	234,286	669,103	732,377	-
Pecan Grove Park - Phase II	1,759,058	-	17,600	-
Canyon Grove Road - relocation	1,768	100,000	2,000	-
Canyon Creek Drive	12,932	-	-	-
Center Street Sports Complex	26,663	-	11,076	-
Hawn Park Practice Field Development	10,819	-	-	-
Solid Waste Interior Driveway Rebuild Phase IV	(52,929)	-	-	-
Travis Street - Washington to Houston St.	53,732	-	180,000	-
TIF #3 - Hwy 75 N. Third Lane	-	225,000	-	-
Drainage Improvement Projects	113,206	100,000	100,000	125,000
GIS System	97,223	50,000	49,477	100,000
Blalock Land Purchase	90,810	-	-	-
Solid Waste Interior Driveway Rebuild Phase V	-	60,000	-	-
OSP Shade Structure Repairs	-	55,000	47,460	-
Watershed Management	-	344,691	11,691	-
Hwy 74 and 1417 Ramp Reversal-TxDOT	-	1,430,000	1,430,000	-
Soil Conservation Emergency Action Plan Study	-	-	-	50,000
Hawn Spray Ground Rehab	-	-	-	20,000
OSP Quad Backstop Nets	-	-	-	45,000
Street ROW and Oversize Funding	-	-	-	50,000
Travis St ROW - Taylor to Lamberth	-	-	-	100,000
Transfer to Debt Service	688,858	700,000	700,000	-
Transfer to General Fund	175,000	500,000	500,000	-
Total Expenditures	5,032,322	6,094,498	5,663,914	490,000
Ending Fund Balance	$ 4,683,931	$ 637,372	$ 666,456	$ 345,956

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

	Actual 2009-2010	Amended Budget 2010-2011	Projected 2010-2011	Proposed 2010-2012
Beginning Fund Balance	$ 3,438,969	$ 1,610,063	$ 1,510,127	$ 537,026
Revenues				
Interest Income/Other Income	36,562	40,000	36,000	25,000
Total Revenues	36,562	40,000	36,000	25,000
Total Funds Available	3,475,531	1,650,063	1,546,127	562,026
Expenses				
WWTP Screw Lift Pump Replacement	3,822	-	-	-
WTP - Upgrade Phase II	34,600	-	-	-
Utility Oversizing	-	50,000	-	25,000
Hwy 75 Water/Sewer to Hwy 691	23,348	-	76	-
WTP - Upgrade Phase III	102,432	-	-	-
Willow St Water Line Replacement	50,502	-	-	-
Pelton Street Water Line Replacement	186,849	-	825	-
WWTP Digester Rehab	28	-	-	-
Relief Sewer C-1 Replacement	15,500	-	-	-
Brents Street Sewer Replacement	36,723	-	-	-
WWTP - Upgrade Mixers, Phase I	61,600	-	8,200	-
WWTP Drain Line	-	-	-	75,000
Gallagher Tower Evaluation	-	-	-	50,000
Transfers Out-Utility Fund	450,000	1,000,000	1,000,000	400,000
Transfers Out-Employee Insurance Fund	1,000,000	-	-	-
	1,965,404	1,050,000	1,009,101	550,000
Ending Fund Balance	$ 1,510,127	$ 600,063	$ 537,026	$ 12,026

Public Charities Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 62,816	$ 49,277	$ 45,552
Receipts			
Interest	118	120	120
Glennie O. Ham Donations	2,086	1,500	1,500
Altrusa (W.A.F.A.)	250	250	250
Library Donations	15,033	18,000	20,000
Animal Shelter Donations	3,157	2,500	2,500
Fishing Festival	630	500	500
Fire Dept Donations	2,800	2,000	2,000
Police Dept Donations	3,000	-	-
Genealogical Donations	174	150	150
Summer Track Program	-	1,500	1,500
Parks Concessions Revenue	-	7,500	7,500
Parks & Recreation Donations	-	2,500	2,500
Total Receipts	27,248	36,520	38,520
Total Funds Available	90,064	85,797	84,072
Expenditures			
Library Donations	19,278	18,000	20,000
Glennie O. Ham Center	1,411	2,000	1,500
Altrusa (W.A.F.A.)	239	250	250
Senior Citizen's Dance Club	-	1,095	-
Animal Shelter Donations	-	-	27,000
Fire Dept Donations	-	6,000	3,000
Fishing Festival	494	1,000	750
Police Dept Donations	4,466	-	-
Genealogical	-	400	250
Remodeling Contingency	14,899	-	17,800
Summer Track Program	-	1,500	1,500
Parks Concessions Expense	-	7,500	7,500
Parks & Recreation Donations	-	2,500	2,500
Total Expenditures	40,787	40,245	82,050
Ending Fund Balance	$ 49,277	$ 45,552	$ 2,022

Land Transaction Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 66,968	$ 67,108	$ 64,708
Receipts			
Land Sales	-	-	-
Interest Earned	140	100	100
Total Receipts	140	100	100
Total Funds Available	67,108	67,208	64,808
Expenditures			
Miscellaneous	-	2,500	60,000
Total Expenditures	-	2,500	60,000
Ending Fund Balance	$ 67,108	$ 64,708	$ 4,808

Street Revolving Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 446,002	$ 447,677	$ 449,277
Receipts			
Interest Income	1,675	1,600	1,600
Total Receipts	1,675	1,600	1,600
Total Funds Available	447,677	449,277	450,877
Total Expenditures	-	-	-
Ending Fund Balance	$ 447,677	$ 449,277	$ 450,877

TIF #2 Construction Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 511,102	$ 528,241	$ 506,544
Receipts			
Transfer from TIF Debt Service	70,000	10,000	14,830
Property Tax	-	-	60,000
Transfer from General Fund	-	-	75,563
Interest	871	1,000	500
Total Receipts	70,871	11,000	150,893
Total Funds Available	581,973	539,241	657,437
Expenditures			
Improvements	53,732	32,697	207,000
Transfer to 2009 CO Debt Service	-	-	450,000
Total Expenditures	53,732	32,697	657,000
Ending Fund Balance	$ 528,241	$ 506,544	$ 437

TIF #3 Construction Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ -	$ -	$ 734,435
Receipts			
Property Tax	-	58,000	58,000
Other Income	-	150,000	-
Transfer from TIF Debt Service	-	174,919	-
Transfer from Street Sales Tax Fund	-	421,166	-
Interest	-	350	350
Total Receipts	-	804,435	58,350
Total Funds Available	-	804,435	792,785
Expenditures			
Improvements	-	70,000	790,000
Total Expenditures	-	70,000	790,000
Ending Fund Balance	$ -	$ 734,435	$ 2,785

Auditorium Debt Service Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 144,709	$ 144,737	$ 144,737
Receipts			
Transfers-in from Hotel/Motel Tax	113,528	116,375	115,000
Interest	328	500	500
Total Receipts	113,856	116,875	115,500
Total Funds Available	258,565	261,612	260,237
Expenditures			
Debt Service	113,528	116,375	114,450
Agent Fees	300	500	500
Total Expenditures	113,828	116,875	114,950
Ending Fund Balance	$ 144,737	$ 144,737	$ 145,287

TIF #1 Debt Service Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 163,177	$ 170,294	$ 186,205
Receipts			
Property Tax	326,759	331,000	331,500
Interest	519	500	500
Total Receipts	327,278	331,500	332,000
Total Funds Available	490,455	501,794	518,205
Expenditures			
Debt Service	319,961	315,389	313,095
Agent Fees	200	200	500
Total Expenditures	320,161	315,589	313,595
Ending Fund Balance	$ 170,294	$ 186,205	$ 204,610

TIF #2 Debt Service Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 61,270	$ 3,253	$ 14,830
Receipts			
Property Tax	49,743	59,880	-
Total Receipts	49,743	59,880	-
Total Funds Available	111,013	63,133	14,830
Expenditures			
Debt Service	37,760	37,803	-
Agent Fees	-	500	-
Transfer to TIF Construction	70,000	10,000	14,830
Total Expenditures	107,760	48,303	14,830
Ending Fund Balance	$ 3,253	$ 14,830	$ -

2008 CO Debt Service Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 22,981	$ 195,179	$ 13,362
Receipts			
Transfer from General Fund	210,000	-	-
Transfer from General CIP Fund	150,000	175,000	-
Property Tax Revenues	165,031	-	350,000
Total Receipts	525,031	175,000	350,000
Total Funds Available	548,012	370,179	363,362
Expenditures			
Debt Service	352,833	356,317	354,529
Agent Fees	-	500	500
Total Expenditures	352,833	356,817	355,029
Ending Fund Balance	$ 195,179	$ 13,362	$ 8,333

2009 CO Debt Service Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ -	$ -	$ 7,559
Receipts			
Property Tax Revenues	120,473	-	-
Transfer from TIF Debt Service	168,858	285,000	450,000
Total Receipts	289,331	285,000	450,000
Total Funds Available	289,331	285,000	457,559
Expenditures			
Debt Service	281,619	276,941	314,894
Agent Fees	500	500	500
Total Expenditures	282,119	277,441	315,394
Ending Fund Balance	$ 7,212	$ 7,559	$ 142,165

2009A CO Bond Debt Service
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ -	$ 12,795	$ 12,832
Receipts			
Property Tax Revenues	115,523	-	230,000
Transfer from General Improvement Fund	135,000	240,000	-
Total Receipts	250,523	240,000	230,000
Total Funds Available	250,523	252,795	242,832
Expenditures			
Debt Service	237,228	239,463	241,013
Agent Fees	500	500	500
Total Expenditures	237,728	239,963	241,513
Ending Fund Balance	$ 12,795	$ 12,832	$ 1,319

2009 Tax Notes Debt Service
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 1,798	$ 373,939	$ 123,854
Receipts			
Sales Tax Revenue	937,369	520,000	650,000
Interest Revenue	557	1,000	100
Transfer from Street Sales Tax Construction	210,000	-	-
Total Receipts	1,147,926	521,000	650,100
Total Funds Available	1,149,724	894,939	773,954
Expenditures			
Debt Service	775,285	770,585	772,920
Agent Fees	500	500	500
Total Expenditures	775,785	771,085	773,420
Ending Fund Balance	$ 373,939	$ 123,854	$ 534

Police Programs Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 202,628	$ 115,081	$ 94,008
Receipts			
E 9-1-1 Service Fees	244,535	250,000	304,000
Security and Technology Fees	44,994	58,000	60,000
Interest	455	400	400
Grant	-	-	112,000
Total Receipts	289,984	308,400	476,400
Total Funds Available	492,612	423,481	570,408
Expenditures			
Personnel	110,023	110,652	109,089
Supplies	15,416	66,866	76,000
Maintenance/Repairs	57,317	67,775	95,175
Contractual Payments	98,691	84,180	198,700
Equipment	96,084	-	17,000
Total Expenditures	377,531	329,473	495,964
Ending Fund Balance	$ 115,081	$ 94,008	$ 74,444

Parks Pride Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 37,977	$ 22,307	$ 13,392
Receipts			
PRIDE Donations	10,932	11,000	11,000
Interest Income	88	85	75
Total Receipts	11,020	11,085	11,075
Total Funds Available	48,997	33,392	24,467
Expenditures			
Athletic Assistance Program			
Park Improvements	26,690	20,000	24,000
Total Expenditures	26,690	20,000	24,000
Ending Fund Balance	$ 22,307	$ 13,392	$ 467

Police Pride Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2010-2011
Beginning Fund Balance	$ 22,861	$ 25,312	$ 22,102
Receipts			
PRIDE Donations	10,932	11,000	11,000
Interest Income	57	90	90
Total Receipts	10,989	11,090	11,090
Total Funds Available	33,850	36,402	33,192
Expenditures			
Supplies	4,468	6,300	6,000
Travel/Tuition	2,557	3,500	3,000
Contractual Services	1,513	2,500	2,500
Canine Replacement Dog	-	2,000	10,500
Total Expenditures	8,538	14,300	22,000
Ending Fund Balance	$ 25,312	$ 22,102	$ 11,192

Donations Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2010-2011
Beginning Fund Balance	$ 1,289	$ 1,865	$ 2,069
Receipts			
Donations	807	1,000	1,100
Interest Income	3	4	10
Total Receipts	810	1,004	1,110
Total Funds Available	2,099	2,869	3,179
Expenditures			
Supplies	234	800	3,000
Total Expenditures	234	800	3,000
Ending Fund Balance	$ 1,865	$ 2,069	$ 179

Hotel/Motel Tax Fund
Summary of Receipts & Expenditures

Beginning October 1, 2011, the Auditorium/Ballroom operations are included in this fund. Actual results have been combined for prior years to improve comparison between years.

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 469,426	$ 457,987	$ 258,971
Receipts			
Hotel/Motel Tax 5%	358,307	346,500	353,500
Hotel/Motel Tax 2%	143,323	138,500	141,500
Penalties	6,044	-	-
Miscellaneous	26,078	25,000	25,000
Interest	756	500	500
Auditorium/Ballroom Rental	32,153	45,000	45,000
Total Receipts	566,661	555,500	565,500
Total Funds Available	1,036,087	1,013,487	824,471
Expenditures			
Tourism			
Administration	80,681	97,565	98,198
Programs	181,329	310,970	256,713
Downtown Building Incentive	-	25,000	25,000
Museum Support	82,500	82,500	82,500
Arts Council	35,778	36,000	36,000
Ballroom:			
Personnel	22,795	23,405	23,040
Supplies	-	-	6,250
Maintenance	6,763	4,292	14,850
Utilities	24,181	25,300	25,900
Auditorium:			
Personnel	5,259	4,272	4,461
Maintenance	17,039	6,837	21,225
Utilities	8,247	8,600	8,900
Transfer to General Fund, admin	-	13,400	13,200
Transfer to Auditorium Debt Service	113,528	116,375	115,000
Total Expenditures	578,100	754,516	731,237
Excess Receipts over Expenditures	(11,439)	(199,016)	(165,737)
Ending Fund Balance	$ 457,987	$ 258,971	$ 93,234

Drug Enforcement Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 33,855	$ 19,912	$ 10,762
Receipts			
Police Confiscated Funds	23,074	40,000	25,000
Interest Income	66	50	50
Total Receipts	23,140	40,050	25,050
Total Funds Available	56,995	59,962	35,812
Expenditures			
Supplies	18,789	32,800	19,650
Maintenance and Repair	305	1,000	1,000
Contractual Services	2,066	6,000	4,800
Travel & Tuition	10,908	9,400	9,400
Equipment	5,015	-	-
Total Expenditures	37,083	49,200	34,850
Ending Fund Balance	$ 19,912	$ 10,762	$ 962

Municipal Airport Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 467,834	$ 473,953	$ 70,453
Receipts			
Interest Income	953	600	500
Airport Rentals	48,463	49,300	45,000
Fuel Sales	346,956	395,000	460,000
Miscellaneous	5,938	-	-
Total Receipts	402,310	444,900	505,500
Total Funds Available	870,144	918,853	575,953
Expenditures			
Fuel Purchases	336,981	390,000	455,000
Other Supplies	2,602	1,150	3,350
Maintenance	5,454	6,000	8,100
Contractual Services	35,601	36,850	37,950
Utilities	14,869	14,400	15,000
Vehicle Usage	684	-	890
Transfer Out to General Fund	-	400,000	-
Total Expenditures	396,191	848,400	520,290
Ending Fund Balance	$ 473,953	$ 70,453	$ 55,663

Insurance Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Budget 2010-2011	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ (534,277)	$ 882,423	$ 791,498	$ 459,143
Receipts				
Employer Contributions	3,190,608	3,398,652	3,285,694	3,290,000
Employee Contributions	603,638	615,000	611,667	612,000
Retiree Contributions	159,277	170,000	165,769	225,000
COBRA Contributions	6,747	7,000	15	-
Miscellaneous	292	-	-	
Interest Earned	-	-	4,500	3,500
Transfers In	1,000,000	-	-	-
Total Receipts	4,960,562	4,190,652	4,067,645	4,130,500
Total Funds Available	4,426,285	5,073,075	4,859,143	4,589,643
Expenses				
Health & Dental Claims	3,052,306	3,300,000	3,800,000	3,600,000
Insurance Premiums & Cost	534,642	514,000	530,000	550,000
Life Insurance	47,839	41,000	45,000	45,000
Miscellaneous	-	25,000	25,000	25,000
Total Expenses	3,634,787	3,880,000	4,400,000	4,220,000
Ending Fund Reserve	$ 791,498	$ 1,193,075	$ 459,143	$ 369,643

Computer Service Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 5,694	$ (8,772)	$ 1,324
Revenues			
Computer Usage:			
General Fund	502,869	568,180	496,790
Tourism	1,996	2,240	1,870
Equipment Services Fund	13,969	15,660	11,250
Utility Fund	77,825	89,490	78,720
Solid Waste Fund	9,978	11,180	9,370
Interest Earned	-	200	100
Miscellaneous Revenue	1,446	690	-
Total Revenues	608,083	687,640	598,100
Total Funds Available	613,777	678,868	599,424
Expenses			
Personnel	272,998	272,657	267,808
Supplies	22,232	13,806	20,460
Maintenance & Repairs	158,714	175,000	187,295
Utilities	42,188	42,500	44,600
Contract Wages	10,595	20,000	6,500
Debt Service	95,232	95,231	47,616
Contractual Services & Other	12,879	10,100	12,700
Equipment, Capital Outlay	7,711	48,250	7,000
Total Expenses	622,549	677,544	593,979
Ending Fund Balance	$ (8,772)	$ 1,324	$ 5,445

Equipment Service Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 98,341	$ 66,407	$ 68,289
Revenues			
Equipment Service Revenue:			
General Fund	1,065,008	1,179,136	1,291,020
Airport Fund	684	-	-
Utility Fund	230,130	204,489	229,750
Solid Waste Fund	887,302	835,035	942,209
Miscellaneous Revenue	277	-	-
Total Revenues	2,183,401	2,218,660	2,462,979
Total Funds Available	2,281,742	2,285,067	2,531,268
Expenses			
Personnel	775,074	731,999	706,075
Supplies	743,083	818,967	1,019,249
Maintenance & Repair	535,116	505,160	555,155
Utilities	28,148	27,500	29,400
Contract Wages	2,974	-	-
Computer Services	13,969	15,660	11,250
Contractual Services	116,971	117,492	131,402
Equipment	-	-	-
Total Expenses	2,215,335	2,216,778	2,452,531
Ending Fund Balance	$ 66,407	$ 68,289	$ 78,737

Fleet Replacement Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 152,816	$ 161,259	$ 42
Revenues			
Transfers-In for Debt Serv	211,063	15,111	220,228
Transfers-In for Fund Balance	-	100,000	140,000
Transfer In for Equip Purchase			709,387
Lease Proceeds	1,372,140	-	-
Grant Proceeds	-	14,000	40,081
Interest	323	2,000	2,000
Total Revenues	1,583,526	131,111	1,111,696
Total Funds Available	1,736,342	292,370	1,111,738
Expenses			
Debt Service	55,057	220,228	220,228
Major Repair	6,021	50,000	140,000
Equipment-General Fund	1,495,921	22,100	314,001
Equipment-Utility Fund	18,084	-	209,700
Equipment-Solid Waste Fund	-	-	225,767
Total Expenses	1,575,083	292,328	1,109,696
Ending Fund Balance	$ 161,259	$ 42	$ 2,042

Water Customer Deposits
Summary of Receipts and Expenses

	Actual 2009-2010	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 234,923	236,125	237,325
Receipts			
Interest Income	1,202	1,200	1,200
Total Funds Available	236,125	237,325	238,525
Expenses			
Miscellaneous	-	-	-
Ending Fund Balance	$ 236,125	$ 237,325	$ 238,525

Water & Sewer Pro Rata Fund
Summary of Receipts and Expenses

	Actual 2009-2010	Budget 2010-2011	Projected 2010-2011	Proposed 2011-2012
Beginning Fund Balance	$ 181,704	$ 185,204	$ 182,077	$ 189,377
Receipts				
Interest Income	373	500	300	1,200
Pro Rata Fees	-	5,000	7,000	10,000
Total Receipts	373	5,500	7,300	11,200
Total Funds Available	182,077	190,704	189,377	200,577
Expenses				
Miscellaneous	-	4,000	-	10,000
Ending Fund Balance	$ 182,077	$ 186,704	$ 189,377	$ 190,577

TRANSFERS SCHEDULE

		BUDGETED FY11/12	
FUND	DETAILS	*Expense* *TRANSFER FROM* Debit	*Revenue* *TRANSFER TO* Credit
100	To fund 330	$ 75,563.00	
	From fund 480		
	From fund 700 5% franchise, admin cost		$ 1,544,000.00
	From fund 790, dept 243, 244, 245		$ 639,300.00
	From fund 790, excess reserves		$ 1,010,000.00
	From fund 460, admin cost		$ 13,200.00
	To fund 660 for debt service	$ 220,228.00	
	To fund 660 for equipment purchases	$ 273,920.00	
310	From fund 460		$ 115,000.00
321	To fund 330	$ 14,830.00	
330	From fund 321		$ 14,830.00
	From fund 100		$ 75,563.00
	To fund 351	$ 450,000.00	
351	From fund 330		$ 450,000.00
460	To fund 310	$ 115,000.00	
	To fund 100	$ 13,200.00	
480	To fund 100		
660	From fund 100		$ 494,148.00
	From fund 700		$ 209,700.00
	From fund 790, excess reserves		$ 140,000.00
	From fund 790, equipment purchase		$ 225,767.00
700	To fund 100 5% franchise, admin cost	$ 1,544,000.00	
	From fund 770 for CIP material		$ 50,000.00
	From fund 770, excess reserves		$ 350,000.00
	From fund 790, admin cost		$ 117,500.00
	From fund 790, excess reservers		$ 650,000.00
	To fund 660 for equipment purchase	$ 209,700.00	
770	To fund 700 for CIP material	$ 50,000.00	
	To fund 700 for exces reserves	$ 350,000.00	
790	To fund 100 8% franchise, admin cost RSW	$ 236,200.00	
790	To fund 700 admin cost RSW	$ 43,400.00	
790	To fund 100 8% franchise, admin cost CSW	$ 348,800.00	
790	To fund 700 admin cost CSW	$ 64,100.00	
790	To fund 100 8% franchise, admin cost Recycl	$ 54,300.00	
790	To fund 700 admin cost Recycle	$ 10,000.00	
790	To fund 100, excess reserves	$ 1,010,000.00	
790	To fund 660, excess reserves	$ 140,000.00	
790	To fund 660, equipment purchase	$ 225,767.00	
790	To fund 700, excess reserves	$ 650,000.00	
	TOTALS	$ 6,099,008.00	$ 6,099,008.00

City of Sherman, Texas

Bonded Debt as of 7/31/11

	(1)				(2)			
	$2,840,000 Combination Tax & Tax Increment Revenue 2004 Series TIF Zone#1, Certificates of Obligation				***$1,605,000 General Obligation Refunding, Series 2006***			
Fiscal Yr	**Coupon**	**Principal**	**Interest**	**TOTAL**	**Coupon**	**Principal**	**Interest**	**TOTAL**
2012	4.44%	140,000.00	98,790.00	238,790.00	3.50%	55,000.00	59,450.00	114,450.00
2013	4.44%	150,000.00	92,574.00	242,574.00	3.50%	60,000.00	57,437.50	117,437.50
2014	4.44%	155,000.00	85,914.00	240,914.00	3.50%	55,000.00	55,425.00	110,425.00
2015	4.44%	160,000.00	79,032.00	239,032.00	3.75%	60,000.00	53,337.50	113,337.50
2016	4.44%	170,000.00	71,928.00	241,928.00	3.75%	60,000.00	51,087.50	111,087.50
2017	4.44%	180,000.00	64,380.00	244,380.00	3.75%	65,000.00	48,743.75	113,743.75
2018	4.44%	185,000.00	56,388.00	241,388.00	3.75%	70,000.00	46,212.50	116,212.50
2019	4.44%	195,000.00	48,174.00	243,174.00	4.00%	70,000.00	43,500.00	113,500.00
2020	4.44%	205,000.00	39,516.00	244,516.00	4.00%	75,000.00	40,600.00	115,600.00
2021	4.44%	215,000.00	30,414.00	245,414.00	4.00%	80,000.00	37,500.00	117,500.00
2022	4.44%	230,000.00	20,868.00	250,868.00	4.00%	80,000.00	34,300.00	114,300.00
2023	4.44%	240,000.00	10,656.00	250,656.00	4.00%	85,000.00	31,000.00	116,000.00
2024		-	-	-	4.00%	85,000.00	27,600.00	112,600.00
2025		-	-	-	4.25%	85,000.00	24,093.75	109,093.75
2026		-	-	-	4.25%	95,000.00	20,268.75	115,268.75
2027		-	-	-	4.25%	100,000.00	16,125.00	116,125.00
2028		-	-	-	4.375%	100,000.00	11,812.50	111,812.50
2029		-	-	-	4.375%	105,000.00	7,328.13	112,328.13
2030		-	-	-	4.375%	115,000.00	2,515.63	117,515.63
		2,225,000.00	698,634.00	2,923,634.00		1,500,000.00	668,337.51	2,168,337.51

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

(3) These bonds were issued in 2008 to provide funding for park and street development and improvements.

(4) These bonds were issued in the spring of 2009 to provide funding for park and street development and improvements.

(5) These bonds were issued in 2009 to fund infrastructure in the Town Center TIF Zone.

(6) These notes were issued in 2009 to fund street improvements. Debt service is financed by the street sales tax.

(7) These bonds were issued in the fall of 2009 to provide funding for park and street development and improvements.

City of Sherman, Texas

Bonded Debt as of 7/31/11

	(3)				(4)			
	$5,000,000 ***2008 Series Revenue Certificates of Obligation***				***$4,100,000*** ***Capital Improvement Fund Projects*** ***2009 Series Revenue Certificates of Obligation***			
Fiscal Yr	**Coupon**	**Principal**	**Interest**	**TOTAL**	**Coupon**	**Principal**	**Interest**	**TOTAL**
2012	3.62%	190,000.00	164,529.00	354,529.00	3.98%	166,667.00	148,227.00	314,894.00
2013	3.62%	200,000.00	157,470.00	357,470.00	3.98%	168,333.00	143,227.00	311,560.00
2014	3.62%	210,000.00	150,049.00	360,049.00	3.98%	173,333.00	138,177.00	311,510.00
2015	3.62%	215,000.00	142,356.50	357,356.50	3.98%	178,333.00	132,977.00	311,310.00
2016	3.62%	225,000.00	134,392.50	359,392.50	3.98%	180,000.00	127,627.00	307,627.00
2017	3.62%	235,000.00	126,066.50	361,066.50	3.98%	185,000.00	121,327.00	306,327.00
2018	3.62%	245,000.00	117,378.50	362,378.50	3.98%	191,667.00	114,852.00	306,519.00
2019	3.62%	255,000.00	108,328.50	363,328.50	3.98%	196,667.00	107,665.00	304,332.00
2020	3.62%	265,000.00	98,916.50	363,916.50	3.98%	208,333.00	99,799.00	308,132.00
2021	3.62%	280,000.00	89,052.00	369,052.00	3.98%	213,333.00	91,465.00	304,798.00
2022	3.62%	290,000.00	78,735.00	368,735.00	3.98%	225,000.00	82,932.00	307,932.00
2023	3.62%	305,000.00	67,965.50	372,965.50	3.98%	231,667.00	73,932.00	305,599.00
2024	3.62%	315,000.00	56,743.50	371,743.50	3.98%	241,667.00	64,665.00	306,332.00
2025	3.62%	330,000.00	45,069.00	375,069.00	3.98%	253,333.00	54,696.00	308,029.00
2026	3.62%	345,000.00	32,851.50	377,851.50	3.98%	265,000.00	44,246.00	309,246.00
2027	3.62%	360,000.00	20,091.00	380,091.00	3.98%	240,000.00	32,851.00	272,851.00
2028	3.62%	375,000.00	13,575.00	388,575.00	3.98%	250,000.00	22,531.00	272,531.00
2029		-	-	-	3.98%	265,000.00	11,594.00	276,594.00
2030		-	-	-		-	-	-
		4,640,000.00	1,603,569.50	6,243,569.50		3,833,333.00	1,612,790.00	5,446,123.00

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

(3) (3) These bonds were issued in 2008 to provide funding for park and street development and improvements.

(4) (4) These bonds were issued in the spring of 2009 to provide funding for park and street development and improvements

(5) (5) These bonds were issued in 2009 to fund infrastructure in the Town Center TIF Zone.

(6) (6) These bonds were issued in 2009 to fund street improvements. Debt service is financed by the street sales tax.

(7) (7) These bonds were issued in the fall of 2009 to provide funding for park and street development and improvements

City of Sherman, Texas

Bonded Debt as of 7/31/11

	(5)				(6)			
	$900,000 TIF #1 2009 Series Revenue Certificates of Obligation				***$3,000,000 2009 Series Limited Tax Notes***			
Fiscal Yr	**Coupon**	**Principal**	**Interest**	**TOTAL**	**Coupon**	**Principal**	**Interest**	**TOTAL**
2012	3.00%	43,333.33	30,972.49	74,305.83	1.70%	760,000.00	12,920.00	772,920.00
2013	3.00%	46,666.67	29,672.49	76,339.16		-	-	-
2014	3.00%	46,666.67	28,272.49	74,939.16		-	-	-
2015	3.00%	46,666.67	26,872.49	73,539.16		-	-	-
2016	3.50%	50,000.00	25,472.49	75,472.49		-	-	-
2017	3.50%	50,000.00	23,722.49	73,722.49		-	-	-
2018	3.75%	53,333.33	21,972.49	75,305.83		-	-	-
2019	4.00%	53,333.33	19,972.49	73,305.83		-	-	-
2020	4.00%	56,666.67	17,839.16	74,505.83		-	-	-
2021	4.00%	56,666.67	15,572.49	72,239.16		-	-	-
2022	4.00%	60,000.00	13,305.83	73,305.83		-	-	-
2023	4.00%	63,333.33	10,905.83	74,239.16		-	-	-
2024	4.13%	63,333.33	8,372.49	71,705.83		-	-	-
2025	4.13%	66,666.67	5,760.00	72,426.67		-	-	-
2026	4.30%	70,000.00	3,010.00	73,010.00		-	-	-
2027		-	-	-		-	-	-
2028		-	-	-		-	-	-
2029		-	-	-		-	-	-
2030		-	-	-		-	-	-
		826,666.67	281,695.75	1,108,362.42		760,000.00	12,920.00	772,920.00

(1) These bonds were issued in 2004 to provide funding for infrastructure development for Sherman Town Center. Debt

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

(3) These bonds were issued in 2008 to provide funding for park and street development and improvements.

(4) These bonds were issued in the spring of 2009 to provide funding for park and street development and improvements

(5) These bonds were issued in 2009 to fund infrastructure in the Town Center TIF Zone.

(6) These bonds were issued in 2009 to fund improvements in the Downtown TIF Zone

(7) These bonds were issued in 2009 to fund street improvements. Debt service is financed by the street sales tax.

(8) These bonds were issued in the fall of 2009 to provide funding for park and street development and improvements

City of Sherman, Texas

Bonded Debt as of 7/31/11

	(7) $3,500,000 Capital Improvement Fund Projects 2009A Series Revenue Certificates of Obligation				TOTALS		
Fiscal Yr	**Coupon**	**Principal**	**Interest**	**TOTAL**	**Principal**	**Interest**	**TOTAL**
2012	3.00%	120,000.00	121,012.50	241,012.50	1,475,000.33	635,900.99	2,110,901.33
2013	3.00%	125,000.00	117,412.50	242,412.50	749,999.67	597,793.49	1,347,793.16
2014	3.00%	130,000.00	113,662.50	243,662.50	769,999.67	571,499.99	1,341,499.66
2015	3.00%	135,000.00	109,762.50	244,762.50	794,999.67	544,337.99	1,339,337.66
2016	3.00%	145,000.00	105,712.50	250,712.50	830,000.00	516,219.99	1,346,219.99
2017	3.25%	150,000.00	101,362.50	251,362.50	865,000.00	485,602.24	1,350,602.24
2018	3.50%	155,000.00	96,487.50	251,487.50	900,000.33	453,290.99	1,353,291.33
2019	3.50%	165,000.00	91,062.50	256,062.50	935,000.33	418,702.49	1,353,702.83
2020	3.50%	170,000.00	85,287.50	255,287.50	979,999.67	381,958.16	1,361,957.83
2021	3.75%	180,000.00	79,337.50	259,337.50	1,024,999.67	343,340.99	1,368,340.66
2022	3.75%	190,000.00	72,587.50	262,587.50	1,075,000.00	302,728.33	1,377,728.33
2023	4.00%	200,000.00	65,462.50	265,462.50	1,125,000.33	259,921.83	1,384,922.16
2024	4.00%	210,000.00	57,462.50	267,462.50	915,000.33	214,843.49	1,129,843.83
2025	4.00%	215,000.00	49,062.50	264,062.50	949,999.67	178,681.25	1,128,680.92
2026	4.00%	230,000.00	40,462.50	270,462.50	1,005,000.00	140,838.75	1,145,838.75
2027	4.125%	240,000.00	31,262.50	271,262.50	940,000.00	100,329.50	1,040,329.50
2028	4.125%	250,000.00	21,362.50	271,362.50	975,000.00	69,281.00	1,044,281.00
2029	4.25%	260,000.00	11,050.00	271,050.00	630,000.00	29,972.13	659,972.13
2030		-	-	-	115,000.00	2,515.63	117,515.63
		3,270,000.00	1,369,812.50	4,639,812.50	17,054,999.67	6,247,759.26	23,302,758.93

(1) These bonds were issued in 2004 to provide funding for infrastructure development for Sherman Town Center.

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

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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)
2003	$ 1,474,063	$ 5,896	$ 5,846	$ 0.40
2004	$ 1,514,256	$ 6,057	$ 5,921	$ 0.40
2005	$ 1,557,228	$ 6,229	$ 6,258	$ 0.40
2006	$ 1,767,235	$ 7,069	$ 6,802	$ 0.40
2007	$ 1,894,959	$ 7,580	$ 7,283	$ 0.40
2008	$ 1,994,144	$ 7,921	$ 7,491	$ 0.40
2009	$ 2,070,926	$ 6,627	$ 6,478	$ 0.32
2010	$ 2,226,215	$ 7,124	$ 7,020	$ 0.32
2011(est)	$ 2,220,000	$ 7,104	$ 6,915	$ 0.32

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. B.2

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5706
Approving a Negotiated Resolution between the Atmos Cities Steering Committee ("ACSC" or "Steering Committee") and Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company") regarding the Company's Fourth Annual Rate Review Mechanism ("RRM") Filing in all Cities Exercising Original Jurisdiction; Declaring Existing Rates to be Unreasonable; Adopting Tariffs that Reflect Rate Adjustments Consistent with the Negotiated Settlement and Finding the Rates to be Set by the Attached Tariffs to be Just and Reasonable; Requiring the Company to Reimburse Cities' Reasonable Ratemaking Expenses; Declaring an Effective Date; Requiring Delivery of this Ordinance to the Company and the Steering Committee's Legal Counsel

Issue

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

Background

ACSC and Atmos have reached a negotiated resolution addressing Atmos's fourth filing pursuant to the Rate Review Mechanism ("RRM") tariff, approved by ACSC Cities as part of the settlement agreement to resolve the Atmos Mid-Tex 2007 system-wide rate filing at the Railroad Commission. The RRM allows cities to conduct a more comprehensive review of all of the information regarding changes to Atmos's revenues and expenses, as well as its invested capital. As a result of negotiations, ACSC was able to reduce the Company's requested $15.7 million RRM increase to $6.6 million, allowing only incremental revenues necessary to cover direct costs associated with the steel service line replacement project approved by ACSC Cities in 2010. This negotiated settlement reduces Atmos's requested rate increase by nearly 60%. The alternative to a settlement of the RRM filing would be a contested case proceeding before the Railroad Commission on the Company's current application, which would take several months and cost ratepayers millions of dollars in rate case expenses. The ACSC Legal Counsel believes that the negotiated resolution is consistent with or better than a litigated outcome; and the ACSC Settlement Committee recommends the ACSC members take action to approve the Ordinance authorizing new rate tariffs. The monthly bill impact for the average residential customer is $0.31, about a .66% increase in the total bill. Sherman must take final action on the proposed ordinance by September 2, 1011. If unable to meet that deadline, we must contact ACSC's legal counsel so they can notify Atmos and seek an exception.

Origination

Geoffrey Gay of Lloyd Gosselink Blevins Rochelle & Townsend, P.C., Legal Counsel to ACSC

Financial Consideration
Approval of this ordinance will result in rates that implement a $6.6 million increase in Atmos's revenues effective September 1, 2011, and a monthly increase of $0.31 for the average residential customer.

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

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

Attachments
ACSC Legal Counsel (E-Mail) Memoranda of July 25, 2011 (2)
Staff Report
Ordinance No. 5706
Attachment "A" – Rate Tariffs

Prepared by:
Brandon S. Shelby, City Attorney
Robby Hefton, Assistant City Manager/CFO

Approved by:
George Olson, City Manager

Cloer, Pam

From:	Geoffrey Gay [gmg@lglawfirm.com]
Sent:	Monday, July 25, 2011 8:57 AM
To:	Abilene - Place 6 (Odis Dolton) ; Abilene (Daniel Santee); Abilene (Mindy Patterson); Addison - Place 11 (Randy Moravec); Addison (Ronald Whitehead); Allen (Kevin Hammeke); Allen (Wes Pierson); Alvarado (Debbie Thomas); Anna (Natha Wilkison); Anna (Philip Sanders); Argyle (Codi Delcambre); Argyle (Lyle Dresher); Argyle,Bedford,Colleyville,Farmers Branch,Grapevine,Hurst,Parker (Matthew Boyle); Arlington - Place 5 (Jay Doegey); Arlington (Mary Bunkley); Bedford (Beverly Queen); Bedford (David Miller); Bedford (Mirenda McQuagge-Walden); Bellmead (Victor Pena); Benbrook (David Ragsdale); Beverly Hills (Donna Hawkins); Blossom (Stacey Prestridge); Blue Ridge (Dan Standeford); Blue Ridge (Nacy Southard); Bowie (James R. Cantwell); Bowie (Tracey Jennings); Boyd (Joy Patterson); Bridgeport (Jesica McEachern); Brownwood (Bobby Rountree); Brownwood (Pat Chesser); Brownwood (Walter Middleton)
Cc:	Geoffrey Gay; Eileen McPhee; Barbara Kimmell
Subject:	Atmos Mid-Tex RRM-4
Attachments:	Atmos Mid-Tex RRM-4 Tariffs.PDF; 2011.07.20 RRM-4 Ordinance.DOC; 2011.07.20 Model Staff Report Ordinance RRM-4.DOC

Attached please find an Ordinance setting new rates for Atmos Mid-Tex based on a settlement of the pending 4th Annual RRM filing. The Ordinance grants a $6.6 million rate increase associated with incremental direct costs of the steel service line replacement program. All other portions of the $15.7 million request were rejected by the ACSC Settlement Committee. Also, please find tariffs that should be attached to the Ordinance when it is passed. I have included a model staff report which you may modify to suit your needs. The Ordinance and staff report are in Word. The tariffs are in a pdf format.

Note that the effective date is September 1, 2011. Please let me know if it is not possible to take final action before September 1, 2011.

Geoffrey M. Gay

Lloyd Gosselink Rochelle & Townsend, P.C.
816 Congress Avenue, Suite 1900
Austin, Texas 78701
(512) 322-5800 phone
(512) 322-5875 direct
(512) 472-0532 fax
ggay@lglawfirm.com

If you would like more information about the firm, please visit our website at http://www.lglawfirm.com, or about our **Utilities Practice Group,** please visit *http://www.lglawfirm.com/PracticeAreas_Utility.asp*

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Cloer, Pam

From:	Geoffrey Gay [gmg@lglawfirm.com]
Sent:	Monday, July 25, 2011 2:50 PM
To:	Abilene - Place 6 (Odis Dolton) ; Abilene (Daniel Santee); Abilene (Mindy Patterson); Addison - Place 11 (Randy Moravec); Addison (Ronald Whitehead); Allen (Kevin Hammeke); Allen (Wes Pierson); Alvarado (Debbie Thomas); Anna (Natha Wilkison); Anna (Philip Sanders); Argyle (Codi Delcambre); Argyle (Lyle Dresher); Argyle,Bedford,Colleyville,Farmers Branch,Grapevine,Hurst,Parker (Matthew Boyle); Arlington - Place 5 (Jay Doegey); Arlington (Mary Bunkley); Bedford (Beverly Queen); Bedford (David Miller); Bedford (Mirenda McQuagge-Walden); Bellmead (Victor Pena); Benbrook (David Ragsdale); Beverly Hills (Donna Hawkins); Blossom (Stacey Prestridge); Blue Ridge (Dan Standeford); Blue Ridge (Nacy Southard); Bowie (James R. Cantwell); Bowie (Tracey Jennings); Boyd (Joy Patterson); Bridgeport (Jesica McEachern); Brownwood (Bobby Rountree); Brownwood (Pat Chesser); Brownwood (Walter Middleton)
Cc:	Geoffrey Gay; Eileen McPhee; Barbara Kimmell
Subject:	Average Monthly Rate Impact of New Ordinance Resolving Atmos Mid-Tex's 4th Annual RRM

Several city representatives have asked what the bill impact will be of the ordinance and tariffs distributed this morning that resolve the pending RRM rate filing of Atmos. David Park with Atmos has provided me the following answer: (1) the average residential customer (using 4.5 Mcf a month) will have an increase of $0.31 per month or 0.66%; (2) the average commercial customer (using 34.8 Mcf a month) will have an increase of $0.88 per month or 0.88%.

The respective customer charges reflect higher increases than the average monthly bill impact, but the higher customer charges are offset by reductions to the commodity (volumetric or usage) charges.

The residential customer charge for Atmos Mid-Tex is probably the lowest customer charge for any utility (gas or electric) in the State. Both the Public Utility Commission and the Railroad Commission generally and consistently approve significantly higher customer charges. It has long been the policy goal of Mid-Tex Cities to promote conservation and protect low volume consumers by keeping the monthly customer charge (which has no quantity of gas associated with it) as low as possible.

In 2010, the residential customer charge was at $7.00. Despite pressure from Atmos to raise that charge, Cities held firm to the $7.00 last year, but finally agreed to add $0.15 to pay for the direct costs (*i.e.*, no profit or overhead) associated with a new steel service line replacement program. Implementation of that new program included a commitment from Atmos to cap such charges at $0.44 for the residential class and $1.22 for the commercial class.

While the ACSC Settlement Committee did ultimately agree to raise the residential customer charge to $7.50 or $0.35 more than the current charge, there was a slight reduction to the volumetric charge so that the average monthly impact will only be $0.31.

While the ACSC Settlement Committee agreed to an ever larger increase ($2.84) for the commercial class, reductions to the volumetric charge will offset that increase so that the average monthly impact will only be $0.88.

Geoffrey M. Gay

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ggay@lglawfirm.com

If you would like more information about the firm, please visit our website at http://www.lglawfirm.com, or about our **Utilities Practice Group**, please visit *http://www.lglawfirm.com/PracticeAreas_Utility.asp*

IRS CIRCULAR 230 NOTICE: To the extent this communication contains a statement relating in any way to federal taxes, that statement is not a "covered opinion" and was not written or intended to be used, and it cannot be used, by any person (I) as a basis for avoiding federal tax penalties that may be imposed on that person, or (II) to promote, market or recommend to another party any transaction or matter addressed herein.

STAFF REPORT

The City of Sherman, along with approximately 154 other cities served by Atmos Energy Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC" or "Steering Committee"). On or about April 1, 2011, Atmos Mid-Tex filed with the City an application to increase natural gas rates pursuant to the Rate Review Mechanism ("RRM") tariff approved by the City as part of the settlement of the Atmos Mid-Tex 2007 Statement of Intent to increase rates. This is the fourth annual RRM filing.

The Atmos Mid-Tex RRM filing sought a $15.7 million rate increase. The City worked with ACSC to analyze the schedules and evidence offered by Atmos Mid-Tex to support its request to increase rates. The Ordinance and attached rate and RRM tariffs are the result of negotiations between ACSC and the Company to resolve issues raised by ACSC during the review and evaluation of ACSC's RRM filing. The Ordinance resolves the Company's RRM filing by authorizing supplemental revenue of $6.6 million to be recovered through the customer charge component of rates to cover direct incremental costs associated with a steel service line replacement program approved as part of last year's rate adjustment. All other relief requested by Atmos Mid-Tex is denied.

The ACSC Settlement Committee and ACSC legal counsel recommend that all ACSC Cities adopt the Ordinance implementing the rate change.

RRM Background:

The RRM tariff was approved by ACSC Cities as part of the settlement agreement to resolve the Atmos Mid-Tex 2007 system-wide rate filing at the Railroad Commission. Atmos Mid-Tex's current action represents an extension to the three-year trial project known as the Rate Review Mechanism ("RRM") process. The RRM process was created collaboratively by ACSC and Atmos Mid-Tex as an alternative to the legislatively authorized GRIP surcharge process. ACSC opposed GRIP because it constituted piecemeal ratemaking, did not allow any reasonableness review, and did not allow participation by cities or recovery of cities' rate case expenses. The RRM process has allowed for a more comprehensive rate review and annual adjustment as a substitute for GRIP filings during the three-year trial period specified by the tariff.

Purpose of the Ordinance:

Rates cannot change and the Settlement Agreement with Atmos Mid-Tex cannot be implemented without passage of rate ordinances by cities. No related matter is pending at the Railroad Commission. The purpose of the Ordinance is to approve rate tariffs ("Attachment A") that reflect the negotiated rate change pursuant to the RRM process and to ratify a Settlement Agreement recommended by the ACSC Settlement Committee and Executive Committee.

As a result of the negotiations, ACSC was able to reduce the Company's requested $15.7 million RRM increase to $6.6 million, allowing only incremental revenues necessary to cover direct costs associated with the steel service line replacement program approved by ACSC Cities in 2010. Approval of the Ordinance will result in the implementation of new rates that increase Atmos Mid-Tex's revenues effective September 1, 2011.

Reasons Justifying Approval of the Negotiated Resolution:

During the time that the City has retained original jurisdiction in this case, consultants working on behalf of ACSC cities have investigated the support for the Company's requested rate increase. While the evidence does not support the $15.7 million increase requested by the Company, ACSC consultants agree that the Company can justify an increase in revenues of $6.6 million, a result consistent with Cities' approval of a steel service line replacement program last year. The agreement on $6.6 million is a compromise between the positions of the parties.

The Settlement Agreement of 2010, which included an extension of the RRM process, included an allowance for recovery of direct costs, excluding overheads, of the steel service line replacement program. Current year recovery factors of $0.15 for residential customers and $0.41 for commercial customers per month were authorized last year. The 2010 Settlement Agreement contemplated that the steel service line replacement program would be adjusted annually, but shall be capped at $0.44 cents for residential customers and $1.22 for commercial customers. The increase in this case is consistent with the caps contemplated last year for the steel service line replacement program, and nothing more.

The alternative to a settlement of the RRM filing would be a contested case proceeding before the Railroad Commission on the Company's current application, would take several months and cost ratepayers millions of dollars in rate case expenses, and would not likely produce a result more favorable than that to be produced by the settlement. The ACSC Settlement Committee recommends that ACSC members take action to approve the Ordinance authorizing new rate tariffs.

Steel Service Line Replacement:

Under pressure from the Railroad Commission to establish a comprehensive program to replace service lines that contain steel, which is subject to corrosion and leaks, ACSC worked with Atmos Mid-Tex in 2010 to establish a risk based approach to steel service line replacement that accomplishes the following goals:

1. Replace all service lines throughout the Mid-Tex Region with the highest degree of risk within two years;

2. Coordination between ACSC city members and Atmos Mid-Tex to minimize disruption of rights of way without compromising safety;

3. To minimize and spread the rate impact on customers of the replacement program, the service lines with little relative risk of leaks should be replaced over a 10-year period; and

4. Current recovery of incremental (above and beyond normal maintenance and repair addressed in RRM proceedings) direct (excluding Atmos Mid-Tex overheads) cost of service line replacement should be permitted as an adder to customer charges.

Fulfillment of these goals in the 2010 case led to $0.15 and $0.41 added to residential and commercial customer charges, respectively. The annual customer charge adder to cover the steel service line replacement program may not exceed $0.44 and $1.22 for residential and commercial customers, respectively, prior to the entry of a Final Order in the next system-wide Statement of Intent rate proceeding.

Changes to Customer Charges:

The Settlement Agreement approved in 2010 contemplated that incremental revenues to cover future steel service line replacement costs would be recovered through customer charges. Consistent with that approach, the $6.6 million in additional revenues to be recovered following passage of the Ordinance is accomplished by increasing customer charges.

The tariffs to be approved by the Ordinance set monthly customer charges at $7.50 and $16.75 for residential and commercial customers, respectively.

The commodity portion of the commercial rate will decline slightly from existing rates.

Explanation of "Be It Ordained" Paragraphs:

1. This paragraph approves all findings in the Ordinance.

2. This section adopts the attached tariffs ("Attachment A") in all respects and finds the rates set pursuant to the attached tariffs to be just, reasonable and in the public interest. Note that only new tariffs or existing tariffs being revised are attached to the Ordinance. Existing tariffs not being changed in any way are not attached to the Ordinance.

3. This section requires the Company to reimburse ACSC for reasonable rate making costs associated with reviewing and processing the RRM application.

4. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.

5. This section is a savings clause, which provides that if any section(s) is later found to be unconstitutional or invalid, that finding shall not affect, impair or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.

6. This section provides for an effective date upon passage.

7. This paragraph directs that a copy of the signed Ordinance be sent to a representative of the Company and legal counsel for ACSC.

8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

ORDINANCE NO. 5706

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC" OR "STEERING COMMITTEE") AND ATMOS ENERGY CORP., MID-TEX DIVISION ("ATMOS MID-TEX" OR "COMPANY") REGARDING THE COMPANY'S FOURTH ANNUAL RATE REVIEW MECHANISM ("RRM") FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; REQUIRING THE COMPANY TO REIMBURSE CITIES' REASONABLE RATEMAKING EXPENSES; PROVIDING FOR A REPEALER; PROVIDING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE STEERING COMMITTEE'S LEGAL COUNSEL; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

WHEREAS, the City is a member of the Atmos Cities Steering Committee ("ACSC" or "Steering Committee"), a coalition of approximately 154 similarly situated cities served by Atmos Mid-Tex that have joined together to facilitate the review of and response to natural gas issues affecting rates charged in the Atmos Mid-Tex service area (such participating cities are referred to herein as "ACSC Cities"); and

WHEREAS, pursuant to the terms of the agreement settling the Company's 2007 Statement of Intent to increase rates, ACSC Cities and the Company worked collaboratively to develop a Rate Review Mechanism ("RRM") tariff that allows for an expedited rate review process controlled in a three-year experiment by ACSC Cities as a substitute to the current GRIP process instituted by the Legislature; and

WHEREAS, the City took action in 2008 to approve a Settlement Agreement with Atmos Mid-Tex resolving the Company's 2007 rate case and authorizing the RRM Tariff; and

WHEREAS, the 2008 Settlement Agreement contemplates reimbursement of ACSC Cities' reasonable expenses associated with RRM applications; and

WHEREAS, the Steering Committee and Atmos Mid-Tex agreed to extend the RRM process in reaching a settlement in 2010 on the third RRM filing; and

WHEREAS, on or about April 1, 2011, the Company filed with the City its fourth annual RRM filing, requesting to increase natural gas base rates by $15.7 million; and

WHEREAS, ACSC coordinated its review of Atmos Mid-Tex's RRM filing by designating a Settlement Committee made up of ACSC representatives, assisted by ACSC attorneys and consultants, to resolve issues identified by ACSC in the Company's RRM filing; and

WHEREAS, independent analysis by ACSC's rate expert concluded that Atmos Mid-Tex is unable to justify an increase over current rates except for undisputed costs of $6.6 million to cover the steel service line replacement program initiated in 2010; and

WHEREAS, the ACSC Settlement Committee, as well as ACSC lawyers and consultants, recommend that ACSC Cities approve the attached rate tariffs (Attachment "A" to this Ordinance), which will increase the Company's revenue requirement by $6.6 million to extend current recovery of incremental direct costs of the steel service line replacement program authorized by ACSC Cities in ordinances passed in 2010; and

WHEREAS, the attached tariffs implementing new rates are consistent with the negotiated resolution reached by ACSC Cities and are just, reasonable, and in the public interest;

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

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

<u>SECTION 2</u>. That the City Council finds the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable and new tariffs, which are attached hereto and incorporated herein as Attachment "A", are just and reasonable and are hereby adopted.

<u>SECTION 3</u>. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC Cities in processing the Company's rate application.

<u>SECTION 4</u>. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

<u>SECTION 5</u>. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

<u>SECTION 6</u>. That this Ordinance shall become effective from and after its passage with rates authorized by attached Tariffs to be effective for bills rendered on or after September 1, 2011.

<u>SECTION 7</u>. That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of David Park, Vice President Rates and Regulatory Affairs, at Atmos Energy Corporation, 5420

LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., P. O. Box 1725, Austin, Texas 78767-1725.

SECTION 8. 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.

INTRODUCED on this the ______________ day of __________________, 2011.

ADOPTED on this the _________________ day of __________________, 2011.

EFFECTIVE DATE on this the _________ day of __________________, 2011.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

BY: ________________________________
BILL MAGERS, MAYOR

APPROVED AS TO FORM
AND CONTENT:

BY: ________________________________
BRANDON S. SHELBY,
CITY ATTORNEY

Attachment "A"

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**R – RESIDENTIAL SALES**	
APPLICABLE TO:	**All Cities except the City of Dallas**	
EFFECTIVE DATE:	**Bills Rendered on or after 9/1/2011**	

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

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

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

Charge	Amount
Customer Charge per Bill	$ 7.50 per month
Commodity Charge – All Mcf	$ 2.5116 per Mcf

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

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

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

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

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

Agreement
An Agreement for Gas Service may be required.

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

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**C – COMMERCIAL SALES**	
APPLICABLE TO:	**All Cities except the City of Dallas**	
EFFECTIVE DATE:	**Bills Rendered on or after 9/1/2011**	

Application
Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 3,000 Mcf.

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

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

Charge	Amount
Customer Charge per Bill	$ 16.75 per month
Commodity Charge - All Mcf	$ 1.0217 per Mcf

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

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

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

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

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

Agreement
An Agreement for Gas Service may be required.

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

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**All Cities except the City of Dallas**	
EFFECTIVE DATE:	**Bills Rendered on or after 9/1/2011**	

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

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

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

Charge	Amount
Customer Charge per Meter	$ 450.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.2750 per MMBtu
Next 3,500 MMBtu	$ 0.2015 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.0433 per MMBtu

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

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

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

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

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

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**All Cities except the City of Dallas**	
EFFECTIVE DATE:	**Bills Rendered on or after 9/1/2011**	

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

Agreement
An Agreement for Gas Service may be required.

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

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

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**All Cities except the City of Dallas**	
EFFECTIVE DATE:	**Bills Rendered on or after 9/1/2011**	

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

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

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

Charge	Amount
Customer Charge per Meter	$ 450.00 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.2750 per MMBtu
Next 3,500 MMBtu	$ 0.2015 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.0433 per MMBtu

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

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

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

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

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

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

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**All Cities except the City of Dallas**	
EFFECTIVE DATE:	**Bills Rendered on or after 9/1/2011**	

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

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

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

Agreement
A transportation agreement is required.

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

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

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. B.3

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5707
Amending Ordinance No. 5694; Establishing Maximum, Reasonable, and Prudent Rates of Speed on Certain Portions of S.H. 289 in the City of Sherman; Fixing Penalties for Violation Thereof; Declaring an Emergency

Issue
To revise Ordinance No. 5694, which provided for a speed limit on a portion of S.H. 289 at 70 miles per hour during day-time hours and at 65 miles per hour during night-time hours, to include specific verbiage required by the Texas Department of Transportation (TxDOT)

Background
At the May 16, 2011 City Council Meeting, the Council approved Ordinance No. 5694, which provided for a speed limit on a portion of S.H. 289 at 70 miles per hour during day-time hours and at 65 miles per hour during night-time hours. On July 21, 2011, the City Manager was advised by TxDOT that, as this is a statewide maximum speed limit, certain verbiage should have been included in Ordinance No. 5694. This agenda item is simply an administrative action to modify Ordinance No. 5694 in order to comply with the State requirements. There are no substantive changes to the Ordinance.

Origination
Texas Department of Transportation

Financial Consideration
None

Staff Recommendation
Approval of the attached ordinance

Alternatives
As may be directed by the City Council

Attachments
Notification from TxDOT dated July 21, 2011
Ordinance No. 5707
TxDOT Speed Zone Illustration
Ordinance No. 5694
Exhibit "A" – Location Map

Prepared by:
Don Keene, Exec. Director – Planning & Public Works

Approved by:
George Olson, City Manager

Cloer, Pam

From:	Kim Walker [Kim.Walker@txdot.gov]
Sent:	Thursday, July 21, 2011 3:08 PM
To:	Cloer, Pam
Subject:	Ordinance 5694

Due to this is statewide maximum speed limit the following verbiage needs to be included in your ordinance between night-time and to the south " as Authorized by Transportation Commission Minute Order 112694" that allows you to pass an ordinance with a statewide maximum speed in it and enforce it in that area. The city can add it by amendment to this ordinance or a new ordinance which ever is easier for you guys. If you do it by amendment you can just e-mail me a copy to add to the file, if it is done by a new ordinance I will need 2 copies of the new ordinance. Thanks

===

ORDINANCE NO. 5707

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ORDINANCE NO. 5694; ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ON CERTAIN PORTIONS OF S.H. 289 IN THE CITY OF SHERMAN; FIXING PENALTIES FOR VIOLATION THEREOF; DECLARING AN EMERGENCY; 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.

WHEREAS, *by authority and direction of the City Council of the City of Sherman, Texas, an engineering and traffic study and survey have been made by the Transportation Operations Office of the Texas Department of Transportation to determine the maximum, reasonable and prudent speeds for vehicles traveling upon the following named streets and highways and parts thereof, to facilitate the most effective use of said streets and highways and the safe and effective movement of vehicular traffic thereon; and*

WHEREAS, *such study and survey establishes, and it is so found by the City Council of the City of Sherman, Texas, that the following are the maximum, reasonable and prudent rates of speed for vehicular traffic upon said streets and highways and parts thereof;*

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

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

> On S.H. 289 from the City of Sherman city limit line north of U.S. Highway 82 in a southerly direction for a distance of approximately 0.323 miles, a speed limit of seventy (70) miles per hour during the day-time and sixty-five (65) miles per hour during the night-time to the south city limits line of the City of Sherman, Texas, *as authorized by Transportation Commission Minute Order 112694 and as evidenced by the attached, which is hereby approved and made a part hereof.*

SECTION 2. That any person violating the provisions of this ordinance shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine not exceeding FIVE HUNDRED AND NO/100 DOLLARS ($500.00).

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

SECTION ~~3~~ *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 ~~4~~ *5*. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION ~~5~~ *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 __________________, 2011.

ADOPTED on this the _________________ day of __________________, 2011.

EFFECTIVE DATE on this the _________ day of __________________, 2011.

CITY OF SHERMAN, TEXAS

BY: ________________________________
BILL MAGERS, MAYOR

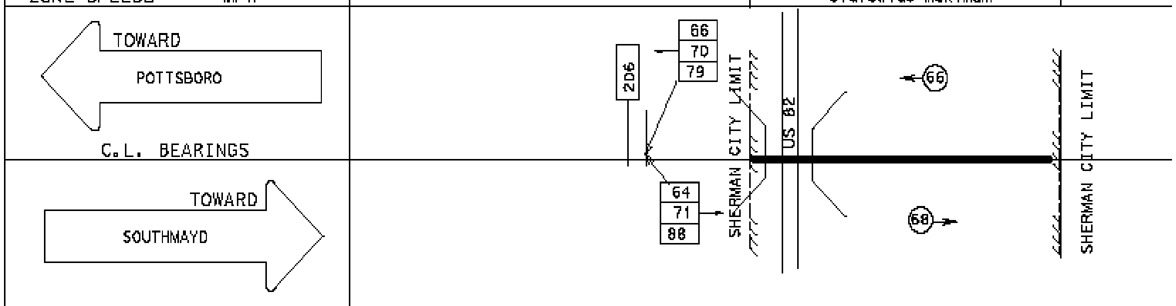
ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: ________________________________
BRANDON S SHELBY,
CITY ATTORNEY

		CON SEC 0091-01 / MP 17.384	MP 17.707
DEVELOPMENT		SHERMAN, INC	
RES. SIGHT DISTANCE		POP 35,082	
BALL BANK or ADVISORY SPEED		CENSUS 2000	
CURVES OVER 2°			
GRADES OVER 3%			
SURFACE WIDTH AND TYPE			
R.O.W. AND RDBD. WIDTH			
ACCIDENTS			
ZONE LENGTHS MILE		0.323 MILES	
ZONE SPEEDS MPH	statewide maximum	statewide maximum	stat



ZONE SPEEDS MPH	statewide maximum	statewide maximum	state
ZONE LENGTHS MILE		0.323 MILES	
ACCIDENTS 2010			
R.O.W. AND RDBD WIDTH			
SURFACE WIDTH AND TYPE	46' ACP 2" ONE CST PRIME COAT FLEX BASE 5" CEMENT TREAT BASE 6" LIME TTREAT TR		
GRADES OVER 3%			
CURVES OVER 2°			
BALL BANK or ADVISORY SPEED			
RES. SIGHT DISTANCE			
DEVELOPMENT	POOR VISUAL TO TURNING TRAFFIC		

DIST. # 01 PARIS COUNTY GRAYSON

HIGHWAY SH 289 CITY SHERMAN

DATE OF SURVEY 05/17/2010 SCALE 10" = 1 MILE

MINUTE NO.	DATE	/ /
REPLACES	DATE	/ /
REPLACED BY	DATE	/ /
CANCELED BY	DATE	/ /

LIMITS OF ZONE

SECTION ONE	LENGTH 0.323 MILES			SECTION TWO	LENGTH MILES		
	STA. OR M.P.	CONT. & SECT.	PROJECT		STA. OR M.P.	CONT. & SECT.	PROJECT
BEGINS	MP 17.384	CS 0091-01		BEGINS			
	STA. OR M.P.	CONT. & SECT.	PROJECT		STA. OR M.P.	CONT. & SECT.	PROJECT
ENDS	MP 17.707	CS 0091-01		ENDS			

CORRE

42
62
125

85 PERCENTILE SPEED
TOP SPEED MEASURED
NUMBER OF CARS CHECKED

FATAL ACCIDENT

PERSONAL INJURY ACCIDENT

PROPERTY DAMAGE ACCIDENT

INDICATES SECTION ZONED BY COMMISSION MINUTE

P

ORDINANCE NO. 5694

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ON CERTAIN PORTIONS OF S.H. 289 IN THE CITY OF SHERMAN; FIXING PENALTIES FOR VIOLATION THEREOF; 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 no person shall drive a vehicle upon a public road, street or highway in the City of Sherman, Texas, at a speed that is greater than is reasonable and prudent under the conditions and circumstances then existing. Except, when a special hazard exists that requires lower speeds for compliance with the above requirement, the limits hereinafter set out shall be lawful, but any speed in excess of the limits as hereinafter set out for streets and highways and portions thereof to which they apply shall be prima facie evidence that the speed is not reasonable or prudent:

On S.H. 289 from the City of Sherman city limit line north of U.S. Highway 82 in a southerly direction for a distance of approximately 0.323 miles, a speed limit of seventy (70) miles per hour during the day-time and sixty-five (65) miles per hour during the night-time to the south city limits line of the City of Sherman, Texas.

SECTION 2. That any person violating the provisions of this ordinance shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine not exceeding FIVE HUNDRED AND NO/100 DOLLARS ($500.00).

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 or 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 16th day of May, 2011.

ADOPTED on this the 16th day of May, 2011.

EFFECTIVE DATE on this the 16th day of May, 2011.

CITY OF SHERMAN, TEXAS

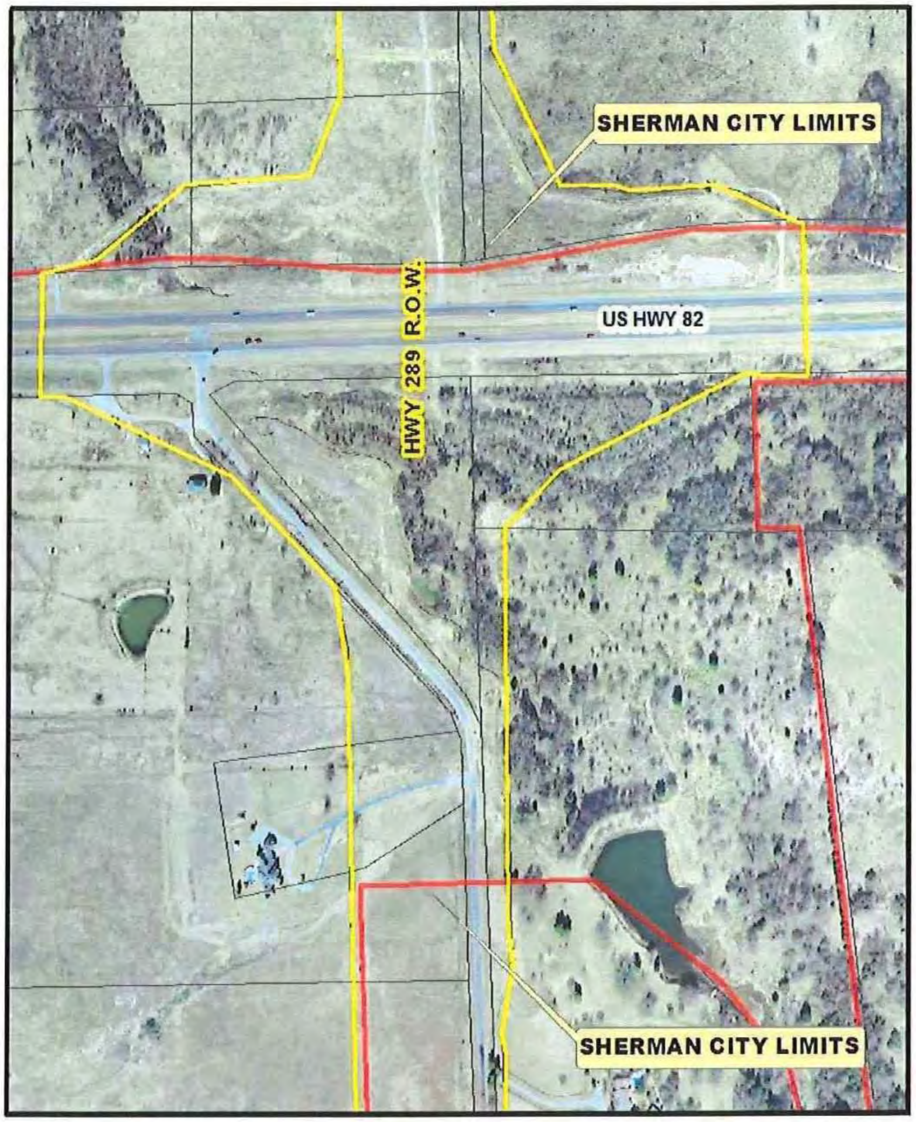
BY: ______________________
BILL MAGERS, MAYOR

ATTEST:

BY: ______________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: ______________________
BRANDON S SHELBY, CITY ATTORNEY



City of Sherman, Texas
Engineering Department

SHERMAN CITY LIMITS AT INTERSECTION
OF HWY 82 AND HWY 289

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. B.4

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5708
Establishing Maximum, Reasonable, and Prudent Rates of Speed on Certain Portions of F.M. Highway 1417 in the Corporate Limits of Sherman, Grayson County, Texas; Fixing Penalties for Violation Thereof; Declaring an Emergency

Issue
The Texas Department of Transportation (TxDOT) is requesting a fifty-five miles per hour (55 mph) speed zone on a segment of F.M. Highway 1417.

Background
TxDOT has previously performed an engineering and traffic study and survey to determine the maximum, reasonable and prudent speeds for vehicles traveling upon the roadway of F.M. Highway 1417 east between the Texas Northeastern railroad tracks and the U.S. Highway 82 frontage road, within the City limits on the east side of Sherman. Subsequently, TxDOT is requesting the City Council establish by ordinance a 55 mph speed zone on F.M. Highway 1417, from Sherman's city limits at the Texas Northern railroad tracks northward to the intersection with the south frontage road of U.S. Highway 82. The new ordinance is necessary because the designation of the stretch of roadway between Highway 56 east and the U.S. Highway 82 access road has been changed by TxDOT (from the Highway 82 bypass to F.M. Highway 1417). There will be no change in the speed limit, only a change in the designation of the roadway segment. The naming change will allow the ordinance to be enforceable in court cases.

Origination
Texas Department of Transportation

Financial Consideration
None

Staff Recommendation
It is recommended that TxDOT's recommended speed zone of 55 mph on the stated portion of F.M. Highway 1417 be approved.

Alternatives
As may be directed by the City Council

Attachments
Request from TxDOT dated July 22, 2011
Ordinance No. 5708
TxDOT Speed Zone Illustration
Location Map

Prepared by:
Mark Gibson, Engineering & Public Works Director

Approved by:
George Olson, City Manager

Texas Department of Transportation
1365 North Main Street•Paris, Texas 75469•(903) 737-9498

July 22, 2011

Mr. George Olson
City Manager, City of Sherman
P.O. Box 1106
Sherman, TX 75091

Dear Mr. Olson:

Our District Traffic Office has completed a study on FM 1417 between SH 56 and US 82 Frontage road due to the new construction we need to submit to you a new ordinance to cover the new constructed roadway. There will be no change in speeds. Attached is a sample speed zoning ordinance covering the proposed speed zone. The sample ordinance may be used in its present form, or may be rewritten, using the distances and speed limits given.

Please present the proposed speed zoning plan to the city council for their review and passage of the required ordinance. When approved, **two (2) signed and sealed original copies of the completed ordinance should be sent to this office at the above address.**

If you have any questions contact Kim Walker in the District Traffic Office at 903-737-9344 or at Kim.Walker@txdot.gov .

Sincerely,

Darius Samuels, P.E.
Traffic Engineer

DLS:akw
Attachments
Cc: David Selman
DTO file

ORDINANCE NO. 5708

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ON CERTAIN PORTIONS OF F.M. HIGHWAY 1417 IN THE CORPORATE LIMITS OF SHERMAN, GRAYSON COUNTY, TEXAS; FIXING PENALTIES FOR VIOLATION THEREOF; DECLARING AN EMERGENCY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, by authority and direction of the City Council of the City of Sherman, Texas, an engineering and traffic study and survey have been made by the Transportation Operations Office of the Texas Department of Transportation to determine the maximum, reasonable and prudent speeds for vehicles traveling upon the following named streets and highways and parts thereof, to facilitate the most effective use of said streets and highways and the safe and effective movement of vehicular traffic thereon; and

WHEREAS, such study and survey establishes, and it is so found by the City Council of the City of Sherman, Texas, that the following are the maximum, reasonable and prudent rates of speed for vehicular traffic upon said streets and highways and parts thereof;

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

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

> On F.M. Highway 1417, southerly from the north city limits of Sherman for a distance of approximately 0.432 miles, a speed limit of fifty-five (55) miles per hour at all times to the intersection with the south frontage road of U.S. Highway 82, as evidenced by the attached, which is hereby approved and made a part hereof.

<u>SECTION 2</u>. That any person violating the provisions of this ordinance shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine not exceeding FIVE HUNDRED AND NO/100 DOLLARS ($500.00).

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

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

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

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

INTRODUCED on this the ______________ day of __________________, 2011.

ADOPTED on this the _________________ day of __________________, 2011.

EFFECTIVE DATE on this the _________ day of __________________, 2011.

CITY OF SHERMAN, TEXAS

BY: ________________________________
BILL MAGERS, MAYOR

ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: ________________________________
BRANDON S SHELBY,
CITY ATTORNEY

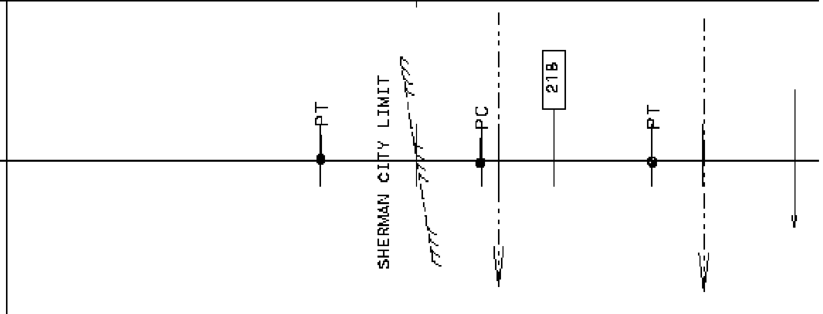
		SHERMAN, INC.
DEVELOPMENT		POP. 38,521
RES. SIGHT DISTANCE		CENSUS 2010
BALL BANK or ADVISORY SPEED		
CURVES OVER 2°		
GRADES OVER 3%		
SURFACE WIDTH AND TYPE		
R.O.W. AND RDBD. WIDTH		
ACCIDENTS		
ZONE LENGTHS MILE		0.432 MILES
ZONE SPEEDS MPH	55 MPH	55 MPH

CON SEC 2453-02
MP 6.795

TOWARD SHERMAN

C.L. BEARINGS

TOWARD END OF ROAD WAY



ZONE SPEEDS MPH		55 MPH
ZONE LENGTHS MILE		0.432 MILES
ACCIDENTS 2010	NONE	
R.O.W. AND RDBD WIDTH		240-
SURFACE WIDTH AND TYPE		44' FLEX BASE (6') & 2 CST
GRADES OVER 3%		2- TWO CST 9' SHLD
CURVES OVER 2°		2 12' TRVL LNS
BALL BANK or ADVISORY SPEED		
RES. SIGHT DISTANCE		
DEVELOPMENT		

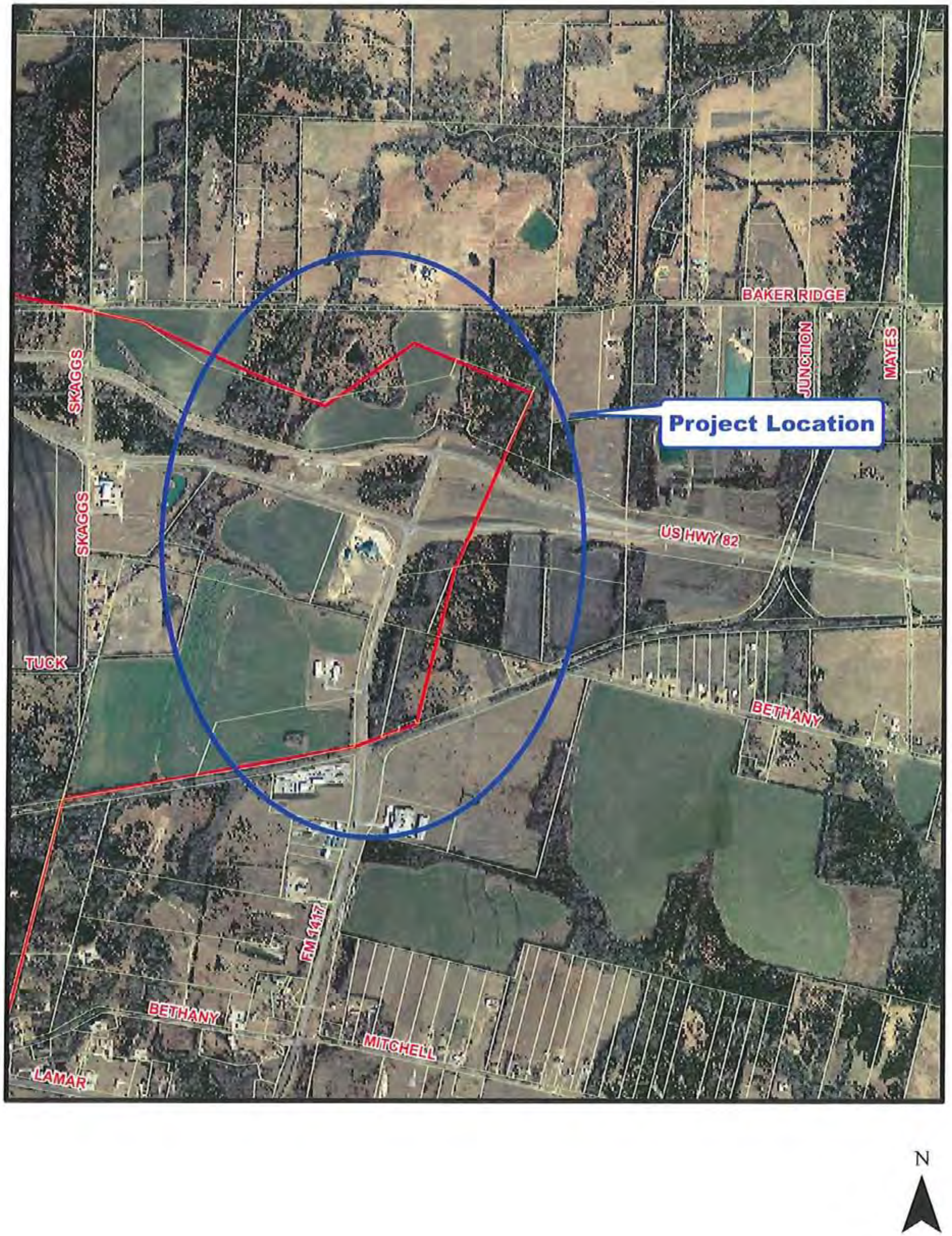
DIST. # 01 PARIS	COUNTY GRAYSON	MINUTE NO.	DATE / /
HIGHWAY FM 1417	CITY SHERMAN	REPLACES	DATE / /
		REPLACED BY	DATE / /
DATE OF SURVEY 06/21/2011	SCALE 10" - 1 MILE	CANCELED BY	DATE / /

LIMITS OF ZONE

SECTION ONE		LENGTH	MILES	SECTION TWO		LENGTH	MILES
	STA. OR M.P.	CONT. & SECT.	PROJECT		STA. OR M.P.	CONT. & SECT.	PROJECT
BEGINS				BEGINS			
	STA. OR M.P.	CONT. & SECT.	PROJECT		STA. OR M.P.	CONT. & SECT.	PROJECT
ENDS				ENDS			

42 85 PERCENTILE SPEED
62 TOP SPEED MEASURED
125 NUMBER OF CARS CHECKED

FATAL ACCIDENT
PERSONAL INJURY ACCIDENT
PROPERTY DAMAGE ACCIDENT
INDICATES SECTION ZONED BY COMMISSION MINUTE


BAKER RIDGE
SKAGGS
JUNCTION
MAYES
Project Location
SKAGGS
US HWY 82
TUCK
BETHANY
FM 1417
BETHANY
MITCHELL
LAMAR
N

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. B.5

ADOPTION OF ORDINANCES
Consider Adoption of Ordinance Numbers: 5706, 5707 and 5708

B.2 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5706
Approving a Negotiated Resolution between the Atmos Cities Steering Committee ("ACSC" or "Steering Committee") and Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company") regarding the Company's Fourth Annual Rate Review Mechanism ("RRM") Filing in all Cities Exercising Original Jurisdiction; Declaring Existing Rates to be Unreasonable; Adopting Tariffs that Reflect Rate Adjustments Consistent with the Negotiated Settlement and Finding the Rates to be Set by the Attached Tariffs to be Just and Reasonable; Requiring the Company to Reimburse Cities' Reasonable Ratemaking Expenses; Declaring an Effective Date; Requiring Delivery of this Ordinance to the Company and the Steering Committee's Legal Counsel

B.3 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5707
Amending Ordinance No. 5694; Establishing Maximum, Reasonable, and Prudent Rates of Speed on Certain Portions of S.H. 289 in the City of Sherman; Fixing Penalties for Violation Thereof; Declaring an Emergency

B.4 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5708
Establishing Maximum, Reasonable, and Prudent Rates of Speed on Certain Portions of F.M. Highway 1417 in the Corporate Limits of Sherman, Grayson County, Texas; Fixing Penalties for Violation Thereof; Declaring an Emergency

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. B.6

CONSENT AGENDA

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

C.3 **** RESOLUTION NO. 5595***
Declaring the City of Sherman's Eligibility and Intention to Renew its Tax Abatement Program to Promote Development/Redevelopment in the Central Business District of the City; Establishing Guidelines and Criteria

C.5 **** RESOLUTION NO. 5597***
Accepting the Contract with Tri-Con Services, Inc. as Complete for Construction of the Sherman Highway 75 North Sewer Contract "B"

D.2 **** OTHER BUSINESS***
Approve Quarterly Investment Reports for Period Ending June 30, 2011

D.3 **** OTHER BUSINESS***
Consider Calling a Special Meeting of the City Council for Tuesday, September 6, 2011, due to Conflict with a Federal Holiday

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. C.1

RESOLUTION NO. 5593
Authorizing the Acceptance and Recordation of a Gift Deed Without Warranty from A-S 78 Hwy 82-Pecan Grove, L.P., a Texas Limited Partnership, Conveying a 0.698 Acre Tract of Land in the J.B. McAnair Survey, Abstract No. 763, for Public Use and Utility Purposes, being the Construction of a Road between Canyon Grove Road and the U.S. Highway 82 Frontage Road

Issue
The Council is being asked to consider the acceptance of land for public use for the construction of a road between Canyon Grove Road and the U.S. Highway 82 Frontage Road. The right-of-way is being dedicated by A-S 78 Hwy 82-Pecan Grove, L.P.

Background
This portion of right-of-way is needed for a TxDOT road construction project.

Origination
Planning & Public Works

Financial Consideration
None

Staff Recommendation
It is recommended that the City accept by resolution the right-of-way dedication.

Alternatives
As may be directed by the City Council

Attachments
Resolution No. 5593
Gift Deed (without Warranty)
Project Location Map/Aerial

Prepared by:
Don Keene, Exec. Dir. of Planning & Public Works

Approved by:
George Olson, City Manager

RESOLUTION NO. 5593

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ACCEPTANCE AND RECORDATION OF A GIFT DEED WITHOUT WARRANTY FROM A-S 78 HWY 82-PECAN GROVE, L.P., A TEXAS LIMITED PARTNERSHIP, CONVEYING A 0.698 ACRE TRACT OF LAND IN THE J.B. MCANAIR SURVEY, ABSTRACT NO. 763, FOR PUBLIC USE AND UTILITY PURPOSES, BEING THE CONSTRUCTION OF A ROAD BETWEEN CANYON GROVE ROAD AND THE U.S. HIGHWAY 82 FRONTAGE ROAD; 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 documents being property completed and approved as to form and content by the City Attorney, to accept and record in the Grayson County Deed Records a Gift Deed Without Warranty from A-S 78 Hwy 82-Pecan Grove, L.P., a Texas Limited Partnership, conveying a 0.698 acre tract of land in the J.B. McAnair Survey, Abstract No. 763, for public use and utility purposes, being the construction of a road between Canyon Grove Road and the U.S. Highway 82 Frontage Road, in accordance with all contract documents attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED this the _______ day of ____________________, 2011.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ______________________________ **BY:** ______________________________

LINDA ASHBY, CITY CLERK **BILL MAGERS, MAYOR**

APPROVED AS TO FORM AND CONTENT:

BY: ______________________________

BRANDON S. SHELBY,
CITY ATTORNEY

GIFT DEED

STATE OF TEXAS	§	
	§	**KNOW ALL MEN BY THESE PRESENTS THAT:**
COUNTY OF GRAYSON	§	

A-S 78 HWY 82 – PECAN GROVE, L.P., a Texas limited partnership ("**GRANTOR**"), for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, subject to the exceptions, liens, encumbrances, terms and provisions hereinafter set forth and described, has GIVEN, GRANTED, TRANSFERRED and CONVEYED, and by these presents does hereby GIVE, GRANT, TRANSFER and CONVEY, unto **THE CITY OF SHERMAN, TEXAS**, a Texas home-rule municipal corporation ("**GRANTEE**"), for public use upon and across, over and through the land of **GRANTOR** lying and being situated in Grayson County, Texas, and being a 0.698 acre tract as further described in Exhibit "A" and shown in Exhibit "B" and made a part hereof for all purposes (the "**PROPERTY**").

AS FURTHER CONSIDERATION, the **GRANTOR** herein conveys unto **GRANTEE** the surface only which shall permit all public use and utility purposes and do expressly reserve all mineral and royalty interests now in **GRANTOR'S** possession and ownership.

This conveyance is made and accepted subject and subordinate to (i) any and all matters affecting the state of title to the **PROPERTY**, whether or not recorded in the appropriate public records of the aforesaid county or visible or apparent from an inspection of the **PROPERTY**, and (ii) all zoning, building and other laws, regulations and ordinances of any and all municipal, governmental and quasi governmental bodies and agencies having jurisdiction over the **PROPERTY** or any part thereof (collectively, the "**PERMITTED EXCEPTIONS**").

If, after two (2) years from the date of this conveyance, the **PROPERTY** has not been utilized for public use as intended herein, all rights conveyed herein to **GRANTEE** shall revert to **GRANTOR**. This **RIGHT OF REVERTER** shall be subject to **GRANTEE'S** option to extend the rights granted through this conveyance for an additional one (1) year term (but not more) subject to the rights and exceptions described herein.

TO HAVE AND TO HOLD the **PROPERTY**, together with all and singular the rights, benefits, privileges, easements, tenements, hereditaments, appurtenances and interests thereon or in anywise appertaining thereto, subject to the **PERMITTED EXCEPTIONS** as aforesaid, unto **GRANTEE**, and **GRANTEE'S** successors and assigns, forever, provided this conveyance is made by **GRANTOR** and accepted by **GRANTEE**, without warranty, express or implied, of any kind whatever.

EXECUTED as of the 25th day of July, 2011.

GRANTOR:

A-S 78 HWY 82 – PECAN GROVE, L.P.,
a Texas limited partnership

By: A-S 78, L.C., a Texas limited liability company, its General Partner

By: ______________________
Steven D. Alvis
Manager-Member

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on July 25, 2011, by Steven D. Alvis, as Manager-Member of A-S 78, L.C., a Texas limited liability company, in its capacity as the general partner of A-S 78 HWY 82-Pecan Grove, L.P., a Texas limited partnership, on behalf of said limited partnership.

NANCEE OST
Notary Public, State of Texas
My Commission Expires
April 17, 2013

____
Notary Public, State of Texas

GRANTEE'S ADDRESS FOR TAX NOTICES:

City of Sherman, Texas

____
____
____

S:\Real Estate\NewQuest\Sherman Town Center\Gift Deed to City.doc

EXHIBIT A

PROPERTY DESCRIPTION

Situated in the City of Sherman, Grayson County, Texas, being a part of the J.B. McAnair Survey, Abstract No. 763, being a part of the 10.831 acre tract of land conveyed to A-S 78 Hwy 82-Pecan Grove, L.P. by deed of record in Volume 3892, Page 772, of the Official Public Records, Grayson County, Texas, an being more particularly described as follows:

Commencing in the south line of Canyon Grove Road at the most northerly northeast corner of said 10.831 acre tract;

Thence South 74°50'59" West with the south line of said Canyon Grove Road, a distance of 296.05 feet to the northeast corner of the herein described tract, the **True Point-of-Beginning;**

Thence over and across said 10.831 acre tract the following calls and distances:

South 42°15'44" West a distance of 36.79 feet to a set 1/2" steel rod;

Along a non-tangent curve to the right having a radius of 690.00 feet and an arc length of 112.14 feet (chord bears South 06°50'19" East 112.02 feet) to a set 1/2" steel rod;

South 02°10'58" East a distance of 371.07 feet to a 1/2" steel rod set in the north right-of-way line of U.S. Highway No. 82 for the southeast corner of the herein described tract;

Thence in a westerly direction along a non-tangent curve to the left having a radius of 8,769.37 feet and an arc length of 60.01 feet (chord bears South 87°01'25" West 60.01 feet) to a 1/2" steel rod set for the southwest corner of the herein described tract;

Thence over and across said 10.831 acre tract the following calls and distances:

North 02°10'58" West a distance of 371.90 feet to a set 1/2" steel rod;

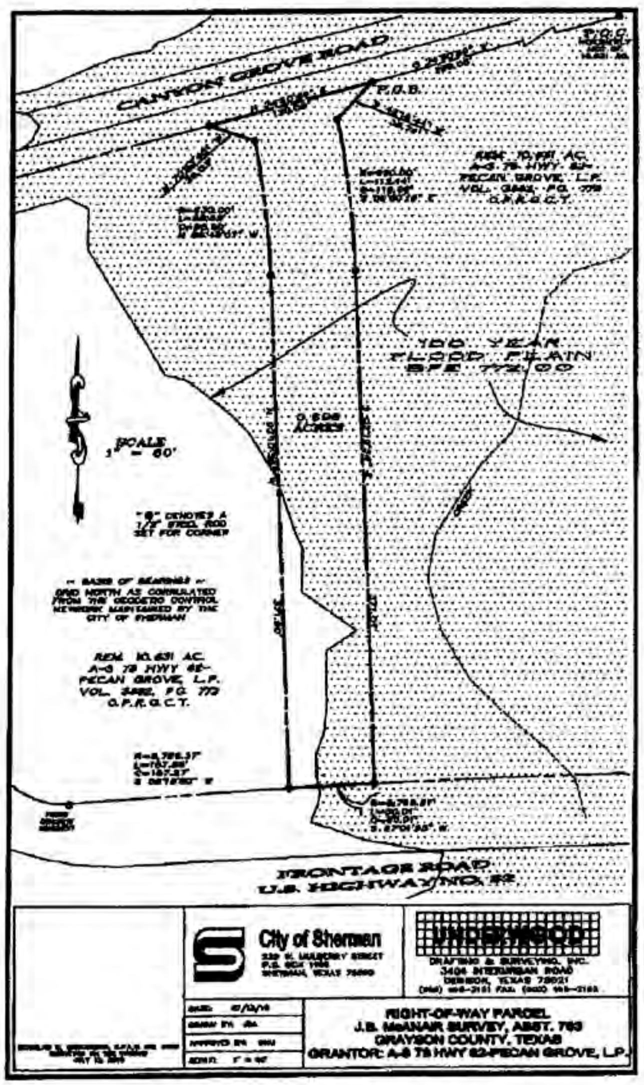
Along a curve to the left having a radius of 630.00 feet and an arc length of 98.65 feet (chord bears North 06°40'07" West 98.65 feet) to a set 1/2" steel rod;

North 70°53'45" West a distance of 35.03 feet to a 1/2" steel rod set in the south line of said Canyon Grove Road for the northwest corner of the herein described tract;

Thence North 74°50'59" East with said south line, a distance of 120.08 feet to the **Point-of-Beginning** and containing **0.698 acres of land.**

EXHIBIT B

PROPERTY DEPICTION




TOWN CENTER
Project Location
CANYON GROVE
US HWY 82
BUCK OWENS
BUCK OWENS
US HWY 75
TRAVIS
ATKINSON
CORNERSTONE

[redacted]

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. C.2

RESOLUTION NO. 5594

Authorizing the Execution of an Ambulance Service Agreement with Grayson County for the Period of October 1, 2011, through September 30, 2012

Issue

To consider approval of an agreement between the City of Sherman and Grayson County regarding the provision of Emergency Medical Services within the County during the one-year period of October 1, 2011, through September 30, 2012, with an option to extend the agreement for an additional one-year term. Any extension shall be made at least three months prior to the scheduled termination date.

Background

The Sherman Fire Department provides Emergency Medical Services within certain areas of Grayson County, per an annual contract.

Origination

Grayson County and the City of Sherman

Financial Consideration

The City will receive $107,971.00 for fiscal year (FY) 2012. The County will pay the City the annual amount in equal quarterly payments in advance. This agreement does not include an automatic increase based on the Consumer Price Index (CIP).

Staff Recommendation

Approve the one-year agreement to provide ambulance services to the County from October 1, 2011, through September 30, 2012, with an option to extend the agreement for a one-year period.

Alternatives

As directed by Council

Attachments

Letter from County Judge Drue Bynum dated July 11, 2011
Resolution No. 5594
Agreement for Ambulance Services

Prepared by:
Jeffrey J. Jones, Fire Chief

Approved by:
George Olson, City Manager

RECEIVED
JUL 1 3 2011
BY:

Drue Bynum
Grayson County Judge

July 11, 2011

City Of Sherman
P.O. Box 1106
Sherman, TX 75091-1106

It is budget time for all of us and our Agreement for Ambulance Services is expiring. We all love this time of the year! Do more with less seems to be the national motto.

First, please accept our thanks for the ambulance service provided over the last two years. We appreciate the difficult tasks and challenges you have faced.

We are happy with the contract document we've had in place the last few years and would like to execute a new one with only minor modifications. With the budget constraints presented to the County, we will not include an automatic CPI increase.

The attached Agreement for Ambulance Services is for a one year period at the current consideration. I need this executed and returned to my office before July 25, 2011, to allow our budget process to fund it.

Feel free to call if you have any questions.

Respectfully,

Drue Bynum
County Judge

DB:cab

enclosure

100 W. Houston, Suite 15 • Sherman, Texas 75090
Office: 903 813-4228 • Fax: 903 892-4085
Email: bynumd@co.grayson.tx.us

RESOLUTION NO. 5594

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN AMBULANCE SERVICE AGREEMENT WITH GRAYSON COUNTY FOR THE PERIOD OF OCTOBER 1, 2011, THROUGH SEPTEMBER 30, 2012; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the Mayor be and is hereby authorized and directed, subject to any and all documentation being properly completed and approved as to form and content by the City Attorney, to enter into an Agreement for Ambulance Services with Grayson County for the period of October 1, 2011, through September 30, 2012.

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 ________________, 2011.

CITY OF SHERMAN, TEXAS

BY: ______________________________
BILL MAGERS, MAYOR

ATTEST:

BY: ______________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: ______________________________
BRANDON S. SHELBY,
CITY ATTORNEY

STATE OF TEXAS

COUNTY OF GRAYSON

AGREEMENT FOR AMBULANCE SERVICES

The Agreement for Ambulance Services (the "Agreement"), dated this 1st day of October, 2011, by and between Grayson County, Texas, (the "County"), and City of Sherman, a duly licensed Texas EMS ambulance provider (the "Contractor").

Whereas, County has a tradition of Contractor and other providers being important participants in the Emergency Medical Services ("EMS") system in Grayson County; and

Whereas, Contractor desires to provide emergency medical services to the County for the rural citizens of the City of Sherman; and

Whereas, Contractor desires certain funding from the County to enable it to provide such emergency medical services.

NOW, THEREFORE, in consideration of the premises and the mutual promises herein contained, the parties agree as follows:

I. Description of Contractor Services and Services Area

During the term of this Agreement, contractor agrees to furnish ambulance and emergency medical services to rural residents of the Sherman ambulance district, the service area shown in the attached Exhibit A. It being understood and agreed that the Contractor may provide ambulance and emergency medical services 7 days a week, 24 hours a day to persons requiring service within the municipal boundaries of any city within the District, and will for persons requiring services in the unincorporated County portions of the District service area.

The Contractor shall manage all day-to-day operations, including field operations, dispatch, billing, collections, purchasing and other operational functions. The Contractor will negotiate all mutual aid agreements, maintain all facilities and equipment, hire/fire and provide or arrange for in-service training of all field personnel, manage all billing and collection functions, provide reports to the County, cooperate with and respond to the County on matters related to patient care, and generally manage all aspects of the ambulance system operations. The services to be provided will comply with all applicable county, state, and federal laws, regulations and ordinances in effect on the date that such Emergency Medical Services are performed by Contractor.

II. Employee Certifications

All persons employed or used by the Contractor in the performance of work under this Agreement shall hold all required and appropriate professional certifications, permits and/or licenses.

III. Standards for Vehicles and Equipment Maintenance

Contractor shall: Maintain and meet current vehicle specifications as specified by the *Federal Specification Ambulance Emergency Medical Care Vehicle* as published by the *General Service Administration, Department of Transportation Federal Specification KKK 1822,* requirements as set forth by the *Texas Department of Health;*

Equip each ambulance with all items for operations as required for the licensed level of service by the *Texas Department of Health;*

Provide motor vehicles used for providing ambulance service designed to transport ill, sick, or injured persons in comfort and safety. Vehicles shall be maintained in a clean, sanitary and first class mechanical condition at all times, in compliance with all applicable state of federal standards for ambulances.

IV. Disaster Assistance

During a declared disaster (locally or in a neighboring jurisdiction) Contractor shall follow the County Emergency Management Plans and commit such resources as are necessary and appropriate given the nature of the disaster.

V. Outside Work

Contractor shall not be prohibited from doing other work provided the services do not interfere with Contractor's primary responsibility for EMS response and transport within the assigned ambulance district.

VI. Medical Director

Contractor shall be responsible for State requirements for provider organizations regarding Medical Directors and their role in purchasing controlled drugs and other controlled supplies, as well as for issuing and signing written standing orders.

VII. Consideration

For consideration of the provision of ambulance and emergency medical services delineated in this agreement, the County agrees to pay, for the duration of this Agreement, an annual subsidy of $107,971.00, quarterly in advance:

October 1	$26,992.75
January 1	$26,992.75
April 1	$26,992.75
July	$26,992.75
Annual	$107,971.00

VIII. Charges for Services

Any billing and collection procedures used will be developed by the Contractor. The County does not require nor shall it be responsible for any billing or collection for services provided under this Agreement.

The service rate for all 911 and non-emergency transports shall be set by the Contractor without consideration and approval from the County. Rates for services will be provided to the County by the Contractor and any change will require notification within thirty days of the change.

IX. County Ambulance Data Requirements

Contractor shall provide to the County operating reports in a form included as Exhibit B. to this Agreement.

X. Insurance

Throughout the term of this agreement, and any extensions thereof, Contractor shall procure, pay for, and maintain insurance coverage for the provision of ambulance service. Copies of this insurance shall be evidenced by delivery to the County of certificates of insurance, including general and professional medical and automobile liability.

XI. Cooperation with Other EMS Providers

Contractor agrees to exchange appropriate and pertinent information with other EMS providers, including service areas, primary locations and numbers of ambulances available for immediate response.

XII. Term of Agreement and Renewal Provisions

Unless mutually initiated, canceled, extended or terminated earlier, this Agreement shall commence at **12:01 A.M. on October 1, 2011** and terminate at **midnight, September 30, 2012.**

It is understood and agreed that this Agreement may be extended for additional one-year terms by agreement of the parties. Any decision regarding possible renewal of this Agreement or any extension shall be made at least three months prior to the scheduled termination date.

XIII. Amendment and Modification

Any alterations or deletions to the terms of this Agreement shall be by written amendment executed by both parties to this agreement. Any alterations, additions, or deletions to the terms of this agreement that are required by changes in Federal, State, or local law, or regulations, will be automatically incorporated into this Agreement without written amendment, and shall become effective on the date designated by such law or regulation.

XIV. Miscellaneous Provisions

The following miscellaneous provisions apply to this Agreement:

Compliance with Applicable Laws, Rules and Regulations — All services furnished by Contractor shall be rendered in full compliance with all applicable federal, state and local laws, rules and regulations;

Non-Transferable Agreement — Neither party may assign this agreement or any rights, interest, or obligations under this agreement without the prior written approval of the other party.

Permits — Contractor shall be the holder of the state Ambulance license and of all state and local vehicle permits, and shall make all necessary payments for those licenses and permits;

XV. Notice and Addresses of Parties

Any notice required under this Agreement shall be delivered by certified mail, return receipt requested, addressed to the proper party, at the following addresses:

To the County: Grayson County
Attention Jeff Schneider, Purchasing Agent
Grayson County Courthouse
100 W. Houston, Suite 27
Sherman, Tx 75090

To Contractor: City of Sherman
Honorable Mayor
P.O. Box 1106
Sherman, TX 75091

XVI. Independent Contractor

It is expressly understood and agreed that Contractor is an independent contractor in its relationship with the County. The County is interested only in the results obtained under this Agreement; the manner and means of conducting the work are under the sole control of the Contractor. None of the benefits provided by the County to their employees are available to Contractor employees, agents, or representatives. Contractor is solely and entirely responsible for its acts and for the acts of its agents, employees, representatives and sub-contractors under this Agreement. Nothing in this Agreement at any time or in any manner shall be construed to 1) effect an agreement of partnership or joint venture, or 2) render the County the employer or master of Contractor, its employees, agents or representatives.

XVII. Termination of Contract

Either party may terminate this agreement by giving thirty (30) days written notice in accordance with Article XV Notice and addresses of parties.

XVIII. Governmental Immunity

This Agreement does not waive, nor shall it be deemed to waive, any immunity or defense, including, but not limited to, governmental immunity, that would otherwise be available to the parties against claims arising from the exercise of governmental powers and functions.

XIX. Severability

In the event any provisions of this Agreement are for any reason held invalid, illegal, or unenforceable, they shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal, or unenforceable they shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

XX. Process for Obtaining Grayson County Financial Support for an Additional Full Time Staffed Ambulance.

Grayson County will consider adding additional ambulances under its financial support plan if clear need is established by an ambulance district based on the following guidelines. See exhibit C.

XXI. Applicable Law

This agreement shall be construed under and in accordance with the laws of the State of Texas, and all of this Agreement's obligations are performable in Grayson County, Texas.

Signed this_____day of_____________,2011
City of Sherman

By: ________________________________

Signed this _____day of ___________, 2011
Grayson County, Texas

By:________________________________

County Judge

Quarterly Grayson
County Ambulance Data Requirements

- **District:** Area covered

- **911 Calls:** Number of 911 generated calls this quarter for each area to the right.
- **Transfer by FTSA:** Number of Transfers by Full Time Staffed Ambulance (FTSA) for each of the areas to the right.
- **Transfers by Non-FTSA:** Same as above only with non-FTSA personal/assets.
- **Non-Transports:** A 911 call that did not require a transport (patient refusal, false alarm, cancelled, etc).
- **Others:** Any other call not covered above. An example would be a **standby at a football game** or other event.
- **Total Calls: The sum of the above** less **non-transports.**
- **Calls turned over to Mutual Aid EMS:** Any calls handed over to another district because of no ambulance available within your district or to an air ambulance.

Response Time

- **E911 calls:** Average time in minutes from the time call is received until the ambulance arrives on the scene. For in house dispatch, it is the time from the call is received to arrival on scene. For dispatched from the county or off site dispatch: it is the time from the time <u>you receive</u> the call until arriving on scene.
- **Total Average Time/911 Call.** The sum of the total time the ambulance(s) is dedicated to a call (from call received to back in service) divided by the number of calls.
- **Weighted average:** The sum of all response time minutes for all calls divided by the total number of calls.

Process for obtaining Grayson County financial support for an additional Full Time Staffed Ambulance

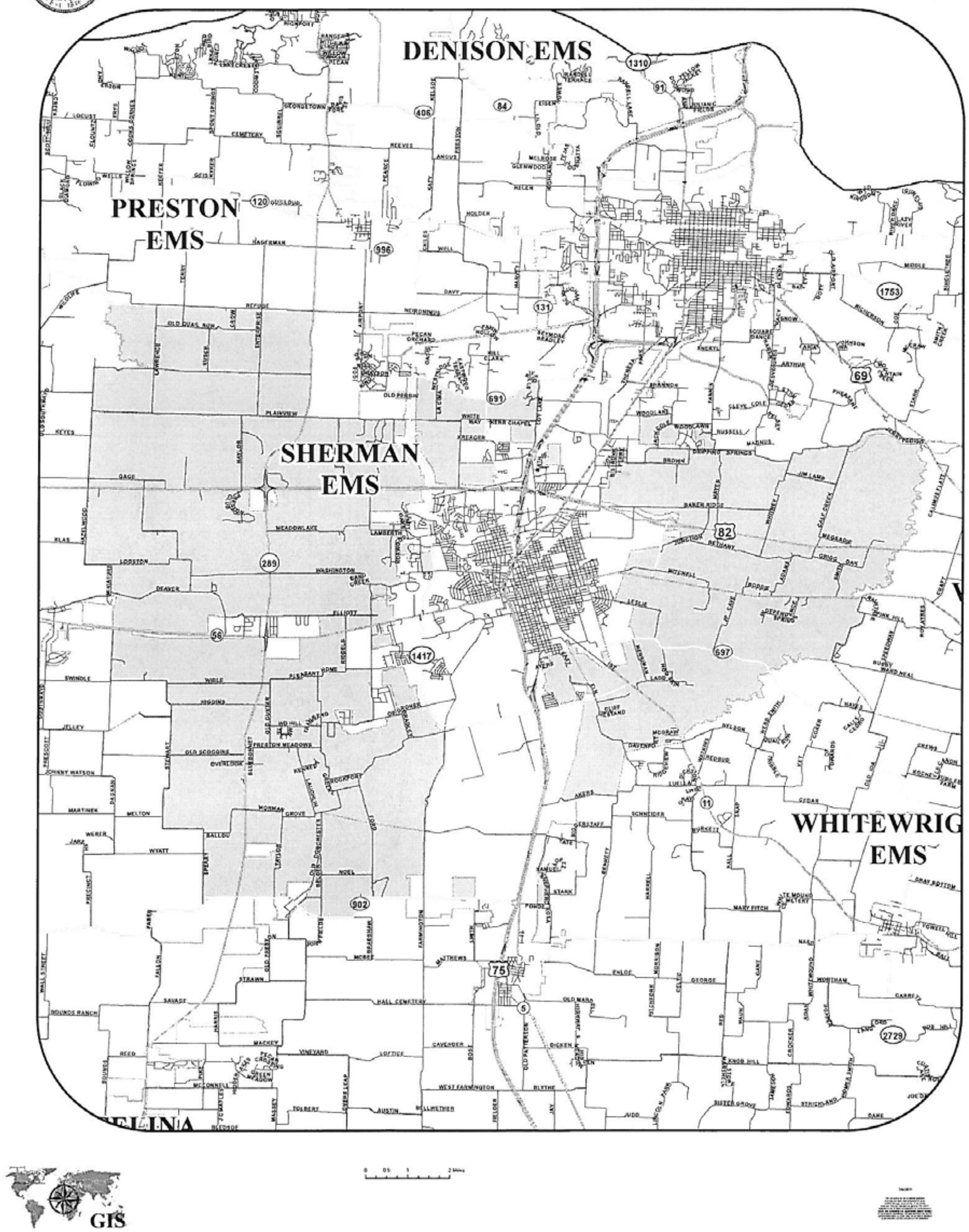
Grayson County will consider adding additional ambulances under its financial support plan if clear need is established by an ambulance district based on the following guidelines:

1. A district applying to add an ambulance shall file all required justification data with the court no later than 6 months prior to the start of the fiscal year in which support is requested (April 1).
2. The district shall have submitted all quarterly reports required by the County on a timely basis as required by contract.
3. The district shall keep records of billing revenue for each month in the following categories:
   a. Transports (911 calls)
   b. Transfers by FTSA
   c. Transfers by non-FTSA
   d. Total billing revenue
4. The revenue data noted in (4) above shall be updated each month by category as collections continue. Revenue data for months more than 8 months past will be considered final data for that month. This revenue data shall be submitted with the application along with information regarding sources of funding for the 70% of FTSA standard cost not provided by the county.
5. The Commissioners Court will accept or reject the districts application based upon the following considerations:
   Positive factors:
   - Adverse changes in response times due to numbers of calls requested.
   - Increasing numbers of dropped calls (calls given to another district) due to FTSA not available
   - High percentage of calls from a high growth area
   - High number of transports per ambulance

   Negative factors:
   - Impact of excessive transfers on FTSA availability. However, transfers conducted by a non-FTSA which is not currently supported by the county would not be a negative consideration.

6. The final decision on accepting the application for support of a new ambulance shall be at the discretion of the Commissioners Court.

SHERMAN EMS



SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. C.3

* RESOLUTION NO. 5595

Declaring the City of Sherman's Eligibility and Intention to Renew its Tax Abatement Program to Promote Development/Redevelopment in the Central Business District of the City; Establishing Guidelines and Criteria

Issue
To renew the guidelines and criteria established for the Central Business District Tax Abatement Program

Background
Every two years, the City Council is required to pass a new resolution to keep the Central Business District Tax Abatement Program active. This program was first adopted at the City Council's July 6, 2004 meeting. At the August 1, 2005 meeting, the City Council revised the program's guidelines and criteria to promote the development or redevelopment of commercial structures in the Central Business District, whether they are retail, service, or professional in purpose, with improvements valued in excess of $25,000.00. A certificate of occupancy must be issued to qualify; and the City Council has the opportunity to review and approve all tax abatement applications. Once approved, 100% of taxes on the improvements only are abated for five (5) years. The program was last renewed at the August 3, 2009 meeting of the City Council, with no revisions made.

Origination
Mayor and City Council

Financial Consideration
There is no immediate financial impact to renewing the guidelines and criteria. The impact of a particular abatement is judged when the abatement agreement is presented to the City Council for approval.

Staff Recommendation
It is recommended that the City Council approve Resolution No. 5595 to renew the Central Business District Tax Abatement Program.

Alternatives
The City Council could decide not to participate in this tax abatement program or could revise the guidelines and criteria.

Attachments
Resolution No. 5595
Location Map

Prepared by:
Robby Hefton, Assistant City Manager/CFO

Approved by:
George Olson, City Manager

RESOLUTION NO. 5595

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DECLARING THE CITY OF SHERMAN'S ELIGIBILITY AND INTENTION TO RENEW ITS TAX ABATEMENT PROGRAM TO PROMOTE DEVELOPMENT/REDEVELOPMENT IN THE CENTRAL BUSINESS DISTRICT OF THE CITY; ESTABLISHING GUIDELINES AND CRITERIA; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Sherman, Texas, desires to promote the development/redevelopment of the Central Business District within its jurisdiction; and

WHEREAS, the City of Sherman, Texas, is authorized to enter into Tax Abatement Agreements for commercial-industrial or residential purposes as authorized by Chapter 312 of the Texas Property Tax Code; and

WHEREAS, the Code requires the City of Sherman, Texas, to renew its guidelines and criteria for the designation of reinvestment zones for Tax Abatement Agreements;

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

SECTION 1. That the City of Sherman, Texas, declares it is eligible for and intends to renew its Tax Abatement Program.

SECTION 2. That the City of Sherman, Texas, hereby renews the following Guidelines and Criteria for Tax Abatement for use in its Tax Abatement Program:

CITY OF SHERMAN
TAX ABATEMENT GUIDELINES AND CRITERIA

GENERAL PURPOSE AND OBJECTIVES

The City of Sherman is committed to an expansion of its tax base, an increase to its population, the promotion of development in all parts of the City, and to an ongoing improvement in the quality of life for its citizens. As these objectives are generally served by the enhancement and expansion of the local economy, the City of Sherman will offer a downtown tax abatement as a stimulus for economic development in Sherman. The policy of the City of Sherman is to make downtown tax abatement available to new structures and to the modernization of existing structures. It is the policy of the City of Sherman that such tax abatement will be provided in accordance with the procedures and criteria outlined in this document and as permitted by State statute. The guidelines and criteria herein adopted shall expire two (2) years from and after adoption. The provisions herein are severable and, if any provision or requirement of these guidelines or criteria is declared or found to be illegal or invalid, such illegality or invalidity shall not affect the remaining provisions, since the City Council would have adopted these guidelines and criteria without the incorporation of the portions found to be invalid.

DEFINITION OF TERMS

Act — means the Property Redevelopment and Tax Abatement Act, Texas Tax Code Ann. 312.001, et seq., as amended from time to time.

Agreement — means a contractual agreement between a property owner and the City of Sherman for the purposes of tax abatement.

Applicant — means an owner of real property who requests tax abatement in accordance with these guidelines.

Base Year Value — means the assessed value of eligible property on January 1 preceding the date of execution of the agreement.

Economic Life — means the number of years a property improvement is expected to be in service.

Modernization — means the replacement, expansion and upgrading of commercial improvements for purposes of reconditioning, refurbishing or expanding.

New Structure — means commercial improvements made to a property previously undeveloped which is placed into use by means other than or in conjunction with expansion or modernization.

Reinvestment Zone — means a contiguous geographic area in the jurisdiction of the municipality in which tax abatements may be granted to promote commercial development or redevelopment if the governing body determines that commercial development or redevelopment would not occur solely through private investment in the reasonably foreseeable future.

Commercial Improvements — means the construction of commercial building(s), and all the appurtenances thereto, whether retail, service, or professional in purpose, and includes modernization and new structures.

Total Facility — means all buildings and structures along with the appurtenances thereto.

ELIGIBILITY

A new structure or modernization of a structure anywhere within the Central Business District of Sherman of a value in excess of TWENTY-FIVE THOUSAND DOLLARS ($25,000.00) may receive abatement. As provided in the Act, abatement may only be granted for the value of eligible property subsequent to and listed in an abatement agreement between the City of Sherman and the property owner.

Eligible Property — Abatement will be extended to the increased value of real estate, buildings, structures, and site improvements along with the appurtenances thereto. A Certificate of Occupancy issued by the City of Sherman's building official must be obtained at the completion of each project for it to be eligible for abatement.

Value and Term of Abatement — Upon determination that all requirements for tax abatement have been satisfied by the applicant, the value and terms of the abatement will be for a period of five (5) years in accordance with the following schedule for the abatement of taxes on the added value above the base year value. Abatement shall be granted effective with the January 1 valuation date immediately following the date of completion of the improvements. Applicant agrees that the eligible property for which the abatement is granted shall be occupied and operational during the entire abatement period.

SCHEDULE OF TAXES ASSESSED

TAX YEAR	ABATEMENT
1	100%
2	100%
3	100%
4	100%
5	100%

CRITERIA

Any request for tax abatement shall be reviewed for completeness. The City staff shall determine whether the application satisfies the guidelines and criteria. Tax abatement shall be based upon an evaluation of the following criteria which each applicant will be requested to address in narrative format:

Fiscal Impact
Addition of real property improvements to the tax rolls.
No utility construction by the City would be required other than routine.

Community Impact
The project is compatible with the City's comprehensive plan.
No adverse environmental impact will be created by the project.

PROCEDURES

Any person, partnership, organization, corporation or other entity desiring that the City of Sherman consider providing tax abatement to encourage location within the Central Business District of Sherman shall be required to comply with the following procedural guidelines:

1. Preliminary Application Steps

   A. Applicant shall submit an “Application for Tax Abatement” contemporaneously with the application for a building permit, and shall pay a filing fee of $75.00 to cover publication, notice cost, review and processing. If the applicant for the building permit is not the owner of the real estate and does not make application for tax abatement on behalf of the owner, the City staff shall notify the owner by certified mail, return receipt requested, that tax abatement must be filed with the City within ten (10) business days of receipt of the notice.

   B. If the applicant does not wish to apply for tax abatement at the time that the building permit is issued or if the owner fails to respond to the written notice of availability for tax abatement, the opportunity for tax abatement is waived. The staff shall prepare forms necessary to reflect the refusal of an applicant to participate and to document the lack of response by the owner to the written notice. The refusal or waiver to participate in tax abatement by the owner or applicant shall be binding on subsequent owners of the real property.

   C. The City may request applicant to provide substantiation of economic feasibility of the overall project to assist in determining the long-term benefit to the City.

   D. A complete legal description shall be provided.

   E. Applicant shall complete all forms and information detailed above and submit them to the City of Sherman.

2. All information in the application package detailed above will be reviewed for completeness and accuracy. Additional information may be requested as needed.

   If necessary, applicant will meet with City to discuss details of the application and prepare for presentation of application to the City Council.

3. The application shall include the total capital investment for real property improvements and type of project.

LEGAL DOCUMENTATION PREPARATION

The City will be responsible for drafting the proposed agreement pursuant to the approved Tax Abatement, as well as all associated documentation.

The legal document is to include the following:

1. Estimated value of modernization or new construction to be abated.

2. Percent of value to be abated each year.

3. Commencement date and the termination date of abatement.

4. Proposed use of the facility, nature of construction, time schedule, map, property description and improvements list as provided in the application.

5. Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture and administration.

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 _________________, 2009.

CITY OF SHERMAN, TEXAS

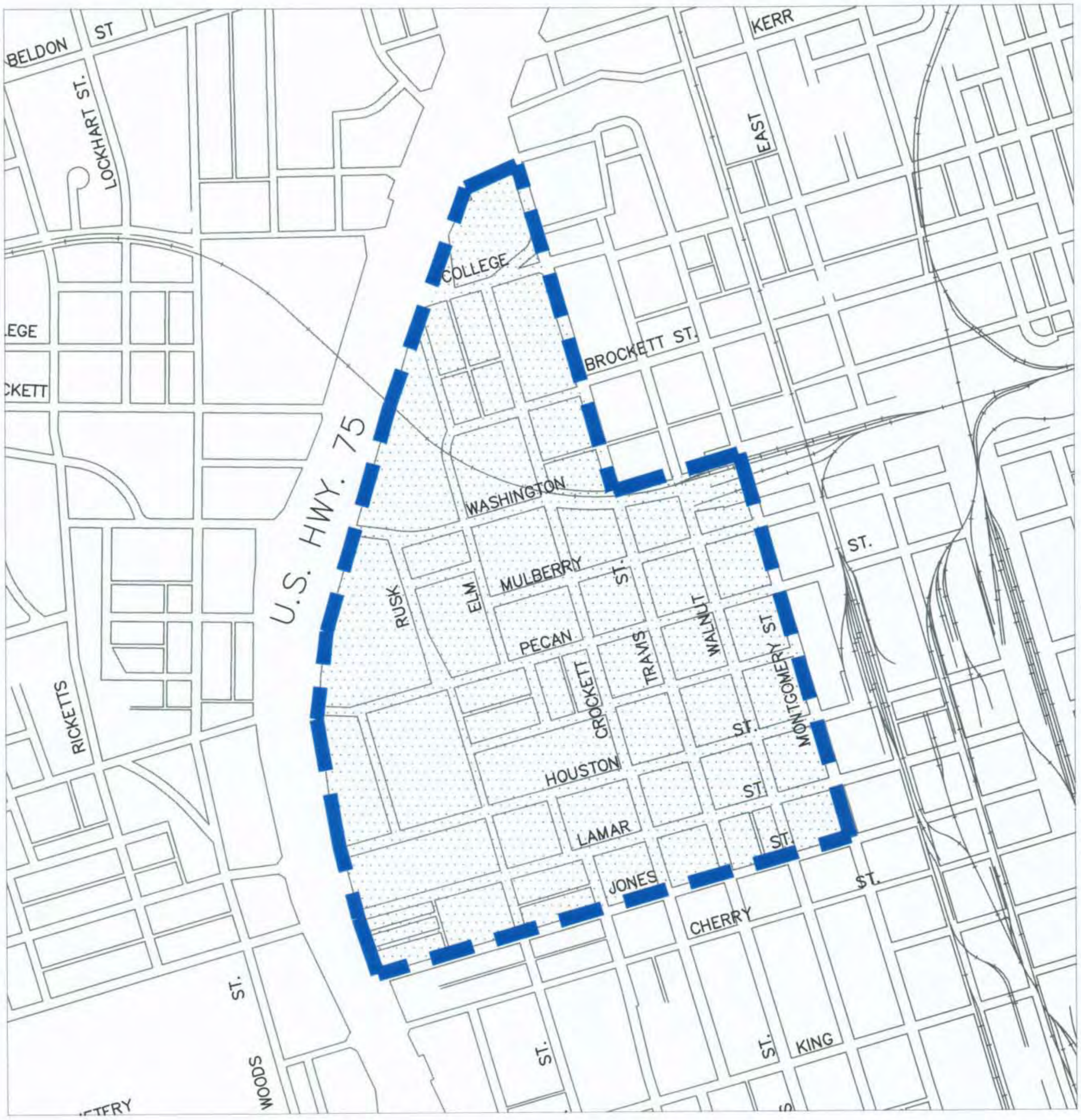
BY: ________________________________
BILL MAGERS, MAYOR

ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: ________________________________
BRANDON S. SHELBY,
CITY ATTORNEY



CITY OF SHERMAN, TEXAS

THE TAX REINVESTMENT ZONE
FOR THE CENTRAL BUSINESS DISTRICT

Department of Developmental Services

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. C.4

RESOLUTION NO. 5596
Authorizing Execution of a 20’ Sanitary Sewer Easement to the City of Sherman for the Placement of a Sanitary Sewer Line on Lot 3, Block 2 of the Bond’s 2nd Addition

Issue
To consider authorizing execution of a 20’ Sanitary Sewer Easement on a lot jointly owned by the City of Sherman and the Sherman Independent School District (SISD) for the extension of a sanitary sewer main

Background
The City of Sherman is requesting a 20’ Sanitary Sewer Easement on a parcel of land jointly owned by the City of Sherman and Sherman Independent School District for the extension of a sewer main. This sewer extension will not only provide sewer to the lot owned by the City of Sherman and SISD, but will provide sewer to the vacant lots within Block 2 of the Bond’s 2nd Addition, which is near the intersection of Branch Street and Brockett Street. The easement has been approved and signed by SISD.

Origination
Engineering and Public Works

Financial Consideration
The adjacent property owner will pay $1,500.00 for the project materials; and the City crews will install the line.

Staff Recommendation
It is recommended that the easement be executed as noted in the attached resolution.

Alternatives
As may be directed by the City Council

Attachments
Resolution No. 5596
Sanitary Sewer Easement
Field Notes (Exhibit “A”)
Location Map (Exhibit “B”)

Prepared by:
Mark Gibson, Engineering & Public Works Director

Approved by:
George Olson, City Manager

RESOLUTION NO. 5596

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A 20' SANITARY SEWER EASEMENT TO THE CITY OF SHERMAN FOR THE PLACEMENT OF A SANITARY SEWER LINE ON LOT 3, BLOCK 2 OF THE BOND'S 2ND ADDITION; 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 THAT:

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all documents being properly completed and approved as to form and content by the City Attorney, to execute a 20' Sanitary Sewer Easement to the City of Sherman for the placement of a sanitary sewer line on Lot 3, Block 2 of the Bond's 2nd Addition to the City of Sherman, Texas, substantially in the same form as the easement, field notes (Exhibit "A") and location map (Exhibit "B"), approved by the City Engineer and the City Attorney, all of which are 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 ________________, 2011.

CITY OF SHERMAN, TEXAS

BY: ______________________________
BILL MAGERS, MAYOR

ATTEST:

BY: ______________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: ______________________________
BRANDON S. SHELBY, CITY ATTORNEY

SANITARY SEWER EASEMENT

KNOW ALL MEN BY THESE PRESENTS, THAT THE CITY OF SHERMAN AND SHERMAN INDEPENDENT SCHOOL DISTRICT (hereinafter called "Grantor" whether one or more), in consideration of One Dollar ($1.00), and the further consideration of the benefit to be derived on account of the construction, reconstruction and maintenance by the City of Sherman of a sanitary sewer, and other good and valuable consideration paid by the City of Sherman, (hereinafter called "Grantee"), the receipt and sufficiency of which is hereby acknowledged, do hereby give, grant and convey to said Grantee, 220 W. Mulberry Street, Sherman, Texas, its successors, and assigns, a perpetual easement with the right to erect, construct, install, and lay and thereafter use, operate, inspect, repair, maintain, replace, remove, upgrade and construct a sanitary sewer together with necessary appurtenances, in and through Grantors' land, more particularly described in instrument recorded in **Volume 2286, Page 732, Grayson County Deed Records**, together with the right of ingress and egress over Grantors' adjacent lands for the purpose for which the above mentioned rights are granted. The permanent easement hereby granted shall not exceed twenty feet (20') in width as described in Exhibit "A" and shown in Exhibit "B" for all sewer purposes, including, but not limited to the inspection, operation, patrol, removal, repair, replacement, construction, reconstruction, installation, improvement, enlargement and maintenance of such utility improvements, over, under, through, and across the tract of land described.

This agreement, together with the other provisions of this grant, shall constitute a covenant running with the land for the benefit of the GRANTEE, its successors and assigns. GRANTOR reserves, retains, and shall continue to enjoy the use of the surface of the herein granted easement for any and all purposes which do not interfere with and prevent the use by GRANTEE of the easement rights granted herein, including the right to pave over and otherwise use the surface of the herein granted easement for private and public thoroughfares, roads, driveways, alleys, walks, parking areas, and other like uses.

Upon the removal, repair, replacement, construction, reconstruction, installation, improvement, enlargement, and maintenance of the utility improvements, GRANTEE shall replace and restore all fences, walls, streets, roads, driveways, parking areas, walks, or any other improvements which may have been relocated or removed by GRANTEE and shall otherwise restore the surface of the easement area to the same or better condition it was in immediately prior to such removal, repair, replacement, construction, reconstruction, installation, improvement, enlargement or maintenance.

THE CONSIDERATION recited herein shall constitute the City of Sherman to grant the waiver of one residential (1) sewer pro-rata charge for the subject tract.

TO HAVE AND TO HOLD THE SAME, together with, all and singular, the rights and appurtenances thereto in anywise belonging to the said GRANTEE, its successors and assigns forever, and GRANTOR does hereby bind himself, his heirs, successors and assigns, to Warrant and Forever Defend, all and singular, the said easement unto the said GRANTEE, its successors and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof.

This instrument shall be constructed as conveying an easement to the GRANTEE for utility purposes, and fee title is reserved by GRANTOR, his heirs, successors and assigns, subject to such easement.

IN WITNESS WHEREOF the said Grantors have executed this instrument this day of ________, 2011.

GRANTOR: THE CITY OF SHERMAN

BY: ____________________________

TITLE: ____________________________

ADDRESS: ____________________________

____

ACKNOWLEDGEMENT

STATE OF TEXAS *
*
COUNTY OF __________ *

BEFORE ME, the undersigned authority, on this day personally appeared ____________________________ **for the City of Sherman,** 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 expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the_________

day of ____________________, A.D., 2011.

NOTARY SIGNATURE: ____________________

COMMISSION EXPIRES: ____________________

GRANTOR: SHERMAN INDEPENDENT SCHOOL DISTRICT

BY: Kiki Osterman

TITLE: Board President

ADDRESS: P. O. Box 1176

Sherman TX 75091-1176

ACKNOWLEDGEMENT

STATE OF TEXAS *

*

COUNTY OF GRAYSON *

BEFORE ME, the undersigned authority, on this day personally appeared Kiki Osterman **for the Sherman Independent School District,** 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 expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 18th

day of July, A.D., 2011.

DEBRA H. SMITH
Notary Public
STATE OF TEXAS
My Comm. Exp. 07-05-2014

NOTARY SIGNATURE: Debra H. Smith

COMMISSION EXPIRES: 7-5-14

EXHIBIT "A"

Situated in the City of Sherman, Grayson County, Texas, being part of Lot 3, Block Two, of the Bond's 2nd Addition, an addition to the City of Sherman, Texas, as shown by Plat of Record in Volume M, Page 63, of the Deed Records, Grayson County, Texas, and the 20' Sewer Line Easement being more particularly described as follows:

Beginning at a ½" steel rod found at the Northeast corner of Lot 3, also being the Southwest corner of Lot 2 of the Replat of Bond's Second Addition to the City of Sherman, as shown by Plat of Record in Volume 19, Page 18 and being in the West line of East Street;

Thence South 16°00'00" East, a distance of 20 feet;

Thence South 74°00'00" West, a distance of 150.00 feet to the West line of said Lot 3 and the East right-of-way line of Branch Street;

Thence North 16°00'00" West with the East right-of-way line of Branch Street, a distance of 20 feet to the Northwest corner of said Lot 3;

Thence North 74°00'00" East with the North line of said Lot 3 to the point-of-beginning.

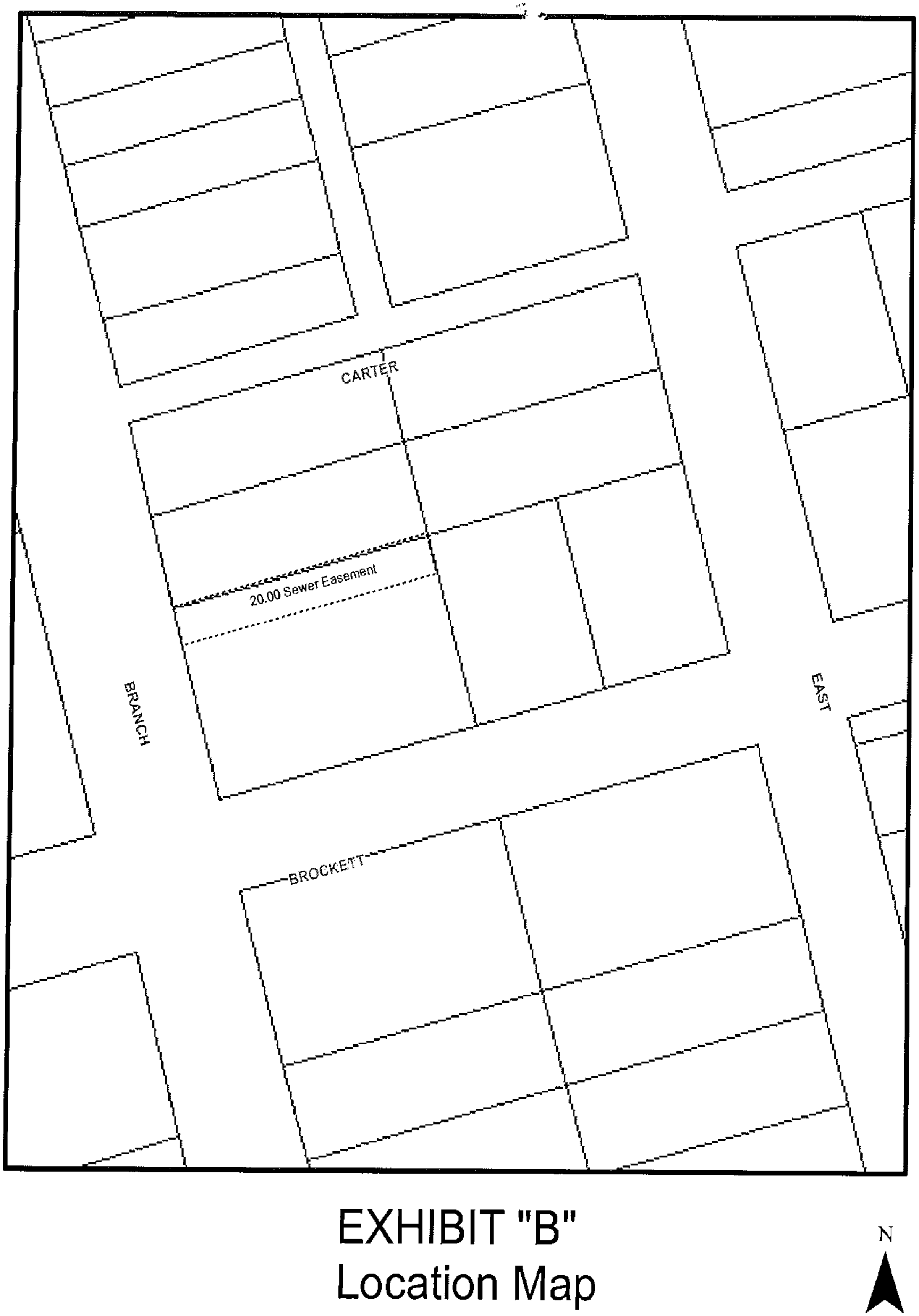


EXHIBIT "B"
Location Map

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. C.5

**** RESOLUTION NO. 5597***

Accepting the Contract with Tri-Con Services, Inc. as Complete for Construction of the Sherman Highway 75 North Sewer Contract "B"

Issue

To consider acceptance of the contract with Tri-Con Services, Inc. as complete for the construction of the Sherman Highway 75 North Sewer Contract "B"

Background

Tri-Con Services, Inc. has completed all work required under their contract to construct the Sherman Highway 75 North Sewer Contract "B".

Origination

Greater Texoma Utility Authority (GTUA)

Financial Consideration

The project was funded through a GTUA revenue bond issue.

Staff Recommendation

It is recommended that the attached resolution be approved by the City Council.

Alternatives

As may be directed by the City Council

Attachments

Resolution No. 5597
Project Close Out Documents
Project Location Map

Prepared by:
Mark Gibson, Engineering and Public Works Director

Approved by:
George Olson, City Manager

RESOLUTION NO. 5597

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH TRI-CON SERVICES, INC. AS COMPLETE FOR CONSTRUCTION OF THE SHERMAN HIGHWAY 75 NORTH SEWER CONTRACT "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.

WHEREAS, the City of Sherman has entered into a contract for construction of the Sherman Highway 75 North Sewer Contract "B" with Tri-Con Services, Inc.; and

WHEREAS, representatives of the City of Sherman and the project engineer have inspected the construction of the Sherman Highway 75 North Sewer Contract "B" and found the project to be complete;

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

SECTION 1. That the City of Sherman hereby formally accepts the contracted work of Tri-Con Services, Inc. for the construction of the Sherman Highway 75 North Sewer Contract "B" as complete.

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 ________________, 2011.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

BY: ________________________________
BILL MAGERS, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: ________________________________
BRANDON S. SHELBY,
CITY ATTORNEY

CERTIFICATE OF PROJECT COMPLETION

Project: _HIGHWAY 75 NORTH SEWER – CONTRACT "B" ___

Date of Issuance June 16, 2011________________

Owner:______Greater Texoma Utility Authority ________________

Contractor: __ Tri - Con Services, Inc. ______

Engineer: ___ Freeman-Millican, Inc. ________________

This Certificate of Project Completion applies to all Work under Contract Documents or to the following specified parts thereof:

All specified work

To: Greater Texoma Utility Authority/City of Sherman, Texas
OWNER

And to _______Tri – Con Services, Inc.__________________
CONTRACTOR

The Work to which this Certificate applies has been inspected by authorized representatives of OWNER, CONTRACTOR and ENGINEER, and that Work is hereby declared to be complete in accordance with Contract Documents on

March 7, 2011 ____
Date of Completion

From the date of Completion the responsibilities between OWNER and CONTRACTOR for security, operation, safety, maintenance, heat, utilities, insurance and warranties and guarantees shall be as follows:

RESPONSIBILTIES:

OWNER: Security, operation, safety, maintenance, heat, utilities, insurance

CONTRACTOR: Two Years Contractor's Guarantee (from the date of completion), Payment and Performance Bonds

The following documents are attached to and made a part of this Certificate:

Contractor's Guarantee, Consent of Surety, Final Pay Estimate

This certificate does not constitute an acceptance of work not in accordance with the Contract Documents nor is it a release of CONTRACTOR'S obligations to complete the Work in accordance with the Contract Documents.

Executed by ENGINEER on ____June 16, 2011 ______.

Freeman-Millican, Inc.
ENGINEER

By: David E. Dattis

CONTRACTOR'S CERTIFICATION AND GUARANTEE

Date: June 16, 2011

Project: HIGHWAY 75 NORTH SEWER – CONTRACT "B"

Owner: Greater Texoma Utility Authority/City of Sherman

Contractor: Tri – Con Services, Inc.

Date of Contract: March 22, 2010

Date of Project Completion: March 7, 2011

Final Contract Amount: $1,157,901.39

The CONTRACTOR certifies that (1) all payments received from OWNER on account of WORK done under the CONTRACT have been applied to discharge obligations of CONTRACTOR incurred in connection with WORK; and (2) title to all materials and equipment incorporated in said WORK will pass to OWNER at time of payment free and clear of all liens, claims, security interests and encumbrances.

The CONTRACTOR shall guarantee all materials and equipment furnished and WORK performed for a period of two (2) years from the date of completion as evidenced by the Engineer's Final Certificate. The CONTRACTOR warrants and guarantees for a period of two (2) years from the date of completion that all work under the CONTRACT is free from faulty materials in every particular and free from improper workmanship, and against injury from proper and usual wear, and agrees to replace or to re-execute without cost to the OWNER such work as may be found to be improper or imperfect and to make good all damages caused to the other work or materials, due to such required replacement or re-execution. The OWNER will give notice of observed defects with reasonable promptness. In the event that the CONTRACTOR should fail to make such repairs, adjustments, or other work that may be made necessary to such defects, the OWNER may do so and charge the CONTRACTOR the cost thereby incurred. The PERFORMANCE BOND shall remain in full force and effect through the guarantee period.

Contractor: TRI-CON SERVICES, INC.

By: [signature]
IAN GERBER

Date: 6-16-11

Attest: [signature]
Patty L Luplow

SURETY COMPANY
TO FINAL PAYMENT

AIA DOCUMENT G707

ARCHITECT ☐
CONTRACTOR ☐
SURETY ☐
OTHER

Bond No. 105366379

PROJECT: Highway 75 North Sewer – Contract B
(name, address)

TO (Owner) [Greater Texoma Utility Authority/City of Sherman]
220 W. Mulberry
Sherman, TX 75090
[ ]

ARCHITECT'S PROJECT NO:

CONTRACT FOR: Construction

CONTRACT DATE: May 20,2010

CONTRACTOR: Tri-Con Services, Inc.
3010 W. Main
Rowlett, TX 75088

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, the
(here insert name and address of Surety Company)

Travelers Casualty and Surety Company of America
1301 E. Collins Blvd., Ste. 340
Richardson, TX 75081 , SURETY COMPANY,

on bond of (here insert name and address of Contractor)

Tri-Con Services, Inc.
3010 W. Main
Rowlett, TX 75088 , CONTRACTOR,

hereby approves of the final payment to the Contractors, and agrees that final payment to the Contractor shall not relieve the Surety Company of any of its obligations to (here insert name and address of Owner)

Greater Texoma Utility Authority/City of Sherman
220 W. Mulberry
Sherman, TX 75090 ,OWNER,

as set forth in the said Surety Company's bond.

IN WITNESS WHEREOF,
the Surety Company has hereunto set its hand this 16th day of June , 2011

Travelers Casualty and Surety Company of America
Surety Company

Patricia Lee Bartlett
Signature of Authorized Representative

Attest:
(Seal):

Patricia Lee Bartlett Attorney-In-Fact
Title

NOTE: This form is to be used as a companion document to AIA DOCUMENT G706, CONTRACTOR'S AFFIDAVIT OF PAYMENT OF DEBTS AND CLAIMS, Current Edition

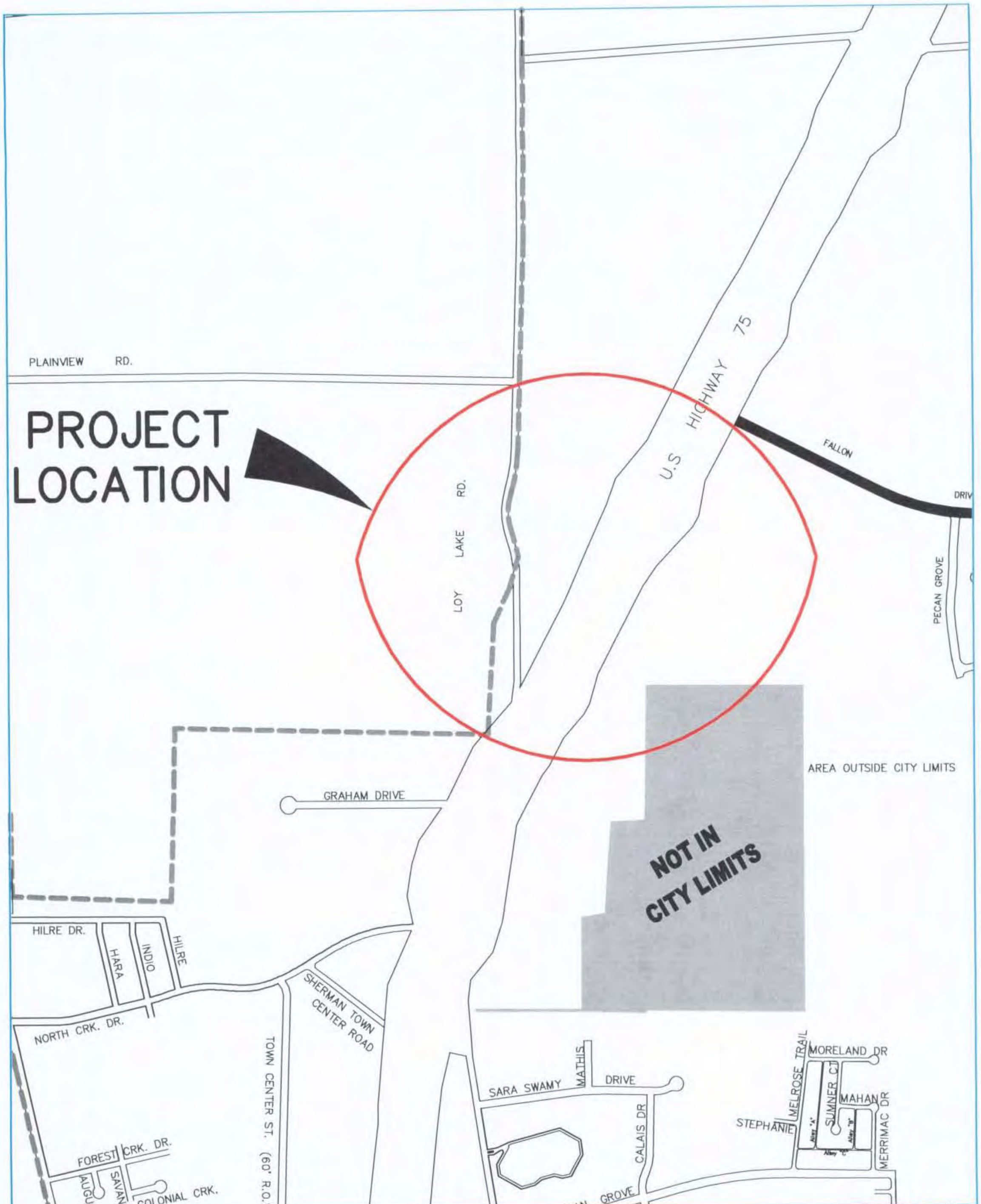
From: moscasa@aol.com
To: dgattis@fmi-dallas.com; glib@ci.sherman.tx.us; pjc.utility@att.net; jerryc@gtua.org
Subject: Sherman Highway 75 North Sewer - Contract "B"
Date: Thu, Jun 16, 2011 11:35 am

Mr. Jerry Chapman,

Tri-Con Services, Inc. has established winter grass ground cover on most easement areas. We will establish warm season grasses in the easement areas per the contract documents within the next 12 months and repair eroded area as required. To accomplish this, abundant precipitation is needed thus we will wait until the Fall or rainy season to proceed.

Thank you,

Ian Gerber
Tri-Con Services
972-475-5207



Location Map
US Highway 75 Contract "B"

City of Sherman, Texas

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. D.1

OTHER BUSINESS
Review Draft Capital Improvement Program (CIP) 2011-2016
and Set Public Hearing for Tuesday, September 6, 2011

Issue
To review the draft Capital Improvement Program (CIP) 2011-2016 and set the public hearing on such for Tuesday, September 6, 2011

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 final draft of the CIP.

Origination
Department of Planning & Public Works

Financial Consideration

General Fund	$15,758,000
Utility Fund	$14,448,000
Total Funding for 2011-2016	**$30,206,000**

Staff Recommendation
It is recommended that the City Council review the City's 2011-2016 Capital Improvement Program and set the public hearing on said 2011-2016 CIP for Tuesday, September 6, 2011.

Attachments
Summary of the Capital Improvement Program 2011-2016

Prepared by:
Don Keene, Exec. Director – Planning & Public Works

Approved by:
George Olson, City Manager

GENERAL SERVICES

2011 - 2012

	Drainage	Streets	Facilities	Parks	Water	Sewer	Totals
Travis Street Improvements - Phase I - Taylor to Lamberth - ROW and Utilities		$100,000					$100,000
Soil Conservation Emergency Action Plan Study	$50,000						$50,000
GIS System			$100,000				$100,000
Hawn Spray Ground Rehab				$20,000			$20,000
OSP Quad Backstop Nets				$45,000			$45,000
Street Right-of-Way and Street Oversize Funding		$50,000					$50,000
Drainage Improvement Projects	$125,000						$125,000
Total 2010-2011	$175,000	$150,000	$100,000	$65,000	$0	$0	$490,000

2012-2013

	Drainage	Streets	Facilities	Parks	Water	Sewer	Totals
Travis Street Improvements - Phase 2 - Lamberth to Canyon Grove (ROW and Utilities)		$100,000					$100,000
Northeast Fire Station Site			$1,000,000				* $1,000,000
Southwest Fire Station			$5,200,000				* $5,200,000
Martin Luther King Park Playground				$80,000			$80,000
Martin Luther King Park Restroom				$140,000			$140,000
Hawn Skateboard Renovation - Phase II				$70,000			$70,000
MLK Park Athletic Field Lighting				$150,000			$150,000
Drainage Improvement Projects	$250,000						$250,000
Street Right-of-Way and Street Oversize Funding		$50,000					$50,000
Total 2011-2012	$250,000	$150,000	$6,200,000	$440,000	$0	$0	$7,040,000

* Bonded

2013-2014

	Drainage	Streets	Facilities	Parks	Water	Sewer	Totals
Travis Street Improvements - Phase 3 - Canyon Grove to North Creek (ROW and Utilities)		$75,000					$75,000
Fallon Drive Construction - Preliminary Engineering and ROW		$100,000					$100,000
Starlight Alley Rebuild		$350,000					$350,000
West Hill Cemetery Building & Fencing			$40,000				$40,000
Hawn Park Pavilion				$75,000			$75,000
Rosedale Park Field Lighting				$40,000			$40,000
Fielder Park Basketball Court Renovation and Playground Improvements				$140,000			$140,000
Cherry Park Playground				$150,000			$150,000
Hawn Park Field Lighting				$200,000			$200,000
Drainage Improvement Projects	$250,000						$250,000
Street Right-of-Way and Street Oversize Funding		$50,000					$50,000
Total 2012-2013	$250,000	$575,000	$40,000	$605,000	$0	$0	$1,470,000

2014-2015

	Drainage	Streets	Facilities	Parks	Water	Sewer		Totals
Cypress Grove Rd. Rebuild - Rex Cruse to Redbud		$600,000						$600,000
Fallon Drive West Construction to U.S. Hwy 75		$1,500,000						$1,500,000
Rosedale Park Restroom				$140,000				$140,000
Rosedale Park Playground				$60,000				$60,000
Hawn Park Sprayground Expansion				$300,000				$300,000
Recreation Center Study				$40,000				$40,000
Old Settlers Park - Phase III Field Renovation				$1,000,000				$1,000,000
GIS System			$20,000					$20,000
Drainage Improvement Projects	$250,000							$250,000
Street Right-of-Way and Street Oversize Funding		$50,000						$50,000
Recreation Center			TBD					$0
Total 2013-2014	$250,000	$2,150,000	$20,000	$1,540,000	$0	$0		$3,960,000

2015-2016

	Drainage	Streets	Facilities	Parks	Water	Sewer		Totals
Fairview Park Spray Ground and Splash Expansion				$500,000				$500,000
U.S. Highway 75 Fallon Drive Ramps		$1,000,000					**/***	$1,000,000
Shady Oaks Drive Reconstruction		$700,000						$700,000
Hillcrest Park Renovation				$150,000				$150,000
Fairview Park Pavilions				$50,000				$50,000
Ely Park Playground				$80,000				$80,000
GIS System			$18,000					$18,000
Drainage Improvement Projects	$250,000							$250,000
Street Right-of-Way and Street Oversize Funding		$50,000						$50,000
Total 2014-2015	$250,000	$1,750,000	$18,000	$780,000	$0	$0		$2,798,000

** SEDCO Funded

***TxDOT Participation

GENERAL GRAND TOTAL	$1,175,000	$4,775,000	$6,378,000	$3,430,000	$0	$0	$15,758,000

UTILITY SERVICES

2011-2012

	Drainage	Streets	Facilities	Parks	Water	Sewer		Totals
S.H. Highway 289 Waterline					$550,000		**	$550,000
WWTP - Biosolids Engineering, Design and Construction						$1,200,000	*/1	$1,200,000
WWTP - Relief Headworks Preliminary Engineering and Design						$550,000	*	$550,000
WWTP - Drain Line						$75,000		$75,000
WWTP Storm Water Storage Contingency						$400,000	*	$400,000
Gallagher Tower Evaluation					$50,000			$50,000
WTP - Flocculation Basin and Piping Relining					$500,000		*	$500,000
Water Treatment Plant 2nd Feed - Phase I & II					$1,500,000		*	$1,500,000
Utility Main Oversizing					$25,000			$25,000
TOTAL 2010-2011	$0	$0	$0	$0	$2,625,000	$2,225,000		$4,850,000

* Bonded

** SEDCO Funded

1 Under Technological Review

2012-2013

	Drainage	Streets	Facilities	Parks	Water	Sewer		Totals
WWTP - Replace #3 Bar Screen						$250,000	*	$250,000
WWTP - Headworks Variable Frequency Drive Upgrade - Phase I & II Construction						$500,000	*	$500,000
Lift Station Reconstruction						$1,000,000	*	$1,000,000
Ricketts Street Water Line Replacement Phase II					$450,000		*	$450,000
Woods Street Water Line Replacement					$100,000			$100,000
Lamberth Road Water Line Replacement					$85,000			$85,000
Texoma Parkway Water Replacement - Phase IV					$300,000		*	$300,000
S.H. Highway 289 Sewerline A						$1,650,000	**	$1,650,000
Utility Main Oversizing					$50,000	$50,000		$100,000
TOTAL 2011-2012	$0	$0	$0	$0	$985,000	$3,450,000		$4,435,000

* Bonded

** SEDCO Funded

2013-2014

	Drainage	Streets	Facilities	Parks	Water	Sewer		Totals
WWTP - Nutrient Removal Preliminary Engineering						TBD	*	$0
WWTP - Upgrade UV Disinfection System						$600,000		$600,000
WWTP Relief Headworks						TBD	*	$0
Eastside Outfall Return Sewer						$500,000	*	$500,000
Texoma Parkway Water Replacement - Phase V					$300,000		*	$300,000
Relief Sewer D-1						$290,000		$290,000
Utility Main Oversizing					$50,000	$50,000		$100,000
TOTAL 2012-2013	$0	$0	$0	$0	$350,000	$1,440,000		$1,790,000

* Bonded

2014-2015

	Drainage	Streets	Facilities	Parks	Water	Sewer		Totals
WWTP - Nutrient Removal Process						TBD	*	$0
WWTP Automated Dissolved Oxygen Control						$900,000	*	$900,000
Blalock Industrial Sewer Replacement						$500,000	**	$500,000
South Sherman Trunk Sewer Replacement						$135,000		$135,000
Texoma Parkway Sewer Relief Main						$200,000		$200,000
U.S. Highway 75 South Water Crossing Replacement					$138,000			$138,000
S.H. Highway 289 Sewerline B						$1,150,000	**	$1,150,000
Utility Main Oversizing					$50,000	$50,000		$100,000
TOTAL 2013-2014	$0	$0	$0	$0	$188,000	$2,935,000		$3,123,000

* Bonded

** SEDCO Funded

2015-2016

	Drainage	Streets	Facilities	Parks	Water	Sewer	Totals
WWTP - Security Upgrade						$150,000	$150,000
Utility Main Oversizing					$50,000	$50,000	$100,000
TOTAL 2014-2015	$0	$0	$0	$0	$50,000	$200,000	$250,000

** SEDCO Funded

UTILITY GRAND TOTAL	$0	$0	$0	$0	$4,198,000	$10,250,000	$14,448,000
TOTAL CIP	$1,175,000	$4,775,000	$6,378,000	$3,430,000	$4,198,000	$10,250,000	$30,206,000

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. D.2

**** OTHER BUSINESS***

Approve Quarterly Investment Reports for Period Ending June 30, 2011

Issue
To approve the Investment Reports for the quarterly period ending June 30, 2011

Background
These reports are being presented in accordance with the state law that requires at least quarterly presentation to the Council. The report was given to the Investment Committee prior to submittal to the Council. Two portfolios will be addressed: Operating Portfolio and Debt Proceeds Portfolio.

As of June 30, 2011, both portfolios were in compliance with applicable state laws and the City's internal Investment Policy. The Operating Portfolio had a book value of about $21.8 million, down about $1.3 million from three months ago due to slowing property tax collections during the period. This portfolio is appropriately liquid; and its weighted-average maturity decreased to about 204 days, down from 230 days last period, because of investments maturing during the quarter. The portfolio yield of 0.68% for the quarter is higher than the benchmark yield of 0.10%. The portfolio value on the City's books is essentially equal to the market value of the overall portfolio.

The Debt Proceeds Portfolio balance decreased about $0.5 million due to payments made for construction projects during the period. The portfolio remains adequately liquid, with all of the funds available within one day. Its yield of 0.10% for the quarter was identical to the benchmark yield of 0.10%. The portfolio value on the City's books is essentially equal to the market value of the overall portfolio.

Origination
Finance

Financial Consideration
None

Staff Recommendation
It is recommended that the Council accept the report as presented.

Alternatives
The Council could offer suggestions for improvement or could request more frequent reporting.

Attachments
Memo to Investment Committee; Investment reports and related schedules

Prepared by:
Robby Hefton, Assistant City Manager/CFO

Approved by:
George Olson, City Manager

memorandum

DATE: Wednesday, July 27, 2011

TO: The Investment Committee
Deputy Mayor Willie Steele and Council Member Robert G. Softly
City Manager George Olson

FROM: Robby Hefton, Assistant City Manager/CFO R

SUBJECT: Investment Reports for Quarter ended June 30, 2011

Enclosed is a copy of the quarterly investment reports for the quarter ended June 30, 2011. Reports are included for the two major portfolios – the operating portfolio and the CO Debt Proceeds portfolio. Each of these reports reflects that, as of that date, the City was in compliance with all applicable state laws as well as the City's Investment Policy. Portfolio balances generally decline during this quarter each year because of slowing property tax collections.

The total operating portfolio balance of about $21.8 million had a weighted-average maturity of about 204 days, down from 230 days last quarter because of securities purchased during the period. The portfolio yield of 0.68% was higher than our benchmark 180-day T-Bill yield, which was 0.10%; and book value closely approximated market value.

Also, as of June 30, 2011, all of the CO Debt Proceeds was invested in pooled investments, together yielding 0.10%, right at the yield of the benchmark 180-day T-Bill rate. The Debt Proceeds portfolio balance decreased by about $.5 million during the quarter because of payments related to capital construction.

This quarterly investment report will be on the August 1, 2011 City Council meeting agenda for their review and approval. Please call me if you have any questions about this item.

RH:pc

attachments (as stated above)

Sherman

CITY OF SHERMAN, TX
Investment Report Summary
June 30, 2011

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. At June 30, 2011 investment book value was about $21.8 million and had increased by approximately $1.3 million from three months prior. Decreases in investment balances are customary during this quarter each year due to a decrease in the rate of property tax collections. The City's investment portfolio includes interest-bearing demand deposits, bank time deposits, investment pools that strive to maintain a 100% net asset value, and U.S. Agency securities.

The City was in compliance with all provisions of the investment policy and the Public Funds Investment Act as of June 30, 2011. The weighted-average maturity of the portfolio to about 204 days at June 30, 2011 compared to about 230 days at March 31, 2010 due to investment maturities.

The market value of the portfolio was 100.07% of book value as of June 30, 2011. The portfolio yield of 0.68% at June 30, 2011 was higher than the benchmark yield on the 180-day T-Bill, which was 0.10%.

Two securities matured during the quarter with a total par value of about $2.0 million. Purchases consisted of a security with a par value of $1.0 million. Accrued interest of about $14,000 was added to time deposit principal. All other transactions were routine.

The following schedules are also a part of this investment report.

Robby Hefton, Assistant City Manager/CFO
and City of Sherman Investment Officer

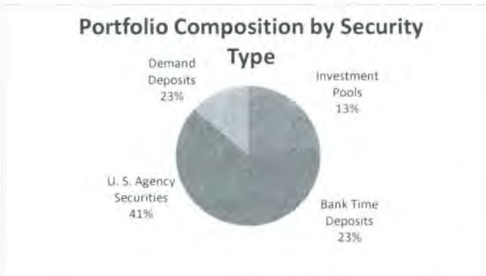
Mary Lawrence, Controller and City of
Sherman Investment Officer

CITY OF SHERMAN, TX
Detailed Investment Report
As of June 30, 2011

Investment	Par	VALUES - MARCH 31, 2011 Book	VALUES - MARCH 31, 2011 Market	Book Increase/(Decrease) Purchases/ (Withdrawals)	Book Increase/(Decrease) Accruals/ Amortizations	Market Increase/(Decrease) Purchases & (Withdrawals)	Market Increase/(Decrease) Change In Market Price	VALUES - JUNE 30, 2011 Book	VALUES - JUNE 30, 2011 Market
DEMAND DEPOSITS									
Depository Bank		$ 1,307,206	$ 1,307,206	$ 2,703,582	$ -	$ 2,703,582	$ -	$ 4,010,788	$ 4,010,788
Depository Bank-TIF Funds		922,785	922,785	5,088	-	5,088	-	927,873	927,873
		2,229,991	2,229,991	2,708,670	-	2,708,670	-	4,938,661	4,938,661
BANK TIME DEPOSITS									
Certificate of Deposit 1.5% 12/3/2011		1,011,385	1,011,385	3,700	-	3,700	-	1,015,085	1,015,085
Certificate of Deposit 1.61% 5/3/2012		1,012,224	1,012,224	3,973	-	3,973	-	1,016,197	1,016,197
Certificate of Deposit 1.4% 7/19/2011		1,020,964	1,020,964	3,524	-	3,524	-	1,024,488	1,024,488
Certificate of Deposit 1.00% 9/16/2012		1,004,965	1,004,965	2,531	-	2,531	-	1,007,496	1,007,496
Certificate of Deposit 0.91% 4/1/2012		1,017,912	1,017,912	-	-	-	-	1,017,912	1,017,912
		5,067,450	5,067,450	13,728	-	13,728	-	5,081,178	5,081,178
INVESTMENT POOLS									
Tex-Pool		3,553,701	3,553,950	(2,000,000)	801	(2,000,000)	630	1,554,502	1,554,580
TexStar		2,378,706	2,379,010	(1,000,000)	558	(1,000,000)	455	1,379,264	1,379,465
		5,932,407	5,932,960	(3,000,000)	1,359	(3,000,000)	1,085	2,933,766	2,934,045
SECURITY INVESTMENTS									
FFCB 3.9% 6/20/2011	1,000,000	1,007,045	1,008,335	(1,000,000)	(7,045)	(1,000,000)	(8,335)	-	-
FNMA .625% 7/27/2011	300,000	300,000	300,155	-	-	-	(94)	300,000	300,061
FNMA 3.625% 8/15/2011	1,000,000	1,011,347	1,013,114	-	(7,663)	-	(8,808)	1,003,778	1,004,306
FHLB 2.1% 9/6/2011	500,000	502,868	504,265	-	(1,717)	-	(2,461)	501,151	501,805
FHLB 3.75% 9/9/2011	1,030,000	1,043,876	1,046,235	-	(7,795)	-	(9,197)	1,036,081	1,037,038
FHLB 1.13% 12/9/2011	1,000,000	1,001,831	1,005,651	-	(659)	-	(1,254)	1,001,172	1,004,397
FHLMC 1.13% 7/27/2012	1,000,000	1,007,581	1,007,972	-	(1,428)	-	(15)	1,006,167	1,007,957
FHLB .5% 8/23/2012	1,000,000	996,272	998,814	(1,000,000)	3,728	(1,000,000)	1,186	-	-
FHLMC .75% 10/19/2012	1,000,000	1,000,000	998,415	-	-	-	1,798	1,000,000	1,000,213
FNMA .75% 12/28/2012	1,000,000	997,845	1,000,280	-	308	-	4,440	998,153	1,004,720
FNMA .86% 1/28/2013	1,000,000	998,238	996,645	-	240	-	3,737	998,478	1,000,382
FHLB.875% 12/27/2013	1,000,000	-	-	1,000,000	-	1,000,000	(1,098)	1,000,000	998,902
		9,866,903	9,879,881	(1,000,000)	(22,031)	(1,000,000)	(20,101)	8,844,980	8,859,780
		$23,096,751	**$23,110,282**	**($1,277,602)**	**($20,672)**	**($1,277,602)**	**($19,016)**	**$21,798,585**	**$21,813,665**

CITY OF SHERMAN, TX
Comparison of Portfolio to Policy Limits
As of June 30, 2011

LIMITS ON TYPES OF SECURITIES	Target Investment Level	Portfolio Cap	Actual Percentage of Portfolio	% Variance Policy Limits
Demand Deposits	100%	100%	22.66%	**77.34%**
Bank Time Deposits	25%	30%	23.31%	**6.69%**
U. S. Treasury Securities	80%	85%	0.00%	**85.00%**
U. S. Agency Securities	45%	50%	40.58%	**9.42%**
Investment Pools	45%	50%	13.46%	**36.54%**
State of Texas Obligations	45%	50%	0.00%	**50.00%**



LIMITS ON MATURITIES	Minimum Allowable Percentage of Portfolio	Actual Percentage of Portfolio	% Variance Policy Limits
Available within 1 month	25%	42.19%	**17.19%**
Available within 3 months	33%	53.85%	**20.85%**
Available within 6 months	45%	63.10%	**18.10%**
Available within 1 year	60%	72.43%	**12.43%**
Available within 2 years	70%	100.00%	**30.00%**
Available within 3 years	80%	100.00%	**20.00%**
Available within 4 years	90%	100.00%	**10.00%**
Available within 5 years	100%	100.00%	**0.00%**

	Maximum Allowable	Actual Average Maturity	Policy Limit Days Available
Weighted Average Days to Maturity	500	204.12	**295.88**

CITY OF SHERMAN, TX

Calculation of Weighted Average Maturity and Yield
As of June 30, 2011

	Market Value	Book Value	# of Days To Maturity	Original Yield to Maturity	Percent of Portfolio
Demand Deposits					
Depository Bank	$4,010,788	$ 4,010,788	0	0.15%	18.40%
Depository Bank -TIF Funds	927,873	927,873	0	0.15%	4.26%
	4,938,661	4,938,661			22.66%
Bank Time Deposits					
Certificate of Deposit 1.5% 12/3/2011	1,015,085	1,015,085	156	1.51%	4.66%
Certificate of Deposit 1.61% 5/3/2012	1,016,197	1,016,197	308	1.62%	4.66%
Certificate of Deposit 1.40% 7/19/2011	1,024,488	1,024,488	19	1.41%	4.70%
Certificate of Deposit 1.00% 9/16/2012	1,007,496	1,007,496	444	1.00%	4.62%
Certificate of Deposit 0.91% 4/1/2012	1,017,912	1,017,912	276	0.91%	4.67%
	5,081,178	5,081,178			23.31%
Investment Pools					
Tex-Pool	1,554,580	1,554,502	1	0.09%	7.13%
TexStar	1,379,465	1,379,264	1	0.10%	6.33%
	2,934,045	2,933,766			13.46%
Federal Securities and Notes					
FNMA .625% 7/27/2011	300,061	300,000	27	0.63%	1.38%
FNMA 3.625% 8/15/2011	1,004,306	1,003,778	46	0.62%	4.60%
FHLB 2.1% 9/6/2011	501,805	501,151	68	0.69%	2.30%
FHLB 3.75% 9/9/2011	1,037,038	1,036,081	68	0.71%	4.75%
FHLB 1.13% 12/9/2011	1,004,397	1,001,172	162	1.09%	4.59%
FHLMC 3.9% 7/27/2012	1,007,957	1,006,167	393	0.71%	4.62%
FHLMC .75% 10/19/2012	1,000,213	1,000,000	477	0.75%	4.59%
FHLMC .75% 12/28/2012	1,004,720	998,153	547	0.88%	4.58%
FNMA .86% 1/28/2013	1,000,382	998,478	578	0.96%	4.58%
FFCB.875% 12/27/2013	998,902	1,000,000	911	0.88%	4.59%
	8,859,780	8,844,980			40.58%
TOTAL	$21,813,665	$21,798,585			100.00%

Weighted Average Maturity

	Actual	Maximum
Weighted Average Days to Maturity	204.12	500
Weighted Average Days to Maturity-Operating (ex.depository bank-checking)	263.91	500

Weighted Average Yield

Weighted Average Yield	0.68%
Weighted Average Yield - Operating (excluding depository bank-checking)	0.83%
Target Yield to Maturity of 180 day T-Bill at June 30, 2011	0.10%

CITY OF SHERMAN, TX
Market Value Analysis
As of June 30, 2011

CHANGES IN MARKET VALUE:

BEGINNING VALUE - March 31, 2011		$23,110,282
INVESTMENT ACTIVITY:		
Purchases	1,013,728	
Maturities	(2,000,000)	
Net Changes in Market Price	(20,101)	
		(1,006,373)
Bank and Pooled Investment Deposits/(Withdrawals) - Net		(290,245)
ENDING VALUE - June 30, 2011		**$21,813,665**

COMPARISON OF BOOK VALUE TO MARKET VALUE:

BEGINNING VALUE - March 31, 2011

Market Value	$23,110,282	
Book Value	$23,096,751	
Ratio of Market Value to Book Value		100.06%

ENDING VALUE - June 30, 2011

Market Value	$21,813,665	
Book Value	$21,798,585	
Ratio of Market Value to Book Value		100.07%

CITY OF SHERMAN, TX
Quarter to Date Investment Transaction Report
As of June 30, 2011

PURCHASES

Date	Type		Principal Purchase Price		Par Value	Yield/Int. Discount Rate	Maturity Date
05/03/2011	CD 1.5%	$	3,700	$	3,700	1.51%	12/03/2011
05/02/2011	CD 1.61%	$	3,973	$	3,973	1.62%	05/03/2012
04/19/2011	CD 1.40%	$	3,524	$	3,524	1.41%	07/19/2011
06/16/2011	CD 1.00%	$	2,531	$	2,531	1.00%	09/16/2012
06/28/2011	FHLB	$	1,000,000	$	1,000,000	0.88%	12/27/2013
	Total Purchases	**$**	**1,013,728**	**$**	**1,013,728**		

MATURITIES

Date	Type		Par Value	Yield/Int. Discount Rate
05/23/2011	FHLB 0.500%	$	1,000,000	0.77%
06/20/2011	FFCB 3.9%	$	1,000,000	0.71%
	Total Maturities	**$**	**2,000,000**	

CITY OF SHERMAN, TX
Interest Receivable and Earned Interest Income
June 30, 2011

Investment	Original Yield	Interest Receivable March 31, 2011	Purchased Interest	Interest Received	Coupon Interest	Interest Receivable June 30, 2011	Amortization/ Accretion	Earned Interest Income
DEMAND DEPOSITS								
Depository Bank	0.15%	$ -	$ -	$ 1,041	1,041	$ -	$ -	$ 1,041
Depository Bank-TIF Funds	0.15%	-	-	346	346	-	-	346
		-	-	1,387	1,387	-	-	1,387
TIME DEPOSITS								
Certificate of Deposit 1.5% 12/3/2011	1.51%	2,315	-	3,700	3,804	2,419	-	3,804
Certificate of Deposit 1.61% 5/3/2012	1.62%	2,494	-	3,973	4,079	2,600	-	4,079
Certificate of Deposit 1.4% 7/19/2011	1.41%	2,777	-	3,524	3,573	2,826	-	3,573
Certificate of Deposit 1.00% 9/16/2012	1.00%	413	-	2,531	2,506	388	-	2,506
Certificate of Deposit 0.91% 4/1/2012	0.91%	700	-	-	2,373	3,073	-	2,373
		8,699	-	13,728	16,335	11,306	-	16,335
INVESTMENT POOLS								
Tex-Pool	0.09%	-	-	801	801	-	-	801
TexStar	0.10%	-	-	558	558	-	-	558
		-	-	1,359	1,359	-	-	1,359
SECURITY INVESTMENTS								
FFCB 3.9% 6/20/2011	0.71%	10,812	-	19,500	8,688	-	(7,045)	1,643
FNMA .625% 7/27/2011	0.63%	328	-	-	474	802	-	474
FNMA 3.625% 8/15/2011	0.62%	4,532	-	-	9,062	13,594	(7,663)	1,399
FHLB 2.1% 9/6/2011	0.71%	671	-	-	2,625	3,296	(1,717)	908
FHLB 3.75% 9/9/2011	0.69%	2,360	-	-	9,549	11,909	(7,795)	1,754
FHLB 1.13% 12/9/2011	0.86%	3,525	-	5,625	2,774	674	(659)	2,115
FHLMC 1.13% 7/27/2012	0.55%	1,966	-	-	2,813	4,779	(1,428)	1,385
FHLB .5% 8/23/2012	0.77%	988	-	1,250	322	60	3,728	4,050
FHLMC .75% 10/19/2012	0.75%	1,464	-	-	1,870	3,334	-	1,870
FHLMC .75% 12/28/2012	0.88%	2,226	-	4,063	1,878	42	308	2,186
FNMA .86% 1/28/2013	0.96%	1,433	-	-	2,150	3,583	240	2,390
FHLB .875% 12/27/2013	0.88%	-	24	-	48	72	-	48
		30,305	24	30,438	42,253	42,145	(22,031)	20,222
		$39,004	**$24**	**$46,911**	**$61,334**	**$53,451**	**($22,031)**	**$39,303**

CITY OF SHERMAN, TX
CO Debt Proceeds
Investment Report Summary
June 30, 2011

This report complies with the requirements of the public funds investment law and covers the Certificate of Obligation Debt Proceeds of the City of Sherman that is subject to that law. At June 30, 2011, investment book value was about $2.5 million and had decreased by approximately $0.5 million from the previous quarter due to payments made for construction projects. The City's investment portfolio includes interest-bearing demand deposits and investment pools that strive to maintain a 100% net asset value.

The City was in compliance with all provisions of the investment policy and the Public Funds Investment Act as of June 30, 2011. The weighted-average maturity of the portfolio was 1 day at June 30, 2011.

The market value of the portfolio was 100.01% of book value as of June 30, 2011.

The portfolio yield of 0.10% at June 30, 2011 was equal to the benchmark yield of .10% on the 180-day T-Bill.

All other transactions were routine.

The following schedules are also a part of this investment report.

Robby Hefton

Robby Hefton, Assistant City Manager/CFO
and City of Sherman Investment Officer

Mary Lawrence

Mary Lawrence, Controller and City of
Sherman Investment Officer

CITY OF SHERMAN, TX
CO Debt Proceeds
Detailed Investment Report - Debt Proceeds
As of June 30, 2011

Investment	VALUES - March 31, 2011 Book	VALUES - March 31, 2011 Market	Book Increase/(Decrease) Purchases/ (Withdrawals)	Book Increase/(Decrease) Accruals/ Amortizations	Market Increase/(Decrease) Purchases & (Withdrawals)	Market Increase/(Decrease) Change In Market Price	VALUES - June 20, 2011 Book	VALUES - June 20, 2011 Market
DEMAND DEPOSITS								
Depository Bank-TIF	$ 293,692	$ 293,692	$ (275)	$ 110	$ (275)	$ 110	$ 293,527	$ 293,527
INVESTMENT POOLS								
TexStar-2009A Bonds	2,766,496	2,766,850	(542,166)	602	(542,166)	573	2,224,932	2,225,257
	2,766,496	2,766,850	(542,166)	602	(542,166)	573	2,224,932	2,225,257
	$3,060,188	**$3,060,542**	**($542,441)**	**$712**	**($542,441)**	**$683**	**$2,518,459**	**$2,518,784**

CITY OF SHERMAN, TX
CO Debt Proceeds
Comparison of Portfolio to Policy Limits
As of June 30, 2011

LIMITS ON MATURITIES	Minimum Allowable Percentage of Portfolio	Actual Percentage of Portfolio	% Variance Policy Limits
Cash Demands within 1 month	10%	100.00%	**90.00%**
Cash Demands within 3 months	14%	100.00%	**85.96%**
Cash Demands within 6 months	40%	100.00%	**59.70%**
Cash Demands within 1 year	77%	100.00%	**23.34%**
Cash Demands within 2 years	100%	100.00%	**0.00%**

	Maximum Allowable	Actual Average Maturity	Policy Limit Days Available
Weighted Average Days to Maturity	500	1.00	**499.00**

CITY OF SHERMAN, TX
CO Debt Proceeds
Calculation of Weighted Average Maturity and Yield
As of June 30, 2011

Demand Deposits	Market Value	Book Value	# of Days To Maturity	Original Yield to Maturity	Percent of Portfolio
Depository Bank	293,527	293,527	0	0.15%	11.66%
Investment Pools					
Tex-Star-2009A Bonds	2,225,257	2,224,932	1	0.10%	88.34%
TOTAL	**$ 2,518,784**	**$ 2,518,459**			**100.00%**

Weighted Average Maturity	
Weighted Average Days to Maturity	1
Weighted Average Days to Maturity-Operating (ex.depository bank)	1

Weighted Average Yield	
Weighted Average Yield	0.10%
Weighted Average Yield-Operating (excluding depository bank)	0.10%
Yield to Maturity of 180 day T-Bill at June 30, 2011	0.10%

CITY OF SHERMAN, TX
CO Debt Proceeds
Market Value Analysis
As of June 30, 2011

CHANGES IN MARKET VALUE:

BEGINNING VALUE - March 31, 2011		$3,060,542
INVESTMENT ACTIVITY:		
Purchases	-	
Maturities	-	
Net Changes in Market Price	-	
		-
Bank and Pooled Investment Deposits/(Withdrawals) - Net		($541,758)
ENDING VALUE - June 30, 2011		**$2,518,784**

COMPARISON OF BOOK VALUE TO MARKET VALUE:

BEGINNING VALUE - March 31, 2011

Market Value	$3,060,542	
Book Value	$3,060,188	
Ratio of Market Value to Book Value		100.01%

ENDING VALUE - June 30, 2011

Market Value	$2,518,784	
Book Value	$2,518,459	
Ratio of Market Value to Book Value		100.01%

CITY OF SHERMAN, TX
CO Debt Proceeds
Quarter To Date Investment Transaction Report
As of June 30, 2011

PURCHASES

There were no purchases during the period.

MATURITIES

There were no maturities during the period.

CITY OF SHERMAN, TX
CO Debt Proceeds
Interest Receivable and Earned Interest Income
As of June 30, 2011

Investment	Original Yield	Interest Receivable September 30, 2010	Purchased Interest	Interest Received	Coupon Interest	Interest Receivable December 31, 2010	Amortization/ Accretion	Earned Interest Income
DEMAND DEPOSITS								
Depository Bank-TIF	0.15%	$ -	$ -	$ 110	$ 110	$ -	$ -	$ 110
INVESTMENT POOLS								
TexStar - 2009A Bonds	0.10%	-	-	602	602	-	-	602
		-	-	602	602	-	-	602
		$ -	**$ -**	**$712**	**$712**	**$ -**	**$ -**	**$712**

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. D.3

**** OTHER BUSINESS***

Consider Calling a Special Meeting of the City Council for Tuesday, September 6, 2011, 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 6, 2011, 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 5th, 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 6th.

Alternatives

No alternative is recommended, since the first meeting in September is necessary in the process to set the property tax rate.

Attachments

None

Prepared and Approved by:
George Olson, City Manager

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. D.4

CITIZEN REQUESTS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. D.5

MEDIA QUESTIONS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. D.6

COUNCIL COMMENTS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. E.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 — **Consider the Qualifications, Appointment and Removal of Members to Boards and Commissions:**
- **(a) Mental Health Mental Retardation Services of Texoma Board of Directors (1)**

Section 551.087 — **Deliberation Regarding Economic Development Negotiations:**
- **(a) Deliberate Regarding Commercial or Financial Information that the City has Received from Business Prospects and Deliberate any Offers or Incentives to the Business Prospects, including the following:**
  - **(i) Property at 4344 Loy Lake Road, Sherman, Texas**

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. F.1

OPEN MEETING
Reconvene into Open Meeting and consider action, if any, on items discussed in Executive Session

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. F.2

ADJOURNMENT

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-1-2011

Subject: Agenda Item No. N/A

COUNCIL CALENDAR

2011

CITY COUNCIL MEETINGS

JANUARY

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	~~3~~	**4**	5	6	7	8
9	10	11	12	13	14	15
16	**17**	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

FEBRUARY

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	**7**	8	9	10	11	12
13	14	15	16	17	18	19
20	**21**	22	23	24	25	26
27	28					

MARCH

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	**3**	4	5
6	**7**	8	9	19	11	12
13	14	15	16	17	18	19
20	**21**	22	23	24	25	26
27	**28**	29	30	31		

APRIL

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	**4**	5	6	7	8	9
10	11	12	13	14	15	16
17	**18**	19	20	**21**	22	23
24	25	26	27	28	29	30

MAY

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	**2**	3	4	5	6	7
8	9	10	11	12	13	14
15	**16**	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

JUNE

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	**6**	7	8	9	10	11
12	13	14	15	16	**17**	18
19	**20**	21	22	**23**	24	25
26	27	28	29	30		

JULY

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	**4**	~~5~~	6	7	8	9
10	11	12	13	14	15	16
17	**18**	19	20	21	22	23
24	25	26	27	28	29	30
31						

AUGUST

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	**15**	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

SEPTEMBER

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	**5**	**6**	7	8	9	10
11	12	13	14	15	16	17
18	**19**	20	21	22	23	24
25	26	27	28	29	30	

OCTOBER

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	**3**	4	5	6	7	8
9	10	11	12	13	14	15
16	**17**	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

NOVEMBER

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	**7**	8	9	10	11	12
13	14	15	16	17	18	19
20	**21**	22	23	24	25	26
27	28	29	30			

DECEMBER

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	**5**	6	7	8	9	10
11	12	13	14	15	16	17
18	**19**	20	21	22	23	24
25	26	27	28	29	30	31

01/03/11 - January 3rd Council meeting cancelled
01/17/11 - M.L.K., Jr. Birthday / Regular Council Meeting
02/21/11 - Washington's Birthday / Regular Council Meeting
03/03/11 - 12 Noon Long-Term Planning Meeting
03/28//11 - 12 Noon Called Meeting for PH & Adoption of Ord. #
(Annexation of 23.065 acres south of Dripping Springs Road and west of Cedar Park Village)
04/21/11 - 12 Noon Budget Planning Meeting in Council Chambers
06/17/11 - 8:00 AM Budget Workshop in Council Chambers
06/23/11 - 12 Noon Joint Meeting with SEDCO Board (Ramp Rev.)

07/04/11 - Independence Day - No Meeting Called for 07/05/11
09/05/11 - Labor Day / Called Council Meeting on 09/06/11