CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, JULY 18, 2022
5:00 P.M.

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

A. 2. PLEDGE OF ALLEGIANCE LED BY COUNCIL MEMBER JOSH STEVENSON

A. 3. INVOCATION BY COUNCIL MEMBER JOSH STEVENSON

A. 4. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF JUNE 20, 2022, AND THE CALLED CITY COUNCIL MEETING OF JULY 5, 2022.

Proclamations

B. 1. PROCLAMATION
"Americans with Disabilities Act Awareness Day" – July 26, 2022

Citizen Comments

C. 1. CITIZEN COMMENTS
During this meeting, the City Council welcomes public comment **only** on agenda items listed under the Open Meeting portion of the agenda, in accordance with Texas Government Code Section 551.007. For items not listed on the agenda, those matters may be discussed with City staff during regular business hours, or with the Mayor or any Council member by contacting them at times other than at City Council meetings.

Consent Agenda

D. 1. CONSENT AGENDA
Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

D. 2. CONSENT AGENDA
Double Asterisked (**) items are considered to be routine and will be enacted in one motion, subject to staff review letter, without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

Public Hearing

E. 1. PUBLIC HEARING
Final Statement/Action Plan for Program Year 2022 Community Development Block Grant

Any item on this posted agenda may be discussed in Executive Session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code

E. 2. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6500**

Amending Section 12, Ordinance No. 2280, so as to Include Certain Property within the C-2 (General Commercial) District located at 4500 Frisco Road, being 1.873 Acres in the W.F. Patterson Survey, Abstract No. 969, a Replat of Midway Mall Part of Block 4 (Daniel and Kari Wills, Owners; Rex Huddleston, Prospective Buyer; Kent Hughlett, Architect; and Preston Trail Land Surveying, Surveyor); Providing a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 3. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6501**

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District 4500 Frisco Road, being 1.873 acres in the W.F. Patterson Survey, Abstract No. 969, a Replat of Midway Mall Part of Block 4 (Daniel and Kari Wills, Owners; Rex Huddleston, Prospective Buyer; Kent Hughlett, Architect; and Preston Trail Land Surveying, Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

E. 4. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6502**

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow an Early Learning & Tutoring Center (School Nursery, Kindergarten, or Daycare for Children) in an R-1 (One-Family Residential) at 1817 Glenway Drive, being Lot Nine (9), Block One (1) of the Peppertree Addition (Luke Scheibmeir, Owner; Colleen Bowling, Tenant; and David Fite Surveying (Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

E. 5. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6503**

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow Patio Homes in an R-1 (One-Family Residential) District in the 2000-2300 Blocks West Center Street, being 67.25 acres in the Elizabeth Jones Survey, Abstract 625 (W.W. Collins Holdings, LP, Owner; Frank Su, Meritage Homes of Texas, Prospective Buyer; Johnson Volk Consulting, Engineer/Surveyor; and Kimley-Horn and Associates; Engineer/Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

E. 6. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6504**

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow Patio Homes in an R-1 (One-Family Residential) District in the 300-400 Blocks East Sherman Street, being 50.908 acres in the Preston Kitchens Survey, Abstract No. 667 (Kirk Allen, Three Oaks Development & Construction, Owner and Underwood Drafting & Surveying, Inc., Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

Close Public Hearing and Consider Adoption of Ordinances

E. 7. **ADOPTION OF ORDINANCES**

Consider Adoption of Ordinance Numbers 6500, 6501, 6502, 6503 & 6504

Resolutions

F. 1. **RESOLUTION NO. 6923**
Authorizing Publication of the Proposed Final Statement/Action Plan for the Community Development Block Grant for Program Year 2022; Authorizing Submission of the Block Grant Application; Authorizing Execution of Certifications of Compliance in Connection with the Administration and Conduct of the Community Development Program for Program Year 2022.

F. 2. **RESOLUTION NO. 6924**
Approving and Authorizing Execution of a Second Amended and Restated Master Development Agreement Among the CITY OF SHERMAN, TEXAS, CROSSROADS HOSPITAL DEVELOPMENT LLC, IVY P3 GROUP, LLC and CFP SHERMAN HOSPITAL, LLC for the Development, Design and Construction of an Estimated 80-bed Acute Care Hospital and Appropriate Site Amenities Supporting the Same within the City of Sherman, Texas

F. 3. **RESOLUTION NO. 6925**
Approving and Authorizing Execution of an Amended and Restated Public Private Partnership Agreement By and Between the City of Sherman, Texas and CFP Sherman Hospital, LLC and Community Hospital Corporation

F. 4. **RESOLUTION NO. 6926**
Opposing the Proposed Expansion of the Grayson County Jail in Sherman's Central Business District; Encouraging the Grayson County Commissioners Court to Defer Action on the Proposal so that Possible Alternative Locations for Existing and Expanded Jail Operations and Related Support Services can be Fully Considered; Offering Support for the Exploration of such Alternatives

F. 5. **** RESOLUTION NO. 6927***
Approving the Greater Texoma Utility Authority's Intention to Contract with Red River Construction Co. for Construction of the Post Oak Wastewater Treatment Plant Equalization Basin Improvements Project

F. 6. **** RESOLUTION NO. 6928***
Approving the Greater Texoma Utility Authority's Intention to Contract with Red River Construction Co. for the WWTP Primary Clarifier No.1 Equipment Replacement & Sludge Transfer Station Rehab Project

F. 7. **** RESOLUTION NO. 6929***
Repealing and Replacing Resolution No. 6851; Establishing Salary Structures and Incentive/Certification Pay Schedules for Firefighters and Police Officers; Establishing Special Longevity Pay Schedules for Newly Hired Firefighters and Police Officers; Providing for an Effective Date

F. 8. **** RESOLUTION NO. 6930***
Amending the Authorized Representatives to Invest City of Sherman Funds with the Texas Local Government Investment Pool (TexPool)

Requests to Advertise

G. 1. ****REQUEST TO ADVERTISE***
Replacement of the City's Call Recording Software and Hardware

Change Orders

H. 1. **CHANGE ORDER NO. 1**
Moore Street From West Travis Street To Heritage Parkway Project; Lynn Vessels Construction, LLC.; $338,484.45 Increase

Other Business

I. 1. **OTHER BUSINESS**
Receive Quarterly Progress Report from Sherman Economic Development Corporation President Kent Sharp

I. 2. **OTHER BUSINESS**
Repair and Replacement of Concrete Pavement on Binkley Park Drive Under Emergency Designation

I. 3. **OTHER BUSINESS**
Preview of the 2022-2023 Draft Budget

I. 4. **OTHER BUSINESS**
Final Plat approval of Three Oaks Addition Section 2, being 50.908 acres in the Preston Kitchens Survey, Abstract No. 667; Kirk Allen, Three Oaks Development & Construction, Owner and Underwood Drafting & Surveying, Inc., Surveyor (300-400 Blocks East Sherman Street)

I. 5. **** OTHER BUSINESS***
Approve Quarterly Investment Report for Quarter Ended June 30, 2022

I. 6. **** OTHER BUSINESS***
Consider Calling a Special Meeting of the City Council for Tuesday, September 5, 2022, due to Conflict with a Federal Holiday

I. 7. ***** OTHER BUSINESS***
Replat approval of Covas Addition, being part of J.B. McAnair Survey, Abstract No. 763 and being part of Lot 3, Block 9, G.W. Bond's Second Addition, containing 0.133 acres; M & G Home Builders, LLC, Owner and Helvey-Wagner Surveying, Inc., Surveyor (515 North East Street)

I. 8. ***** OTHER BUSINESS***
Replat approval of Eileen's Addition, being part of Samuel Blagg Survey, Abstract No. 56, being the South 26 ft. of Lot 4, the North 24 ft. of Lot 5, Block 6 of Robert A King's Addition, containing 0.161 acres; M & G Home Builders, LLC, Owner and Helvey-Wagner Surveying, Inc., Surveyor (922 South Montgomery Street)

I. 9. ***** OTHER BUSINESS***
Replat approval of Vela-Aguilar Addition, being 0.648 acres and being part of the Robert Thompson Survey, Abstract No. 1200, and being Lot 1 of Alvarado-Vela Addition; Francisco Vela & Cindy Aguilar, Owners and Underwood Drafting & Surveying, Surveyor (2400 South First Street)

I. 10. ***** OTHER BUSINESS***
Final Plat of Hidden Meadows, being 43.369 acres in the W.M. Thompson Survey, Abstract 1210 and the Fielding Bacon Survey, Abstract No. 119; Lennar Homes of Texas Land and Construction, LTD, Owners and Michael Carlisle, Kimley-Horn and Associates, Inc, Representative/Engineer/Surveyor (3800 Block West Houston Street)

Any item on this posted agenda may be discussed in Executive Session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code

I. 11. ***** OTHER BUSINESS***

Final Plat approval of Barbara Lane Estates Phase Two, being 6.794 acres in the John McClenihan Survey, Abstract No. 789, in Sherman's Extraterritorial Jurisdiction (ETJ); William Smith, Owner and Cox Land Surveying Co., Surveyor (111 Barbara Lane)

I. 12. ***** OTHER BUSINESS***

Final Plat approval of QT 1915 Addition, being 2.9654 acres in the Reuben Hendrix Survey, Abstract No. 504; QT LLC South, Owners; Corey Vaughan, Representative; Tommy Vilbig, Engineer; and Bowman Consulting Group, Ltd, Surveyor (2801 Texoma Parkway)

I. 13. ***** OTHER BUSINESS***

Final Plat approval of Stone Creek Flats, being 15.974 acres in the Elizabeth Jones Survey, Abstract No. 625; SSCGC Holdings, LLC, Owners; JNPHM Development, LLC, Developer; and Underwood Surveying, Surveyor (900 Block South FM 1417 (Heritage Parkway))

J. COUNCIL COMMENTS

Executive Session

K. 1. EXECUTIVE SESSION

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

Tex. Gov't Code § 551.071	Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.
Tex. Gov't Code § 551.072	Deliberating the purchase, exchange, lease or value of real property if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.
Tex. Gov't Code § 551.073	Deliberating a negotiated contract for a prospective gift or donation to the City if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.
Tex. Gov't Code § 551.074	Deliberating the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. (a) Annual Performance Evaluation of the City Manager (b) Sherman Housing Authority (3)
Tex. Gov't Code § 551.076	Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit.

Any item on this posted agenda may be discussed in Executive Session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code

Tex. Gov't Code § 551.087	Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect.
Tex. Gov't Code § 551.089	Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices.

The Council reconvenes into General Session

L. 1. OPEN MEETING

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

Other Business

M. 1. OTHER BUSINESS

Consider Approval of Amended and Restated Employment Agreement (AREA) with the City Manager

N. ADJOURNMENT

COUNCIL CALENDAR

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on July 15, 2022 at 4:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 15th day of July, 2022.
City of Sherman, Texas

_____
City Clerk

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

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

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

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

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

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

Mayor	Deputy Mayor	Council Members	
David Plyler	Pamela L. Howeth	Henry Marroquin, Council-At-Large, PL #1	Josh Stevenson, Council – District #2
		Juston Dobbs, Council-At-Large, PL #2	Pamela L. Howeth, Council – District #3
		Shawn C. Teamann, Council – District #1	Daron Holland, Council – District #4

Any item on this posted agenda may be discussed in Executive Session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **A. 4.**

Meeting Date: 07/18/2022

Approved By: Robby Hefton, City Manager

Caption:

APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF JUNE 20, 2022, AND THE CALLED CITY COUNCIL MEETING OF JULY 5, 2022.

Attachments

June 20, 2022

July 5, 2022 - Called Meeting

STATE OF TEXAS §

June 20, 2022

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Regular Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on June 20, 2022.

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

MEMBERS ABSENT: **NONE.**

CALL TO ORDER — **CALL TO ORDER**

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

CITIZEN'S COMMENTS — **CITIZENS COMMENTS**

There were no citizen's comments.

CONSENT AGENDA — **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.

The Council reviewed the Consent Agenda. Council Member Teamann asked to remove Item F-1, entitled "Change Order No. 2 – North Travis Water Line Replacement / US 75 Water Line Crossing; Hayes Construction, LLC; $6,390.00 increase," from the Consent Agenda for consideration in its regular order of business.

Deputy Mayor Howeth moved to approve the Consent Agenda, with the exception of Item F-1, which will be considered in its regular order of business. Second by Council Member Teamann. All present voted AYE.

CHANGE ORDER NO. 2
NORTH TRAVIS WATER LINE REPLACEMENT / US 75 WATER LINE CROSSING; HAYES CONSTRUCTION, LLC; $6,390.00 INCREASE — **CHANGE ORDER NORTH TRAVIS WATER LINE & US 75 WATER LINE CROSSING**

Council Member Teamann asked to remove Item F-1 from the Consent Agenda, for consideration in its regular order of business. He said he planned to abstain from the vote.

Council Members considered Change Order No. 2 to Hayes Construction, LLC, for a $6,390 increase for the North Travis Water Line Replacement / US 75 Water Line Crossing project.

The Change Order will adjust the project's final quantities for the project, and reconcile between the design quantities and actual quantities for what was installed. The Change Order results in a $6,390.00 increase in the contract amount, yielding a total contract price of $533,242.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Change Order No. 2, to Hayes Construction, LLC, in the amount of a $6,390.00 increase, for the North Travis Water Line Replacement / US 75 Water Line Crossing, as presented. Second by Deputy Mayor Howeth.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson.
VOTING NAY: None.
ABSTAIN: Teamann.
MOTION CARRIED.

Mayor Plyler asked that all four Public Hearings be read together.

PUBLIC HEARING GLOBITECH TAX ABATEMENT PHASE II-A

PUBLIC HEARING
PROPOSED AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-A IMPROVEMENTS AND INVESTMENTS IN PHASE II-A TANGIBLE PERSONAL PROPERTY WITHIN CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NUMBER TWELVE (#12)

PROPOSED AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-B IMPROVEMENTS AND INVESTMENTS IN PHASE II-B TANGIBLE PERSONAL PROPERTY WITHIN CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NUMBER TWELVE (#12)

GLOBITECH TAX ABATEMENT PHASE II-B

PROPOSED AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-C IMPROVEMENTS AND INVESTMENTS IN PHASE II-C TANGIBLE PERSONAL PROPERTY WITHIN CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NUMBER TWELVE (#12)

GLOBITECH TAX ABATEMENT PHASE II-C

PROPOSED AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-D IMPROVEMENTS AND INVESTMENTS IN PHASE II-D TANGIBLE PERSONAL PROPERTY WITHIN CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NUMBER TWELVE (#12)

GLOBITECH TAX ABATEMENT PHASE II-D

Robby Hefton, City Manager, said the four Public Hearings, and eight of the Resolutions, all pertain to Project Boston, which is GlobiTech.

He said the City staff has worked for several months with Mark England, President of GlobiTech, and his executive staff, on the project, which is an extension of the current GlobiTech campus in Sherman.

Their parent company, GlobalWafers, is proposing a $5 billion project, that would be constructed in four phases, and they will hire several hundred employees per phase.

As for the Resolutions, later in the meeting, Mr. Hefton said there are two types of agreements. There is a tax abatement agreement, a Chapter 312 Agreement for each of the four phases, and also a Chapter 380 Agreement for each of the four phases, making eight agreements in total.

Each of the other taxing entities will also be taking action on each of these agreements at their respective meetings. The other taxing entities include Grayson College, Grayson County, and the Sherman Independent School District.

Mr. Hefton said this is a "great project and a game changer" for the City of Sherman.

Mark England, 200 FM 1417 West

Mr. England thanked Mayor Plyler, the City Council, and Mr. Hefton, for their help on the project. He said there was a lot of competition on the project, and it has been 20 years since this type of factory has been built in the United States.

He said GlobalWafers is the third largest of the wafer manufacturers in the world. He said the "easy answer" for this expansion was to go to South Korea, but there is currently a lot of momentum in the United States.

He said the City has been fantastic in all the benefits that have been extended to get the project located in Sherman. He said he "anticipates that there will be a good announcement next Monday."

Mr. England said, after the announcement, there is still a lot of work to do on the design to try to get the costs down, as well as work on the incentive from the Federal Government.

He said the factory will be a very clean factory, similar to Texas Instruments, and will be somewhat automated. There will be four phases of the project. He said they were still waiting on the SISD's incentives to be approved through the State.

He said, with Texas Instruments and GlobiTech, they expect the vision of this area to be a huge semi-conductor hub, and the only one in the United States. With Texas Instruments, II-VI, GlobiTech, and GlobalWafers, there will be many ancillary businesses that will come.

Mr. Hefton said, if everything goes well, when would they want to start construction and when would they be in production. Mr. England said he would "like to have concrete" by November 2022. He said there is a strong business for silicon. He said there is a strong need for the wafers, from many different companies.

No other citizens appeared before the City Council to discuss the proposed agreements with GlobiTech Incorporated for the abatement of Ad Valorem Property Taxes for Phase II-A, Phase II-B, Phase II-C, and Phase II-D improvements and investments in Phase II-A, Phase II-B, Phase II-C, and Phase II-D tangible personal property within City of Sherman Industrial Reinvestment Zone Number Twelve.

The Public Hearing was closed.

Mayor Plyler asked that Resolution Nos. 6909, 6910, 6911, 6912, 6913, 6914, 6915, and 6916, be read together.

RES 6909 GLOBITECH TAX ABATEMENT PHASE II-A

RESOLUTION NO. 6909 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-A IMPROVEMENTS AND INVESTMENTS IN PHASE II-A TANGIBLE PERSONAL PROPERTY WITHIN CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NUMBER TWELVE (#12), CITY OF SHERMAN, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-A IMPROVEMENTS AND INVESTMENT IN PHASE II-A TANGIBLE PERSONAL PROPERTY WITHIN THE CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NUMBER TWELVE (#12), CITY OF SHERMAN, TEXAS.

RES 6910 GLOBITECH TAX ABATEMENT PHASE II-B

RESOLUTION NO. 6910 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-B IMPROVEMENTS AND INVESTMENTS IN PHASE II-B TANGIBLE PERSONAL PROPERTY WITHIN CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NUMBER TWELVE (#12), CITY OF SHERMAN, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-B IMPROVEMENTS AND INVESTMENT IN PHASE II-B TANGIBLE PERSONAL PROPERTY WITHIN THE CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NUMBER TWELVE (#12), CITY OF SHERMAN, TEXAS.

RES 6911 GLOBITECH TAX ABATEMENT PHASE II-C

RESOLUTION NO. 6911 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-C IMPROVEMENTS AND INVESTMENTS IN PHASE II-C TANGIBLE PERSONAL PROPERTY WITHIN CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NUMBER TWELVE (#12), CITY OF SHERMAN, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-C IMPROVEMENTS AND INVESTMENT IN PHASE II-C TANGIBLE PERSONAL PROPERTY WITHIN THE CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NUMBER TWELVE (#12), CITY OF SHERMAN, TEXAS.

RES 6912 GLOBITECH TAX ABATEMENT PHASE II-D

RESOLUTION NO. 6912 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-D IMPROVEMENTS AND INVESTMENTS IN PHASE II-D TANGIBLE PERSONAL PROPERTY WITHIN CITY OF SHERMAN INDUSTRIAL

REINVESTMENT ZONE NUMBER TWELVE (#12), CITY OF SHERMAN, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH GLOBITECH INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR PHASE II-D IMPROVEMENTS AND INVESTMENT IN PHASE II-D TANGIBLE PERSONAL PROPERTY WITHIN THE CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NUMBER TWELVE (#12), CITY OF SHERMAN, TEXAS.

RESOLUTION NO. 6913 – AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH GLOBITECH INCORPORATED FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE FOR PHASE II-A IMPROVEMENTS AND PHASE II-A TANGIBLE PERSONAL PROPERTY

RES 6913 GLOBITECH 380 AGREEMENT PHASE II-A

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH GLOBITECH INCORPORATED FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE FOR PHASE II-A IMPROVEMENTS AND PHASE II-A TANGIBLE PERSONAL PROPERTY.

RESOLUTION NO. 6914 – AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH GLOBITECH INCORPORATED FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE FOR PHASE II-B IMPROVEMENTS AND PHASE II-B TANGIBLE PERSONAL PROPERTY

RES 6915 GLOBITECH 380 AGREEMENT PHASE II-B

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH GLOBITECH INCORPORATED FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE FOR PHASE II-B IMPROVEMENTS AND PHASE II-B TANGIBLE PERSONAL PROPERTY.

RESOLUTION NO. 6915 – AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH GLOBITECH INCORPORATED FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE FOR PHASE II-C IMPROVEMENTS AND PHASE II-C TANGIBLE PERSONAL PROPERTY

RES 6915 GLOBITECH 380 AGREEMENT PHASE II-C

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH GLOBITECH INCORPORATED FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE FOR PHASE II-C IMPROVEMENTS AND PHASE II-C TANGIBLE PERSONAL PROPERTY.

RESOLUTION NO. 6916 – AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH GLOBITECH INCORPORATED FOR THE GRANT OF INCENTIVES

RES 6916 GLOBITECH 380 AGREEMENT

PHASE II-D

PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE FOR PHASE II-D IMPROVEMENTS AND PHASE II-D TANGIBLE PERSONAL PROPERTY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH GLOBITECH INCORPORATED FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE FOR PHASE II-D IMPROVEMENTS AND PHASE II-D TANGIBLE PERSONAL PROPERTY.

Mr. Hefton said these agreements were structured using the same form and structure as the Texas Instruments agreements, however the terms are different.

He said these agreements offer an 85% tax abatement for 10 years, and then a 75% tax rebate, for years 11 through 30. It also gives them a 25% discount for utilities, all the water and sewer usage, for the term of this agreement, for all the businesses that GlobiTech or GlobalWafers have in Sherman.

Mr. Hefton said, ultimately, this project will bring millions of dollars a year in direct benefits, and tens of millions, or hundreds of millions over the life of the project. He said he couldn't overstate the importance or significance of this project to the City of Sherman, and it was good to have them in the community. He recognized the hard work that both sides have put in to make the project work.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution Nos. 6909, 6910, 6911, 6912, 6913, 6914, 6915, and 6916, as presented. Second by Council Member Teamann.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6917 CONFIRM NEW POLICE CHIEF

RESOLUTION NO. 6917 – CONFIRMING THE EMPLOYMENT OF THE SHERMAN POLICE DEPARTMENT'S POLICE CHIEF

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CONFIRMING THE EMPLOYMENT OF THE SHERMAN POLICE DEPARTMENT'S POLICE CHIEF.

Mr. Hefton announced that he has selected Jason Jeffcoat as the new Police Chief. Chief Jeffcoat has worked for the City of Sherman for 24 years, and has worked his way up "through the ranks" of the Police Department. He is a great officer, a great man, and well respected in the community.

He said the Sherman Charter requires that the City Council confirm the City Manager's appointment, so the action tonight is confirmation of that appointment.

Chief Jeffcoat thanked Mr. Hefton and the City Council for giving him this opportunity. He also thanked Police Chief Zach Flores,

and said, without his mentorship and leadership, there is no way he would be here today. He said Sherman is "lucky to have him." He said he would lead the department with integrity and high standards, and represent the community in a positive manner, every day. He said he looked forward to getting started.

ACTION TAKEN.

Motion by Deputy Mayor Howeth to approve Resolution No. 6917, as presented, and confirming Jason Jeffcoat as Sherman's new Police Chief. Second by Council Member Stevenson.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6918 9-1-1 GRANT TO FUND PSAP FOR NEW POLICE DEPT.

RESOLUTION NO. 6918 – AUTHORIZING SUBMISSION OF A GRANT APPLICATION AND THE ACCEPTANCE OF THE NEXT GENERATION 9-1-1 GRANT THROUGH THE COMMISSION ON STATE EMERGENCY COMMUNICATIONS TO FUND PSAP EQUIPMENT FOR THE NEW SHERMAN POLICE DEPARTMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF A GRANT APPLICATION AND THE ACCEPTANCE OF THE NEXT GENERATION 9-1-1 GRANT THROUGH THE COMMISSION ON STATE EMERGENCY COMMUNICATIONS TO FUND PSAP EQUIPMENT FOR THE NEW SHERMAN POLICE DEPARTMENT.
CONSENT AGENDA.

RES 6919 RESIDENTIAL TAX ABATEMENT (315 E. COLLEGE ST)

RESOLUTION NO. 6919 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH JDH GRIMSLEY LLC FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 315 EAST COLLEGE STREET WITHIN THE CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH JDH GRIMSLEY LLC FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 315 EAST COLLEGE STREET WITHIN CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10).
CONSENT AGENDA.

COUNCIL COMMENTS

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

Council Member Marroquin congratulated Chief Jeffcoat and said the appointment was well deserved and Mr. Hefton couldn't have picked a better person for the position.

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

Council Member Stevenson congratulated Chief Jeffcoat and said he knew he would do great things.

GLOBITECH EXPANSION

GLOBITECH EXPANSION

Council Member Stevenson said any other time, a $5 billion deal would be the biggest thing Sherman has done. He thanked GlobiTech for working with them and bringing more growth to Sherman.

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

Council Member Teamann said he was excited about the appointment of Chief Jeffcoat to Police Chief.

GLOBITECH EXPANSION

GLOBITECH EXPANSION

Council Member Teamann said Mayor Plyler, Mr. Hefton, and Kent Sharp, President of the Sherman Economic Development Corporation, spent many days working with representatives from GlobiTech and GlobalWafers to make the project happen. He thanked them all for their hard work and dedication to make it happen in Sherman.

He added that the tax base increase will be very close to the current tax base increase for the entire City. He said it will be a "tremendous" addition to the City.

GLOBITECH EXPANSION

GLOBITECH EXPANSION

Deputy Mayor Howeth said she is excited to not only have GlobiTech staying in Sherman, but also growing in Sherman. She hoped they would be announcing the new facility next week and the start of the four-phase development.

She said "something's going right in Sherman, if we are keeping the industries we have, and they are expanding."

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

Deputy Mayor Howeth welcomed Chief Jeffcoat as the new Police Chief.

GLOBITECH EXPANSION

GLOBITECH EXPANSION

Council Member Holland said lots of work went into developing Sherman and the GlobiTech project.

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

Council Member Holland said Chief Jeffcoat was a "great pick" for Police Chief, and he knew he would do a great job.

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

Council Member Dobbs said he hadn't had the opportunity to know Chief Jeffcoat very well, but he looked forward to getting to know him, and knew he would do a great job.

GLOBITECH EXPANSION

GLOBITECH EXPANSION

Council Member Dobbs said once he and Council Member Marroquin were elected, Sherman has only dealt with "billion-dollar deals." He said the "bar had been set super high."

He said he appreciated the GlobiTech team, and said they have been involved in the community for a number of years. He said it was exciting and he looked forward to continued growth.

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

CONGRATULATIONS TO CHIEF JASON JEFFCOAT

Mayor Plyler congratulated Chief Jeffcoat on his appointment as Police Chief and said he knew he would do great, and said he looked forward to working with him.

GLOBITECH EXPANSION

GLOBITECH EXPANSION

Mayor Plyler said "Wow" GlobalWafers! He said it is an exciting time for the City of Sherman, for GlobalWafers, and for the State of Texas. He said, this is an important project not only for the City of Sherman, economically, but for national security too. He thanked them for their continued investment in Sherman.

ANNOUNCEMENTS

ANNOUNCEMENTS

Mayor Plyler announced the following:

- **One Hot Summer Nights concert left before they take a week-long break for Lights on the Lake. Village People and Sugarhill Gang will perform.**
- **The Sherman Chamber of Commerce will host their annual fundraiser golf tournament on July 1, 2022.**
- **Wolverine Comics, which was one of the businesses displaced by the Kelly Square fire, will reopen on July 1, 2022, at their new location 212 North Crockett Street.**

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

EXECUTIVE SESSION

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

TEX. GOV'T CODE § 551.071 --
SEEKING THE ADVICE OF ITS ATTORNEY ABOUT PENDING OR CONTEMPLATED LITIGATION, SETTLEMENT OFFERS OR ANY MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE CITY COUNCIL UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THE TEXAS OPEN MEETINGS ACT

(a) Receive Legal Advice Regarding Property Condition Issues at 1721 N. Hoard Avenue

TEX. GOV'T CODE § 551.072 --
DELIBERATING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.073 --
DELIBERATING A NEGOTIATED CONTRACT FOR A PROSPECTIVE GIFT OR DONATION TO THE CITY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.074 --
DELIBERATING THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE; OR TO HEAR A COMPLAINT OR CHARGE AGAINST AN OFFICER OR EMPLOYEE UNLESS THE OFFICER OR EMPLOYEE WHO IS THE SUBJECT OF THE DELIBERATION OR HEARING REQUESTS A PUBLIC HEARING

(a) City Manager's Contract

TEX. GOV'T CODE § 551.076 –
DELIBERATING THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION, OF SECURITY PERSONNEL OR DEVICES OR A SECURITY AUDIT

TEX. GOV'T CODE § 551.087 –
DISCUSSING OR DELIBERATING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE CITY SEEKS TO HAVE LOCATE, STAY OR EXPAND IN OR NEAR THE CITY AND WITH WHICH THE CITY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR DELIBERATING THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO A BUSINESS PROSPECT

(a) Sherman Hospital Project

TEX. GOV'T CODE § 551.089 --
DELIBERATING SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION RESOURCES TECHNOLOGY, NETWORK SECURITY INFORMATION, OR THE DEPLOYMENT OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL, CRITICAL INFRASTRUCTURE OR SECURITY DEVICES

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 5:25 p.m.

On Motion duly made and carried, the Executive Session recessed at 6:19 p.m. and reconvened in Open Meeting.

OPEN MEETING **OPEN MEETING**

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

ADJOURNMENT **ADJOURNMENT**

On Motion duly made and carried, the meeting adjourned at 6:20 p.m.

MAYOR

CITY CLERK

STATE OF TEXAS §

July 5, 2022

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Called Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on July 5, 2022.

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

MEMBERS ABSENT: **COUNCIL MEMBER MARROQUIN.**

CALL TO ORDER — **CALL TO ORDER**

Mayor Plyler called the meeting to order at 5:02 p.m. The Pledge of Allegiance and Invocation were led by Deputy Mayor Pam Howeth.

APPROVE MINUTES — **APPROVE MINUTES**

The Council reviewed the Minutes of the Regular City Council Meetings of May 16, 2022 and June 6, 2022. Council Member Stevenson moved to approve the Minutes, as presented; Second by Deputy Mayor Howeth; All present voted AYE.
MOTION CARRIED.

PROCLAMATION
"PARKS AND RECREATION MONTH" – JULY 2022 — **PARKS & REC MONTH (JULY 2022)**

Mayor Plyler presented a proclamation designating July 2022 as "Parks and Recreation Month", to Theresa Hutchinson, Parks and Recreation Manager.

Ms. Hutchinson thanked the Mayor and City Council for the proclamation, and distributed a flyer listing all the activities scheduled during the month. She outlined several of the scheduled events.

CITIZEN'S COMMENTS — **CITIZENS COMMENTS**

There were no citizen's comments.

CONSENT AGENDA — **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.

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

RESOLUTION NO. 6920 – AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH ABERNATHY, ROEDER, BOYD & HULLETT, P.C. FOR THE COLLECTION OF DELINQUENT GOVERNMENT RECEIVABLES — **RES 6920 COLLECTION OF DELINQUENT GOVERNMENT RECEIVABLES**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH ABERNATHY,

ROEDER, BOYD & HULLETT P.C. FOR THE COLLECTION OF DELINQUENT GOVERNMENT RECEIVABLES.

Mary Lawrence, Director of Finance, said, in the past, the City had contracted with Linebarger Goggan Blair, through Grayson County, to collect delinquent taxes. The staff is proposing to contract with Abernathy, Roeder, & Hullett, to better represent the interests of the City.

She said they will only be representing the City and collecting City taxes, mowing liens, liens, and PID assessments when those go on the tax rolls.

She introduced Paul Lopez, Senior Associate, Abernathy, Roeder, Boyd, & Hullett. Mr. Lopez said he was also the Co-Director of the Delinquent Tax Section.

Mr. Lopez said they are excited to begin representation of the City. Their firm specializes in representing local governments. If approved, this contract for representation will begin September 1, 2022. At that point, they would make a full assessment of the delinquent taxes that are owed to the City. He thanked the Council for the opportunity to represent them.

ACTION TAKEN.
Motion by Deputy Mayor Howeth to approve Resolution No. 6920, as presented. Second by Council Member Holland.
VOTING AYE: Dobbs, Holland, Howeth, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6921
GYM EQUIPMENT

RESOLUTION NO. 6921 – AUTHORIZING THE PURCHASE OF GYM EQUIPMENT THROUGH BUY BOARD CONTRACT FROM TEAM MARATHON FITNESS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF GYM EQUIPMENT THROUGH BUY BOARD CONTRACT FROM TEAM MARATHON FITNESS.

CONSENT AGENDA.

RES 6922
POLICE SHELVING

RESOLUTION NO. 6922 – AUTHORIZING THE PURCHASE OF EVIDENCE SHELVING FOR THE NEW SHERMAN POLICE DEPARTMENT HEADQUARTERS FROM SOUTHWEST SOLUTIONS GROUP THROUGH SOURCEWELL CONTRACT NO. 010920-SPC

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF EVIDENCE SHELVING FOR THE NEW SHERMAN POLICE DEPARTMENT HEADQUARTERS THROUGH SOURCEWELL CONTRACT NO. 010920-SPC FROM SOUTHWEST SOLUTIONS GROUP.

CONSENT AGENDA.

REQUEST TO ADVERTISE — **REQ TO ADVERTISE SOLID WASTE SOFTWARE**

SOLID WASTE SOFTWARE

The City Council approved the request to advertise for the solicitation of public proposals for the purchase and implementation of solid waste software. The system would provide inventory and tracking of current and future equipment, containers, and personnel, route maintenance, and optimization with GIS integration, detailed billing capabilities, and an in-vehicle system to provide location and video.

CONSENT AGENDA.

OTHER BUSINESS

CONSIDER SCHEDULING A JOINT MEETING OF THE CITY COUNCIL AND THE SHERMAN ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS FOR 12:00 P.M. ON TUESDAY, SEPTEMBER 13, 2022, TO REVIEW AND APPROVE SEDCO'S ANNUAL BUDGET AND WORK PLAN — **SET CALLED MTG WITH SEDCO (SEPT. 13, 2022)**

ACTION TAKEN.

Motion by Council Member Stevenson to set a Called Joint Meeting of the City Council and the Sherman Economic Development Corporation for September 13, 2022, at 12:00 p.m., as presented. Second by Council Member Holland.

VOTING AYE: Dobbs, Holland, Howeth, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

MAIN STREET ADVISORY COMMITTEE (4) — **MAIN STREET ADVISORY COMMITTEE**

ACTION TAKEN.

Motion by Deputy Mayor Howeth to reappoint Tommie Sue Homuth, to the Main Street Advisory Committee, for a term from March 31, 2022 to March 31, 2024, and to appoint Lucas Ridley and Angela Wilson, for a term from July 7, 2022 to July 7, 2024, as presented. Second by Council Member Stevenson.

VOTING AYE: Dobbs, Holland, Howeth, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

COUNCIL COMMENTS

LIGHTS ON THE LAKE — **LIGHTS ON THE LAKE**

Council Member Holland said Lights on the Lake went really well. He said he really enjoyed the Sugarhill Gang.

PRESCO ARTWORK — **PRESCO ARTWORK**

Deputy Mayor Howeth mentioned the artwork that Presco is putting on their building. She said it really looks nice.

LIGHTS ON THE LAKE — **LIGHTS ON THE LAKE**

Deputy Mayor Howeth said Lights on the Lake was phenomenal, and was fun. She said it was a good night and encouraged even more people to come next year.

PRESCO ARTWORK — **PRESCO ARTWORK**

Council Member Holland asked if the artwork being painted on the building at Presco, was through the Cultural District or were they doing it on their own. Council Members said they are doing it on their own.

ANNOUNCEMENTS — **ANNOUNCEMENTS**

Mayor Plyler announced the following:

- **Thank you to all the City staff for their hard work to make Lights on the Lake a great event again this year. Everyone enjoyed The Village People and Sugarhill Gang.**

- **This week, Hot Summer Nights returns with a great rock act with Filter on Thursday night. Next week there will be a great Bon Jovi tribute band here as well.**

- **The Sherman Museum will host their annual "Night at the Museum" event for kids, on July 29, 2022, at 7:30 p.m. There will be glow-in-the-dark games and other fun dino-themed activities.**

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

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

TEX. GOV'T CODE § 551.071 --
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TEX. GOV'T CODE § 551.072 --
DELIBERATING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.073 --
DELIBERATING A NEGOTIATED CONTRACT FOR A PROSPECTIVE GIFT OR DONATION TO THE CITY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.074 --
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SUBJECT OF THE DELIBERATION OR HEARING REQUESTS A PUBLIC HEARING

(a) Annual Performance Evaluation of the City Manager

TEX. GOV'T CODE § 551.076 –
DELIBERATING THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION, OF SECURITY PERSONNEL OR DEVICES OR A SECURITY AUDIT

TEX. GOV'T CODE § 551.087 –
DISCUSSING OR DELIBERATING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE CITY SEEKS TO HAVE LOCATE, STAY OR EXPAND IN OR NEAR THE CITY AND WITH WHICH THE CITY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR DELIBERATING THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO A BUSINESS PROSPECT

(a) Discuss Proposed Expansion of County Jail

TEX. GOV'T CODE § 551.089 --
DELIBERATING SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION RESOURCES TECHNOLOGY, NETWORK SECURITY INFORMATION, OR THE DEPLOYMENT OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL, CRITICAL INFRASTRUCTURE OR SECURITY DEVICES

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 5:14 p.m.

On Motion duly made and carried, the Executive Session recessed at 5:48 p.m. and reconvened in Open Meeting.

OPEN MEETING **OPEN MEETING**

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

ADJOURNMENT **ADJOURNMENT**

On Motion duly made and carried, the meeting adjourned at 5:50 p.m.

_____
MAYOR

_____
CITY CLERK

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **B. 1.**

Meeting Date: 07/18/2022
Prepared By: Linda Ashby, City Clerk
Approved By: Robby Hefton, City Manager

Caption:

PROCLAMATION
"Americans with Disabilities Act Awareness Day" – July 26, 2022

Issue:

To present a proclamation designating July 26, 2022 as "Americans with Disabilities Act Awareness Day" in Sherman

Background:

On July 26, 1990, President George H.W. Bush signed into law the Americans with Disabilities Act to ensure the civil rights of people with disabilities. This legislation established a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities.

The ADA has expanded opportunities for Americans with disabilities by reducing barriers and changing perceptions and increasing full participation in community life.

Origination:

The request originated with Workforce Texoma.

Financial Consideration:

There is no financial consideration.

Staff Recommendation:

It is recommended that the City Council present a proclamation designating July 26, 2022, as "Americans with Disabilities Act Awareness Day" in Sherman.

Alternatives:

The Council could choose not to present the proclamation.

Attachments

Americans with Disabilities Act Proclamation

Sherman
CLASSIC TOWN. BROAD HORIZON

Proclamation

WHEREAS, the Americans with Disabilities Act (ADA) was passed on July 26, 1990, to ensure the civil rights of citizens with disabilities, and

WHEREAS, Sherman, Texas, affirms the principals of equality and inclusion for persons with disabilities as set forth for the State of Texas and as embodied in the ADA, the laws of the State of Texas, and ordinances of the City of Sherman, and

WHEREAS, numerous organizations in Sherman and Texas, work with constituents and communities to bring forth the promise of hope and freedom that is envisioned by the passage of the ADA, and

WHEREAS, July 26, 2022, celebrates the 32nd Anniversary of the Americans with Disabilities Act.

NOW THEREFORE, I, David Plyler, Mayor of the City of Sherman, Texas, by the authority vested in me, do hereby proclaim July 26, 2022

AMERICANS WITH DISABILITIES ACT AWARENESS DAY

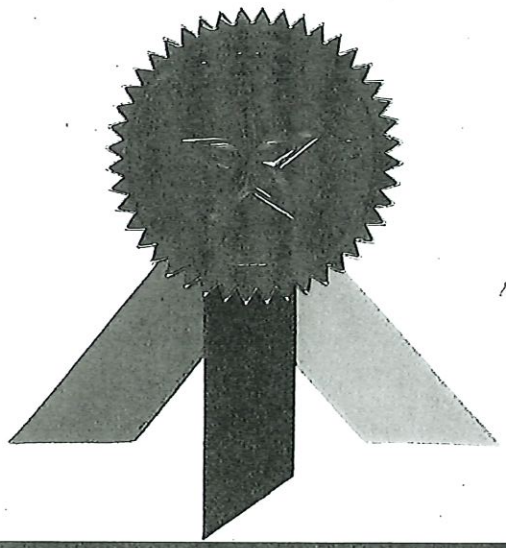
in the City of Sherman and urge all citizens to recognize the progress that has been made by reaffirming the principles of equality and inclusion, and recommitting efforts to reach full ADA compliance.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Sherman to be affixed, this the 26th day of July, 2022.

_____
Mayor

ATTEST:

Linda Ashby
City Clerk



SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **D. 1.**

Meeting Date: 07/18/2022

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

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

Issue:

F. 5. **** RESOLUTION NO. 6927***
Approving the Greater Texoma Utility Authority's Intention to Contract with Red River Construction Co. for Construction of the Post Oak Wastewater Treatment Plant Equalization Basin Improvements Project

F. 6. **** RESOLUTION NO. 6928***
Approving the Greater Texoma Utility Authority's Intention to Contract with Red River Construction Co. for the WWTP Primary Clarifier No.1 Equipment Replacement & Sludge Transfer Station Rehab

F. 7. **** RESOLUTION NO. 6929***
Repealing and Replacing Resolution No. 6851; Establishing Salary Structures and Incentive/Certification Pay Schedules for Firefighters and Police Officers; Establishing Special Longevity Pay Schedules for Newly Hired Firefighters and Police Officers; Providing for an Effective Date

F. 8. **** RESOLUTION NO. 6930***
Amending the Authorized Representatives to Invest City of Sherman Funds with the Texas Local Government Investment Pool (TexPool)

G. 1. ****REQUEST TO ADVERTISE***
Replacement of the City's Call Recording Software and Hardware

I. 5. **** OTHER BUSINESS***
Approve Quarterly Investment Report for Quarter Ended June 30, 2022

I. 6. **** OTHER BUSINESS***
Consider Calling a Special Meeting of the City Council for Tuesday, September 5, 2022, due to Conflict with a Federal Holiday

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SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **D. 2.**

Meeting Date: 07/18/2022

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

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

Issue:

I. 7. ***** OTHER BUSINESS***

Replat approval of Covas Addition, being part of J.B. McAnair Survey, Abstract No. 763 and being part of Lot 3, Block 9, G.W. Bond's Second Addition, containing 0.133 acres; M & G Home Builders, LLC, Owner and Helvey-Wagner Surveying, Inc., Surveyor (515 North East Street)

I. 8. ***** OTHER BUSINESS***

Replat approval of Eileen's Addition, being part of Samuel Blagg Survey, Abstract No. 56, being the South 26 ft. of Lot 4, the North 24 ft. of Lot 5, Block 6 of Robert A King's Addition, containing 0.161 acres; M & G Home Builders, LLC, Owner and Helvey-Wagner Surveying, Inc., Surveyor (922 South Montgomery Street)

I. 9. ***** OTHER BUSINESS***

Replat approval of Vela-Aguilar Addition, being 0.648 acres and being part of the Robert Thompson Survey, Abstract No. 1200, and being Lot 1 of Alvarado-Vela Addition; Francisco Vela & Cindy Aguilar, Owners and Underwood Drafting & Surveying, Surveyor (2400 South First Street)

I. 10. ***** OTHER BUSINESS***

Final Plat of Hidden Meadows, being 43.369 acres in the W.M. Thompson Survey, Abstract 1210 and the Fielding Bacon Survey, Abstract No. 119; Lennar Homes of Texas Land and Construction, LTD, Owners and Michael Carlisle, Kimley-Horn and Associates, Inc, Representative/Engineer/Surveyor (3800 Block West Houston Street)

I. 11. ***** OTHER BUSINESS***

Final Plat approval of Barbara Lane Estates Phase Two, being 6.794 acres in the John McClenihan Survey, Abstract No. 789, in Sherman's Extraterritorial Jurisdiction (ETJ); William Smith, Owner and Cox Land Surveying Co., Surveyor (111 Barbara Lane)

I. 12. ***** OTHER BUSINESS***

Final Plat approval of QT 1915 Addition, being 2.9654 acres in the Reuben Hendrix Survey, Abstract No. 504; QT LLC South, Owners; Corey Vaughan, Representative; Tommy Vilbig, Engineer; and Bowman Consulting Group, Ltd, Surveyor (2801 Texoma Parkway)

I. 13. ***** OTHER BUSINESS***

Final Plat approval of Stone Creek Flats, being 15.974 acres in the Elizabeth Jones Survey, Abstract No. 625; SSCGC Holdings, LLC, Owners; JNPHM Development, LLC, Developer; and Underwood Surveying, Surveyor (900 Block South FM 1417 (Heritage Parkway))

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 1.**

Meeting Date: 07/18/2022

Prepared By: Jana Garner, Grants Coordinator

Approved By: Robby Hefton, City Manager

Caption:

PUBLIC HEARING

Final Statement/Action Plan for Program Year 2022 Community Development Block Grant

Issue:

Approval of the Program Year (PY) 2022 Community Development Block Grant Final Statement/Action Plan

Background:

Each year, the City of Sherman receives an entitlement grant (Community Development Block Grant) from the U.S. Department of Housing and Urban Development (HUD). We are required to prepare and submit an annual Action Plan, which is a description of the activities that will be undertaken during the coming year to address the needs of our low- and moderate-income citizens. This Action Plan is based on a five (5) year Consolidated Plan & Strategy developed by City staff and approved by the Sherman City Council. It serves as the City's long-term planning tool to address the identified needs of public housing, homelessness, and other non-housing community development needs and activities within the City of Sherman. For PY 2022, the City will allocate the majority of the funds towards park improvements, substandard structure demolition, and public service activities.

Over the past five (5) years, the City of Sherman's history of allocations for the Community Development Block Grant is as follows:

- PY 2018 - $368,334.00
- PY 2019 - $358,317.00
- PY 2020 - $366,740.00
- PY 2021 - $378,731.00
- PY 2022 - $335,940.00

Origination:

Jana Garner, Grants Coordinator

Financial Consideration:

The City of Sherman has been allocated $335,940 in Community Development Block Grant funds from HUD to address our various community development needs for low- and moderate-income and special needs citizens during Program Year 2022.

Staff Recommendation:

The staff recommends the Sherman City Council approve the PY 2022 Community Development Block Grant Final Statement/Action Plan as submitted.

Alternatives:

The Sherman City Council may change or re-appropriate these funds/allocations as they see fit.

Attachments

Resolution - Final Statement Action Plan

Appendix A - Final Statements

Appendix B - Annual Action Plan

RESOLUTION NO. 6923

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING PUBLICATION OF THE PROPOSED FINAL STATEMENT/ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT FOR PROGRAM YEAR 2022; AUTHORIZING SUBMISSION OF THE BLOCK GRANT APPLICATION; AUTHORIZING EXECUTION OF CERTIFICATIONS OF COMPLIANCE IN CONNECTION WITH THE ADMINISTRATION AND CONDUCT OF THE COMMUNITY DEVELOPMENT PROGRAM FOR PROGRAM YEAR 2022; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, under the Housing and Community Development Act of 1974, as amended, the City of Sherman is eligible to receive an estimated $335,940 for program year 2022, to be expended on eligible activities primarily benefiting low- and moderate-income families and special need populations; and

WHEREAS, the Community Development Block Grant regulations require the opportunity for citizen participation in the development of the final statement and authorizing of the expenditure of such funds; and

WHEREAS, after proper notice was posted in public places and published on the website of the City of Sherman, public hearings were held by said Community Development Staff to receive citizen participation and input on May 18, 2022 and June 22, 2022; and

WHEREAS, the City Council, after due consideration of the proposed Community Development Final Statement and of all matters raised at public meetings, is of the opinion that, unless public comment warrants revisions, said final statement should be submitted to the U.S. Department of Housing and Urban Development as the Community Development Application for the City of Sherman for Program Year 2022, in order to secure funding as provided herein;

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

SECTION 1. That the Community Development Final Statement, embodying those projects set forth on Attachment "A", attached hereto and made a part hereof for all purposes, is hereby approved and adopted as the Community Development Plan of the City of Sherman, Texas, for Program Year 2022.

SECTION 2. That the City Council of the City of Sherman hereby certifies and assures the U.S. Department of Housing and Urban Development that development of this application for funds under the Housing and Community Development Act of 1974, as amended, and the implementation of the Block Grant Program will be conducted in accordance with all applicable provisions of the "Assurances" as required.

SECTION 3. That the City Manager of the City of Sherman is hereby authorized to execute, on behalf of the City of Sherman, the "Certifications" set forth on Attachment "B", attached hereto and made a part hereof for all purposes. These Certifications concern compliance with certain guidelines, regulations, and policies in preparation of this application and in conducting the Community Development Program of the City of Sherman.

SECTION 4. That the City Manager of the City of Sherman is hereby authorized to submit, as the Chief Executive Officer of the City of Sherman, and on behalf of the City of Sherman, the Community Development Final Statement and a certified copy of this resolution and all attachments thereto to the U.S. Department of Housing and Urban Development, in application for funds available to the City of Sherman under the Housing and Community Development Act of 1974, as amended. Said application shall be made on forms required by the U.S. Department of Housing and Urban Development.

SECTION 5. That the City Manager of the City of Sherman is hereby authorized and designated to act as Chief Executive Officer in connection with this application, and is hereby authorized and directed to provide such additional information as may be required in connection with said application.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____ **BY:** _____

LINDA ASHBY, CITY CLERK **DAVID PLYLER, MAYOR**

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

BY: _____

RYAN D. PITTMAN, CITY ATTORNEY

Attachment A

CITY OF SHERMAN, TEXAS
FINAL STATEMENT/ACTION PLAN OF
COMMUNITY DEVELOPMENT OBJECTIVES
AND PROJECTED USE OF FUNDS FOR PROGRAM YEAR 2022

GRANT NO: B-22-MC-48-0027

The City of Sherman has received notice from the U.S. Department of Housing and Urban Development (HUD) that its entitlement grant for the Community Development Program (CDBG) for program year 2022 is $335,940.00. These funds will be available on October 1, 2022. Activities that directly benefit low- and moderate-income persons will be available citywide. Other activities which have an area benefit will only be available in areas of the city which are populated by a majority of low- and moderate-income persons. The City has met citizen participation requirements.

The City of Sherman's Consolidated Plan is a document which is required by the U.S. Department of Housing and Urban Development, and includes the following subjects: (1) Housing and Homeless Needs Assessment - A description of the jurisdiction's estimated housing needs for the ensuing five-year period; (2) Housing Market Analysis - A description of the significant characteristics of the jurisdiction's housing market, including supply, demand, condition and cost of housing and the housing stock and services available (i.e., public and assisted housing, homeless, elderly, frail elderly, persons with disabilities (mental/physical/developmental), persons with alcohol and other drug addictions, and persons with HIV/AIDS and related diseases; (3) Strategic Plan - A description of the five-year strategy and plan to address affordable housing, homelessness, other special needs and non-housing community development plan; and, (4) Action Plan - A description of the jurisdiction's one-year plan of activities to be undertaken during the coming year.

The overall goal of this community development planning and development program is to develop viable urban communities by providing suitable living environments and expanded economic opportunities, principally for low-moderate income persons and special need populations of the City of Sherman. Therefore, based on these objectives, the following use of funds is being proposed:

COMMUNITY DEVELOPMENT PROGRAM ACTION PLAN
PROGRAM YEAR 2022

DEMOLITION/CLEARANCE PROGRAM: $88,000
A program to demolish vacant, substandard structures and clear property lots that pose a risk to health and safety.

PARK IMPROVEMENT: $130,452
A program to fund projects in parks within low- and moderate-income target areas and improve ADA accessibility in parks throughout the city of Sherman, promoting general health and wellness among the entire community. Focus will especially be to benefit those living in low-moderate income areas and those with disabilities.

PROGRAM ADMINISTRATION: $67,188

- **CITY PROGRAM ADMINISTRATION: $53,188**
  The City proposes to use the Administration funds for personnel and support for all phases of the application process, environmental reviews, fair labor standard compliance, contract management, fair housing Grantee Performance Report, and preparation of annual Action Plan, Performance Report associated with the City of Sherman Five-Year Consolidated Plan and Strategy, and the producing of the 10-year Fair Housing Study.
- **CASA OF GRAYSON COUNTY: $3,500**
  A program to train and support volunteer advocates and staff on process and procedures to advocate for foster children in Grayson County that have been abused or neglected.
- **CHILD & FAMILY GUIDANCE CENTER: $3,500**
  A program to provide counseling services for family dysfunction, alcohol and substance abuse, domestic violence, and sexual abuse for low- and moderate-income Sherman residents.
- **FOUR RIVERS OUTREACH: $3,500**
  A program that serves those who are overcoming their struggles with addiction by providing a men's residential 16-bed facility and a 12-month Life Renewal program. Recipients are those who, at one time, resided within the city limits of Sherman.
- **GRAND CENTRAL STATION: $3,500**
  A program to support nutrition, specifically food for low- and moderate-income Sherman residents.

PUBLIC SERVICE ACTIVITIES: $50,300

- **BOYS & GIRLS CLUB OF SHERMAN, INC.: $4,000**
  Funds to be used to assist with the development and advancement of a teen program for those from low- and moderate-income households.
- **CHILDREN'S ADVOCACY CENTER: $4,000**
  A program to provide high quality services to abused and traumatized children who, at one time, resided within the city limits of Sherman.
- **GRAYSON COUNTY CRISIS CENTER: $4,000**
  A program of activities that will provide emergency assistance to homeless women and children of domestic violence who, at one time, resided within the city limits of Sherman.
- **HOUSE OF ELI: $6,000**
  Funds will be used to house and assist young men, ages 18-21, who are aging out of foster care or being released from incarceration provide shelter, food, clothing, personal needs, and a family environment in which they can thrive.
- **MULTICULTURAL FAMILY CENTER: $6,000**
  Provide direct adult educational services to underserved immigrant population including ESL, Parenting, Family Literacy and Citizenship.
- **SHERMAN HOUSING AUTHORITY: $5,000**
  A program to address the problems of drug abuse and associated crime in public housing. Activities include increasing law enforcement services to stop the sale of illegal drugs in and around assisted housing, apprehend sellers of such drugs, and reduce crime in the assisted housing area.
- **SHERMAN YOUTH SPORTS ASSOCIATION: $3,000**
  A program to provide sports equipment to children from low- and moderate-income households so that they can participate safely in activities offered by the Sherman Youth Sports Association.
- **TEXOMA COMMUNITY CENTER: $3,500**
  CAMP Wonder provides an opportunity for the children receiving mental health services through TCC to socialize with their peers in a fun environment while being taught skills that they can translate to their lives.
- **TEXOMA FAMILY SHELTER, INC.: $4,300**
  A program of activities that will provide emergency assistance to homeless individuals and families, who at one time, resided within the city limits of Sherman.
- **TEXOMA AREA PARATRANSIT SYSTEM: $3,500**
  CDBG funds will pay for public transportation costs for eligible residents to access medical, nutrition, education, grocery, and other eligible activities.
- **THE CAMP: $3,500**
  Funds will be used for after-school and boxing programs to help the children in the community with learning, discipline and structure.
- **UNITED WAY OF GRAYSON COUNTY: $3,500**
  Cradle to Workforce is to create safe neighborhood providers in low-income areas for our most vulnerable families who need flexible childcare schedules.

TOTAL PROGRAM ALLOCATION: $335,940

The City of Sherman seeks, through the following program objectives, to improve housing conditions, neighborhood appearance, employment opportunities, and the overall quality of life for low and moderate-income citizens. No activities will be undertaken which cause involuntary displacement of persons.

CITY OF SHERMAN COMMUNITY DEVELOPMENT OBJECTIVES

1. Encourage citizen participation and input to obtain maximum public involvement in program activities.
2. Promote the general health and wellness of all members of the community through improved parks and recreational facilities in the low- and moderate-income target areas.
3. Improve the quality of life for Sherman residents with the removal of structures that create unsafe, unsanitary, and hazardous situations for the public.
4. Promote drug elimination programs for low- and moderate-income assisted housing families and households.
5. Provide support for provision of emergency shelter, food, and assistance to the homeless and those in danger of becoming homeless.
6. Assist in providing counseling services to youth and adults from low- and moderate-income families.
7. Assist in providing activities for children and teens from low- and moderate-income families.
8. Provide support for provision of shelter and assistance to men in overcoming addiction.
9. Provide services for abused and neglected children.

The Action Plan of Community Development Objectives and Projected Use of Funds for Program Year 2022 are available in the Finance Department of the City of Sherman. Any citizen or agency interested in commenting on this Final Statement of Objectives is invited to submit written comments c/o Jana Garner, Grants Coordinator, City of Sherman, P.O. Box 1106, Sherman, TX 75091-1106. Written comments must be received prior to 5:00 p.m. on July 8, 2022. A summary of comments received will be made a part of the summary of citizen participation of this Plan.

Attachment B

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing --The jurisdiction will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan --The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction’s consolidated plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.

_____ _____

Signature of Authorized Official Date

City Manager

Title

Specific Community Development Block Grant Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Following a Plan -- It is following a current consolidated plan that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) _____ [a period specified by the grantee of one, two, or three specific consecutive program years], shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

Compliance with Laws -- It will comply with applicable laws.

_____ _____

Signature of Authorized Official Date

City Manager

Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

Lobbying Certification
This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

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2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

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City Manager

Title

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Community Development Plan -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Following a Plan -- It is following a current consolidated plan that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) _____ [a period specified by the grantee of one, two, or three specific consecutive program years], shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

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In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

Compliance with Laws -- It will comply with applicable laws.

_____ _____

Signature of Authorized Official Date

City Manager

Title

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This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

View Burden Statement

OMB Number: 4040-0004
Expiration Date: 12/31/2022

Application for Federal Assistance SF-424

* 1. Type of Submission:
- ○ Preapplication
- ◉ Application
- ○ Changed/Corrected Application

* 2. Type of Application:
- ◉ New
- ○ Continuation
- ○ Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received: 6/29/2022

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier: B-22-MC-48-0027

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: City of Sherman, Texas

* b. Employer/Taxpayer Identification Number (EIN/TIN): 75-6000669

* c. UEI: EYLPCNPECTM5

d. Address:

* Street1: PO Box 1106
Street2:
* City: Sherman
County/Parish: Grayson
* State: TX: Texas
Province:
* Country: USA: UNITED STATES
* Zip / Postal Code: 75091

e. Organizational Unit:

Department Name: Neighborhood Services

Division Name: Finance

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:
* First Name: Jana
Middle Name:
* Last Name: Garner
Suffix:

Title: Grants Coordinator

Organizational Affiliation: City of Sherman

* Telephone Number: 903-487-5976
Fax Number: 903-891-0255

* Email: janag@cityofsherman.com

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.218

CFDA Title:

Community Development Block Grant/Entitlement Grant

*** 12. Funding Opportunity Number:**

N/A

* Title:

N/A

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

PY 2022 City of Sherman Annual Action Plan

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: TX-004 * b. Program/Project: TX-004

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 10/01/2022 * b. End Date: 09/30/2023

18. Estimated Funding ($):

* a. Federal	335,940.00
* b. Applicant	
* c. State	
* d. Local	
* e. Other	
* f. Program Income	
* g. TOTAL	335,940.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ○ a. This application was made available to the State under the Executive Order 12372 Process for review on .
- ○ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ◉ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

○ Yes ◉ No

If "Yes", provide explanation and attach

Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☑ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name: Robby

Middle Name:

* Last Name: Hefton

Suffix:

* Title: City Manager

* Telephone Number: 903-892-7200 Fax Number:

* Email: robbyh@cityofsherman.com

* Signature of Authorized Representative: * Date Signed:

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 2.**

Meeting Date: 07/18/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6500

Amending Section 12, Ordinance No. 2280, so as to Include Certain Property within the C-2 (General Commercial) District located at 4500 Frisco Road, being 1.873 Acres in the W.F. Patterson Survey, Abstract No. 969, a Replat of Midway Mall Part of Block 4 (Daniel and Kari Wills, Owners; Rex Huddleston, Prospective Buyer; Kent Hughlett, Architect; and Preston Trail Land Surveying, Surveyor); Providing a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

Issue:

To consider the request of Daniel and Kari Wills (Owners), Rex Huddleston (Prospective Buyer), Kent Hughlett (Architect) and Preston Trail Land Surveying (Surveyor) concerning the property at 4500 Frisco Road, being 1.873 acres in the W.F. Patterson Survey, Abstract No. 969, a Replat of Midway Mall Part of Block 4 for zone change approval from an M-1 (Light Manufacturing) District to a C-2 (General Commercial) District

Background:

The property is located at 4500 Frisco Road between Texoma Parkway and Fallon Drive. The owner is requesting a Zone Change from an M-1 (Light Manufacturing) District to a C-2 (General Commercial) District; a Specific Use Permit and Site Plan approval to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District.

Origination:

Daniel and Kari Wills (Owners)
Rex Huddleston (Prospective Buyer)
Kent Hughlett (Architect)
Preston Trail Land Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted 6/0 to recommend to the City Council that the zone change be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6500
Exhibit A - Survey
Location Map
Zoning Map
Zoning Sign Photo
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6500

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE C-2 (GENERAL COMMERCIAL) DISTRICT, LOCATED AT 4500 FRISCO ROAD, BEING 1.873 ACRES IN THE W.F. PATTERSON SURVEY, ABSTRACT NO. 969, A REPLAT OF MIDWAY MALL PART OF BLOCK 4 (DANIEL AND KARI WILLS, OWNERS; REX HUDDLESTON, PROSPECTIVE BUYER; KENT HUGHLETT, ARCHITECT; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED $2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW

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

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

WHEREAS, the City Council finds that it is in the public interest to rezone the property as described in this Ordinance.

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

SECTION 1. That, from and after the effective date of this Ordinance, the property described in **Exhibit A – Survey**, attached hereto, located at 4500 Frisco Road, shall be rezoned and placed in the C-2 (General Commercial) District, and that Section 12, Ordinance No. 2280 is hereby amended so as to hereafter include such property.

SECTION 2. That this ordinance shall be entered upon the official zoning map as provided in Section 2, Ordinance No. 2280.

SECTION 3. That no person shall acquire any vested interest in this ordinance or in any other specific regulations contained herein. Any portion of this ordinance may be repealed or amended by the City Council in the manner provided for by law.

SECTION 4. That it shall be unlawful for any person to make use of the Property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the General Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 5. That the General Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 6. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 7. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

SECTION 8. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

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

INTRODUCED on this the 18th day of July, 2022.

ADOPTED on this the 18th day of July, 2022.

EFFECTIVE DATE on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

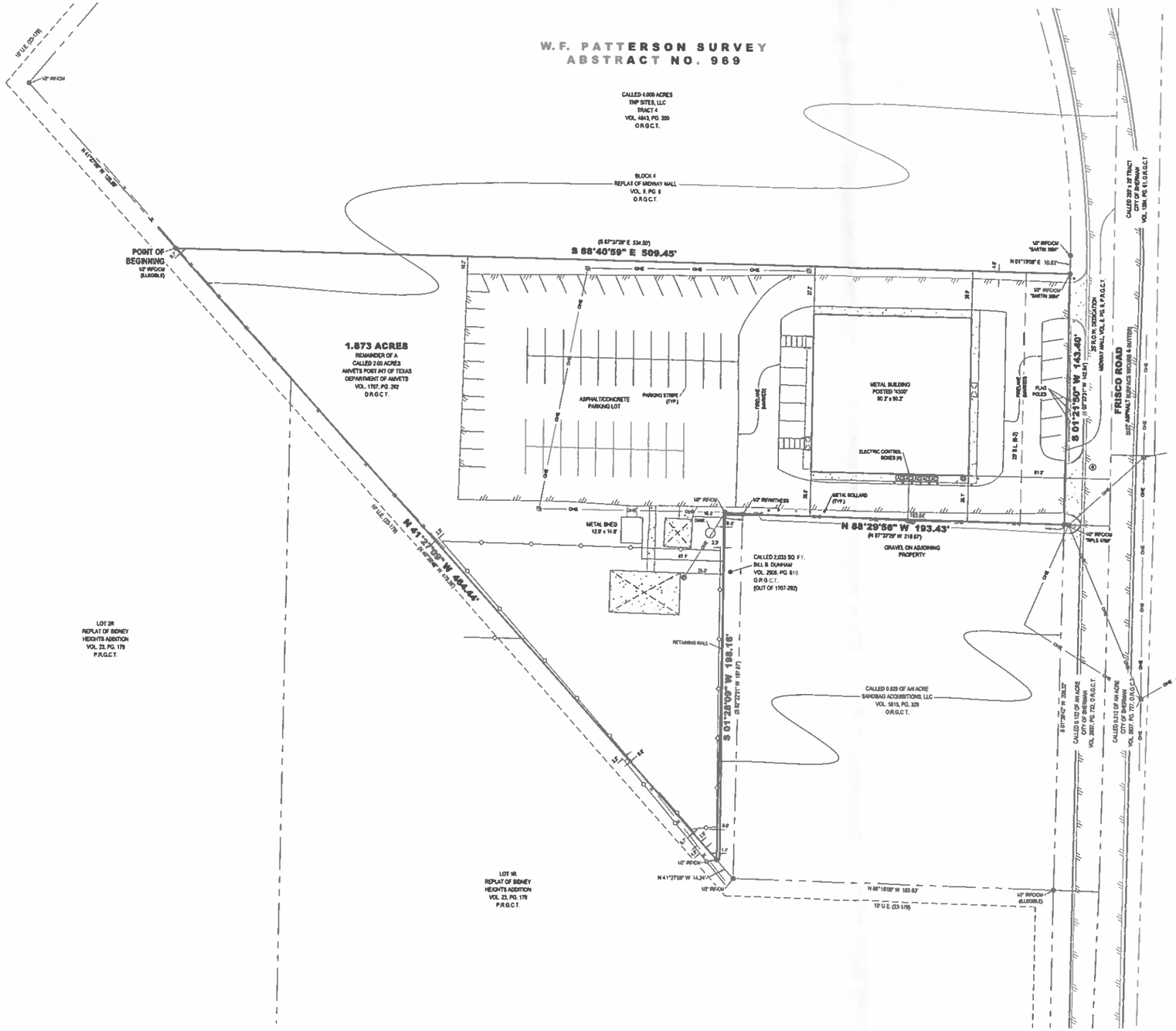
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT A



All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

LAND DESCRIPTION:

BEING all of that certain tract or parcel of land situated in the W.F. Patterson Survey, Abstract No. 969, City of Sherman, Grayson County, Texas, being part of Block 4 of the Replat of Midway Mall, according to the plat thereof recorded in Volume 8, Page 8, Plat Records, Grayson County, Texas, and being the remaining portion of a called 2.00 acre tract of land described in the deed to Amvets Post #47 of Texas Department of Amvets, recorded in Volume 1707, Page 292, Deed Records, Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with an illegible plastic cap found for the northwest corner of said 2.00 acre tract, common to the southwest corner of a called 4.000 acre tract of land described as Tract 4 in the deed to TNP Sites, LLC, recorded in Volume 4843, Page 200, Official Records, Grayson County, Texas, and on the southwesterly line of said Block 4, and on the northeasterly line of Lot 2R of the Replat of Sidney Heights Addition, according to the plat thereof recorded in Volume 23, Page 179, said Plat Records;

THENCE South 88°40'59" East, with the northerly line of said 2.00 acre tract, and with the southerly line of said 4.000 acre tract, and crossing said Block 4, a distance of 509.45 feet a 1/2-inch iron rod with a plastic cap stamp "SARTIN 3694" found for the northeast corner of the herein described tract of land, common to the southeast corner of said 4.000 acre tract, and on the westerly right-of-way line of Frisco Road, according to said Replat of Midway Mall;

THENCE South 00°21'50" West, crossing said 2.00 acre tract, and on the westerly right-of-way line of said Frisco Road, a distance of 143.40 feet to a 1/2-inch iron rod with a plastic cap stamped "RPLS 4708" found for the southeast corner of the herein described tract of land, on the southerly line of said Block 4, and common to the northwest corner of a called 0.122 of an acre tract of land described in the deed to City of Sherman, recorded in Volume 2637, Page 732, said Official Records, and common to the northeast corner of a called 0.929 of an acre tract of land described in the deed to Sandbag Acquisitions, LLC, recorded in Volume 5815, Page 329, said Official Records, and on a southerly line of said 2.00 acre tract;

THENCE North 88°29'56" West, with the southerly line of said 2.00 acre tract, and with a southerly line of said Block 4, and with the northerly line of said 0.929 acre tract, passing an route at a distance of 183.64 feet a 1/2-inch iron rod found for a re-entrant corner of said 2.00 acre tract, and continuing on said course, crossing said 2.00 acre tract, and crossing said Block 4, a total distance of 193.43 feet to a 1/2-inch iron rod found for a re-entrant corner of the herein described tract of land, common to the northwest corner of said 0.929 acre tract;

THENCE South 01°28'09" West, crossing said 2.00 acre tract, and crossing said Block 4, with the westerly line of said 0.929 acre tract, a distance of 198.16 feet to a 1/2-inch iron rod found for the southwest corner of the herein described tract of land, common to the western-most southwest corner of said 0.929 acre tract, and on the southwesterly line of said 2.00 acre tract, and on the southwesterly line of said Block 4, and on the northeasterly line of Lot 1R of aforesaid Replat of Sidney Heights Addition;

THENCE North 41°27'09" West, with the southwesterly line of said 2.00 acre tract, and with the southwesterly line of said Block 4, and with the northeasterly line of said Lot 1R, and with the northeasterly line of aforesaid Lot 2R, a distance of 484.44 feet to the POINT OF BEGINNING and enclosing 1.873 acres (81,577 square feet) of land, more or less.

NOTES ADDRESSING SCHEDULE "B" EXCEPTIONS:

Only those easements and/or other matters of record, as listed in Title Commitment GF No. 0136371, issued by Texan Title Insurance Company, countersigned by Red River Title Company, with an effective date of May 3, 2021, and an issued date of May 10, 2021, and enlisted below were considered for this Survey. The surveyor did not perform an abstract of title.

10a. Easement to Amvets, Post No. 47, of record in Volume 845, Page 113, Volume 845, Page 120, Volume 845, Page 114 and Volume 845, Page 117 of the Deed Records of Grayson County, Texas.
(Easements appurtenant to the subject tract for an offsite waterline. Unable to be located by description.)

FLOOD STATEMENT:

I have examined the F.E.M.A. Flood Insurance Rate Map for the City of Sherman, Grayson County, Texas, Community Number 485509, effective date 09/29/2010 and that map indicates that this property is within "Non-shaded Zone X" defined as "Areas determined to be outside the 0.2% annual chance flood" as shown on Panel 0290 F of said map. This flood statement does not imply that the property and/or structures thereon will be free from flooding or flood damage, on rare occasions, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor.

LEGEND

●	FOUND MONUMENT	U.E.	UTILITY EASEMENT
IRF	IRON ROD FOUND	E	ELECTRIC METER
RFC	IRON ROD FOUND W/PLASTIC CAP	☼	UTILITY/POWER POLE
CM	CONTROLLING MONUMENT	⟨	GUY
( )	DEED OR PLAT CALL	G	NATURAL GAS METER
P.R.G.C.T.	PLAT RECORDS, GRAYSON COUNTY, TEXAS	Ⓢ	SANITARY SEWER MANHOLE
			BOUNDARY LINE
D.R.G.C.T.	DEED RECORDS, GRAYSON COUNTY, TEXAS		ADJOINER LINE
			EASEMENT
O.R.G.C.T.	OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS		WIRE FENCE
			METAL/WROUGHT IRON FENCE
VOL., PG.	VOLUME, PAGE		CHAIN LINK FENCE
INST. NO.	INSTRUMENT NO.		ASPHALT
(AC)	AC UNIT		OVERHEAD ELECTRIC/UTILITY

Certify to: Daniel A. Wills, Kari Wills, Amvets Post #47 of Texas Department of Amvets; Texan Title Insurance Company; Red River Title Company;

I, Chris R. Noah, a Registered Professional Land Surveyor in the State of Texas, do hereby certify that this survey has been prepared from an actual on-the-ground survey of the premises depicted hereon and described in the land description attached hereto, conducted under my direction and supervision on 05/19/2021, and there are no discrepancies, conflicts, shortages in area or boundary line conflicts, or any intrusions of visible improvements from adjoining tracts, or protrusions of visible improvements onto adjoining tracts, to the best of my knowledge and belief, except as shown. I further certify that this survey meets or exceeds the minimum standards established by the Texas Board of Professional Land Surveying.

Chris R. Noah, R.P.L.S. No. 6585

STATE OF TEXAS · REGISTERED · CHRIS R. NOAH · 6585 · PROFESSIONAL LAND SURVEYOR

TITLE SURVEY
1.873 ACRES
W.F. PATTERSON SURVEY, ABSTRACT NO. 969
REPLAT OF MIDWAY MALL
PART OF BLOCK 4
4500 Frisco Road, Sherman
Grayson County, Texas

Preston Trail LAND SURVEYING
83493 N. State Hwy 289, Suite 5
Pottsboro, TX 75076
www.prestontraillandsurveying.com
903-786-5029

TBPLS Firm No. 10194375	Drawn by: BMH	Scale: 1"=30'	Project No. 214384
	Checked by: CRN	Date: 05/21/2021	Sheet No. 1 of 1

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THENCE South 88°40'59" East, with the northerly line of said 2.00 acre tract, and with the southerly line of said 4.000 acre tract, and crossing said Block 4, a distance of 509.45 feet a 1/2-inch iron rod with a plastic cap stamp "SARTIN 3694" found for the northeast corner of the herein described tract of land, common to the southeast corner of said 4.000 acre tract, and on the westerly right-of-way line of Frisco Road, according to said Replat of Midway Mall;
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THENCE North 41°27'09" West, with the southwesterly line of said 2.00 acre tract, and with the southwesterly line of said Block 4, and with the northeasterly line of said Lot 1R, and with the northeasterly line of aforesaid Lot 2R, a distance of 464.44 feet to the POINT OF BEGINNING and enclosing 1.873 acres (81,577 square feet) of land, more or less.

dlagrone H:\ENGINEER\GIS\ArcGIS Pro Projects\Planning\Public Notification.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

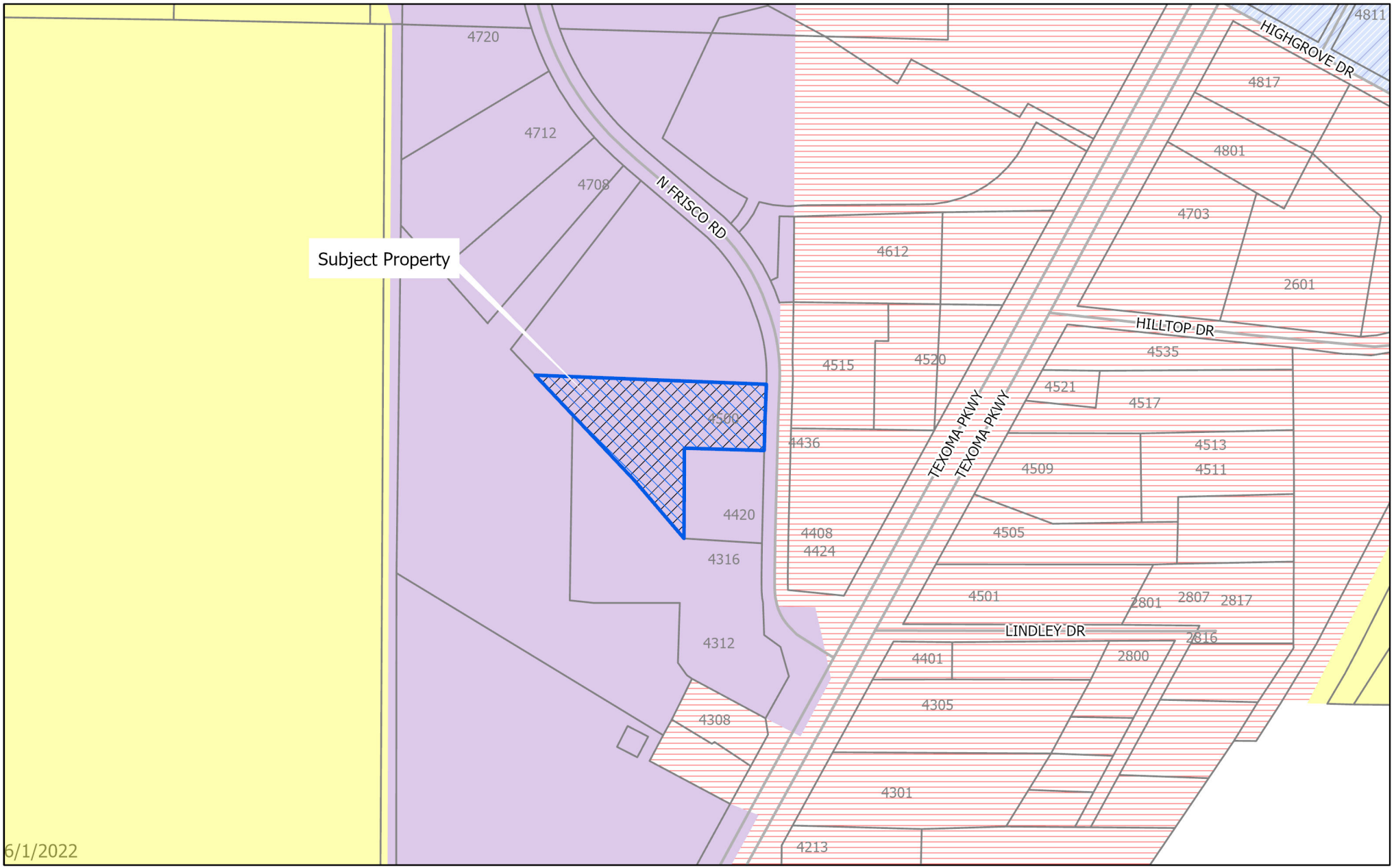
City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
Location Map
(4500 N Frisco Rd)

N
W E
S

Date: 6/1/2022 8:47 AM

Scale: 1:4,466



dlagrone H:\ENGINEER\GIS\ArcGIS Pro Projects\Planning\Public Notification.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development
- Subject Locations
- Parcels

CITY OF SHERMAN
Zoning Location Map
(4500 N Frisco Rd)

N
W E
S

Scale: 1:3,603

Date: 6/1/2022 8:47 AM

4500 FRISCO RD

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services

STAFF REVIEW LETTER

June 14, 2022

Rex Huddleston
7127 Joyce Way
Dallas, TX 75225

Preston Trail Land Surveying
83493 N. State Highway 289
Pottsboro, TX 75076

Daniel & Kari Wills
604 Legend Ln
Sherman, TX 75092

Kent Hughlett
177 Timberbrook Cir.
Denison, TX 75021

Dear Applicants,

The request for Variance under Ordinance No. Ordinance No. 2280, Section 8, Subsection (5)(a) to allow nine (9) parking spaces in lieu of the required 19 spaces for a Mini-warehouse, Zone Change approval under Ordinance No. 2280, Section 12, from an M-1 (Light Manufacturing) District to a C-2 (General Commercial) District and a Specific Use Permit and Site Plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District located at 4500 Frisco Road has been scheduled to be heard by the Planning and Zoning Commission on Tuesday, June 21, 2022 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's General Zoning Ordinance, Ordinance No. 2280, the regulations applicable to the C-2 (General commercial) District, the Sign Ordinance, the Fence Ordinance and the Commercial Tree and Landscaping Ordinance. (*Chapter 14, Exhibit A, Sec. 6.7; Sec. 7(14), Sec. 7(13) and Sec. 17).*
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. All required off-street parking shall be on private property and shall not encroach into the right-of-way. *(Chapter 14, Exhibit A, Section 7, Subsection 10(b))*
4. Parking shall be provided for one space per 1,000 square foot, unless a variance is granted; a parking space is considered to be 9' x 20'. (*Chapter 14, Exhibit A, Sec.8 (5)(a); Sec.7(10)(b)).*
5. The maximum height of the building shall not exceed 35'. (*Chapter 14, Exhibit A, Sec. 6.7)*
6. The trash dumpster will need to be located inside the main building area.
7. The use of the property must comply with all Federal and State Laws and regulations and with all ordinances, rules and regulations of the City of Sherman.
8. Outside storage is not allowed.
9. Platting of the property is required.
10. The property must be properly maintained in a state of good repair and neat appearance.
11. The approval of the site plan shall be effective for a period of (2) years from the date of approval and shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Specific Use Permit was approved.

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

Engineering:

13. Platting of the property is required. *(Code of Ordinances Chapter 10, Section 10.02.021; Texas Local Government Code Title 1, Sec. 212.004)*
14. Additional right-of-way dedication on Frisco Road may be required upon platting. *(Code of Ordinances Chapter 10, Exhibit A, Secs. 5(B)(5), (10); 5(C)(1); 6(B)(7)-(8), (14)-(15); 12(B)(1)(a); 12(B)(1)(k)(1)-(3); 12(B)(5))*
15. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *(Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154)*
16. Verify fire requirements and code compliance with Fire Marshal. *(Code of Ordinances Chapter 3.02(c))*
17. The location of the trash receptors must be approved by the Public Works Department.
18. Privately owned and maintained detention in accordance with City criteria may be required. Engineering documentation shall be provided to the City of Sherman Engineering Department for review and approval. If detention is required, Ownership and Maintenance information to be shown on plat. *(Code of Ordinances Chapter 10, Exhibit A, Sec. 12(I))*
19. Water main must be extended in accordance with City criteria to serve proposed Lot. *(Code of Ordinances Chapter 13, Sec. 13.07.282; Chapter 10, Exhibit A, Sec. 12(G))*
20. Civil Engineering plans shall be provided to the Engineering Department for review and approval. Plat to reflect changes upon Engineering review. *(Code of Ordinances Chapter 10, Exhibit A, Sec. 12, Code of Ordinances Chapter 10, Exhibit A, Sec. 15.)*
21. Three Party Agreement required for Public Infrastructure.

Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission. It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

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

Respectfully,

Rob Rae
Acting Secretary, Planning and Zoning Commission and Board of Adjustments

cc: Robby Hefton, City Manager
Clint Philpott, Asst. City Manager
Wayne Lee, P.E., Director of Engineering
Tom Pruitt, Utility Engineer
Billy Hartsfield, Fire Marshal
Amber Doan, Engineering Coordinator
Christopher Armstrong, Asst. City Engineer
The Law Firm of Abernathy, Roeder, Boyd, & Hullett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 23.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

4500 FRISCO ROAD

The request of Daniel and Kari Wills (Owners), Rex Huddleston (Prospective Buyer), Kent Hughlett (Architect) and Preston Trail Land Surveying (Surveyor) concerning the property at 4500 Frisco Road, being 1.873 acres in the W.F Patterson Survey, Abstract No. 969, a Replat of Midway Mall Part of Block 4, as follows:

Board of Adjustments

A. Variance under Ordinance No. Ordinance No. 2280, Section 8, Subsection (5)(a) to allow nine (9) parking spaces in lieu of the required 19 spaces for a Mini-warehouse.

Planning and Zoning Commission

B. Zone Change approval under Ordinance No. 2280, Section 12, from an M-1 (Light Manufacturing) District to a C-2 (General Commercial) District.
C. Specific Use Permit and Site Plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District.

Background:

The property is located at 4500 Frisco Road between Texoma Parkway and Fallon Drive. The owner is requesting a Zone Change from an M-1 (LightManufacturing) District to a C-2 (General Commercial) District; a Specific Use Permit and Site Plan approval to to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District; and a Variance to allow nine (9) parking spaces in lieu of the required 19 spaces for a Mini-warehouse.

Adjacent Zoning:

M-1 (Light Manufacturing) District

Origination:

Daniel and Kari Wills (Owners)
Rex Huddleston (Prospective Buyer)
Kent Hughlett (Architect)
Preston Trail Land Surveying (Surveyor)

Master Plan Designation:

Auto Urban Commercial – Require more land for parking than building floor area. Automobiles and parking are the most prominent features. Parking lots reduce building density and prevent any possibility of creating an enclosed space.

Number of notices mailed:

7

Objections Received:

0

Development Review Meeting:

Yes

Staff Recommendation:

Staff recommends that the removal of the non-conforming freestanding sign on the property line be a condition of the SUP, if approved.

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Survey
Site Plan
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 3.**

Meeting Date: 07/18/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6501

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District 4500 Frisco Road, being 1.873 acres in the W.F. Patterson Survey, Abstract No. 969, a Replat of Midway Mall Part of Block 4 (Daniel and Kari Wills, Owners; Rex Huddleston, Prospective Buyer; Kent Hughlett, Architect; and Preston Trail Land Surveying, Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

Issue:

To consider an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District at 4500 Frisco Road, being 1.873 acres in the W.F. Patterson Survey, Abstract No. 969, a Replat of Midway Mall Part of Block 4 (Daniel and Kari Wills, Owners; Rex Huddleston, Prospective Buyer; Kent Hughlett, Architect; and Preston Trail Land Surveying, Surveyor)

Background:

The property is located at 4500 Frisco Road between Texoma Parkway and Fallon Drive. The owner is requesting a Zone Change from an M-1 (LightManufacturing) District to a C-2 (General Commercial) District; a Specific Use Permit and Site Plan approval to to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District.

Origination:

Daniel and Kari Wills (Owners)
Rex Huddleston (Prospective Buyer)
Kent Hughlett (Architect)
Preston Trail Land Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted 6/0 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter.

The SUP ordinance requires compliance with the approved Site Plan (Exhibit B) and subject to the freestanding sign being removed or moved to conform with the City of Sherman's ordinance. These additional conditions have been included in the attached ordinance.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6501
Exhibit A - Survey
Exhibit B - Site Plan
Location Map
Zoning Map
Zoning Sign Photo
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6501

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AN INDOOR STORAGE (MINI-WAREHOUSE) IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 4500 FRISCO ROAD, BEING 1.873 ACRES IN THE W.F. PATTERSON SURVEY, ABSTRACT NO. 969, A REPLAT OF MIDWAY MALL PART OF BLOCK 4 (DANIEL AND KARI WILLS, OWNERS; REX HUDDLESTON (PROSPECTIVE BUYER; KENT HUGHLETT, ARCHITECT; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

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

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

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

SECTION 1. That, from and after the effective date of this Ordinance, Daniel and Kari Wills (Owners), Rex Huddleston (Prospective Buyer), Kent Hughlett (Architect) and Preston Trail Land Surveying (Surveyor) concerning the property at 4500 Frisco Road, being 1.873 acres in the W.F Patterson Survey, Abstract No. 969, a Replat of Midway Mall Part of Block 4 are granted a Specific Use Permit to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include property described as **Exhibit A – Survey**.

SECTION 2. That this Specific Use Permit is granted on the following conditions:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's General Zoning Ordinance, Ordinance No. 2280, the regulations applicable to the C-2 (General commercial) District, the Sign

Ordinance, the Fence Ordinance and the Commercial Tree and Landscaping Ordinance. (*Chapter 14, Exhibit A, Sec. 6.7; Sec. 7(14), Sec. 7(13) and Sec. 17).*

2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. All required off-street parking shall be on private property and shall not encroach into the right-of-way. *(Chapter 14, Exhibit A, Section 7, Subsection 10(b))*
4. Parking shall be provided for one space per 1,000 square foot, unless a variance is granted; a parking space is considered to be 9' x 20'. (*Chapter 14, Exhibit A, Sec.8 (5)(a); Sec.7(10)(b)).*
5. The maximum height of the building shall not exceed 35'. (*Chapter 14, Exhibit A, Sec. 6.7)*
6. The trash dumpster will need to be located inside the main building area.
7. The use of the property must comply with all Federal and State Laws and regulations and with all ordinances, rules and regulations of the City of Sherman.
8. Outside storage is not allowed.
9. Platting of the property is required.
10. The property must be properly maintained in a state of good repair and neat appearance.
11. The approval of the site plan shall be effective for a period of (2) years from the date of approval and shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Specific Use Permit was approved.
12. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

Engineering:

13. Platting of the property is required. *(Code of Ordinances Chapter 10, Section 10.02.021; Texas Local Government Code Title 1, Sec. 212.004)*
14. Additional right-of-way dedication on Frisco Road may be required upon platting. *(Code of Ordinances Chapter 10, Exhibit A, Secs. 5(B)(5), (10); 5(C)(1); 6(B)(7)-(8), (14)-(15); 12(B)(1)(a); 12(B)(1)(k)(1)-(3); 12(B)(5))*
15. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *(Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154)*
16. Verify fire requirements and code compliance with Fire Marshal. *(Code of Ordinances Chapter 3.02(c))*
17. The location of the trash receptors must be approved by the Public Works Department.
18. Privately owned and maintained detention in accordance with City criteria may be required. Engineering documentation shall be provided to the City of Sherman Engineering Department for review and approval. If detention is required, Ownership and Maintenance information to be shown on plat. *(Code of Ordinances Chapter 10, Exhibit A, Sec. 12(I))*
19. Water main must be extended in accordance with City criteria to serve proposed Lot. *(Code of Ordinances Chapter 13, Sec. 13.07.282; Chapter 10, Exhibit A, Sec. 12(G))*
20. Civil Engineering plans shall be provided to the Engineering Department for review and approval. Plat to reflect changes upon Engineering review. *(Code of Ordinances Chapter 10, Exhibit A, Sec. 12, Code of Ordinances Chapter 10, Exhibit A, Sec. 15.)*
21. Three Party Agreement required for Public Infrastructure.

Additional Conditions:

22. The property shall be developed and used in accordance with all City Ordinances and the Site Plan shown in **Exhibit B.**
23. The Specific Use Permit is additionally subject to the freestanding sign being removed or moved to be conforming to the City of Sherman's ordinance.

SECTION 3. That this Ordinance shall be entered upon the official zoning map as provided in Section 2, Ordinance No. 2280.

SECTION 4. That it shall be unlawful for any person to make use of the Property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the General Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 5. That the General Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 6. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 7. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

SECTION 8. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

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

INTRODUCED on this the 18th day of July, 2022.

ADOPTED on this the 18th day of July, 2022.

EFFECTIVE DATE on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

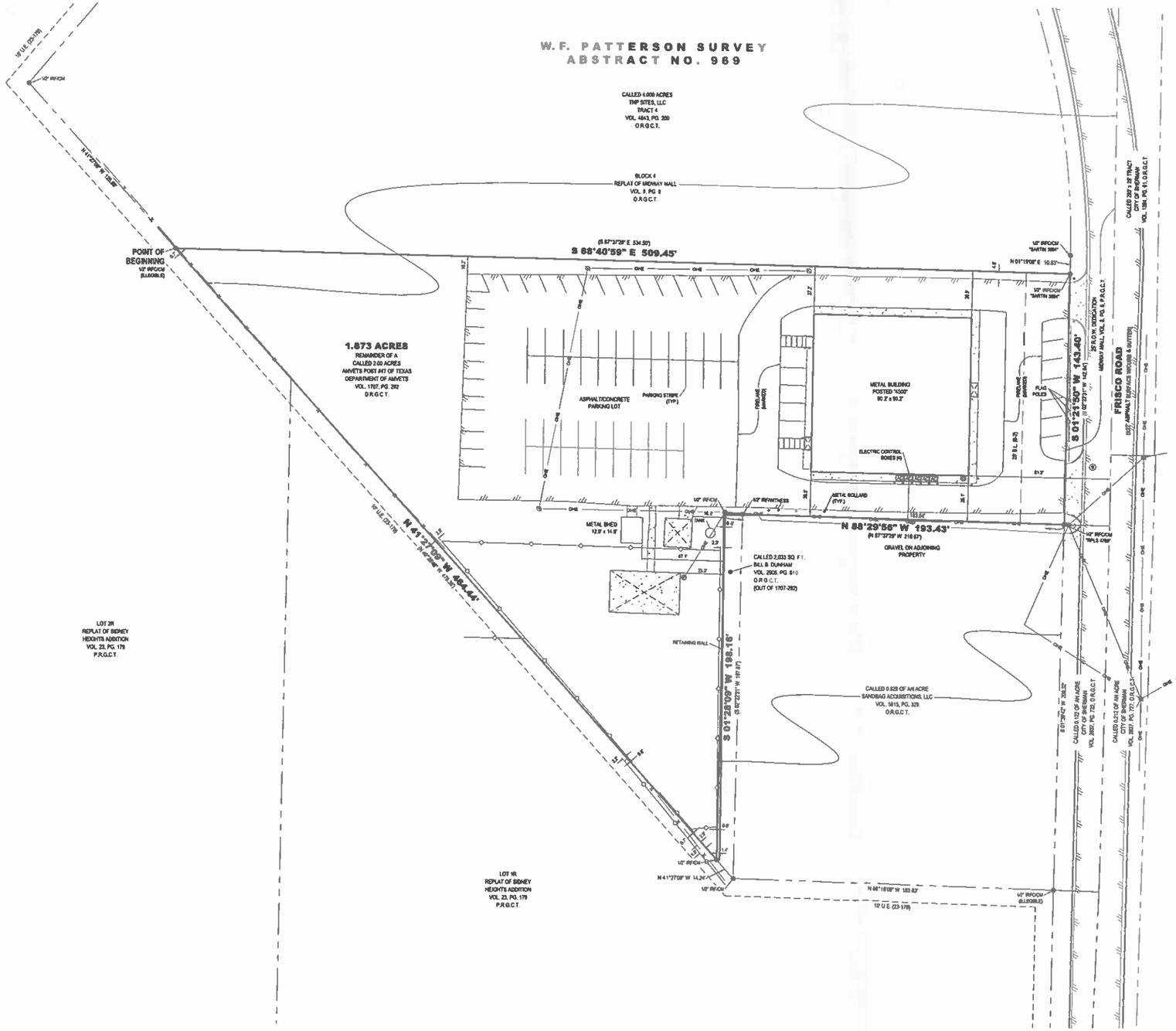
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT A



All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

LAND DESCRIPTION:

BEING all of that certain tract or parcel of land situated in the W.F. Patterson Survey, Abstract No. 969, City of Sherman, Grayson County, Texas, being part of Block 4 of the Replat of Midway Mall, according to the plat thereof recorded in Volume 8, Page 8, Plat Records, Grayson County, Texas, and being the remaining portion of a called 2.00 acre tract of land described in the deed to Amvets Post #47 of Texas Department of Amvets, recorded in Volume 1707, Page 292, Deed Records, Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with an illegible plastic cap found for the northwest corner of said 2.00 acre tract, common to the southwest corner of a called 4.000 acre tract of land described as Tract 4 in the deed to TNP Sites, LLC, recorded in Volume 4843, Page 200, Official Records, Grayson County, Texas, and on the southwesterly line of said Block 4, and on the northeasterly line of Lot 2R of the Replat of Sidney Heights Addition, according to the plat thereof recorded in Volume 23, Page 179, said Plat Records;

THENCE South 88°40'59" East, with the northerly line of said 2.00 acre tract, and with the southerly line of said 4.000 acre tract, and crossing said Block 4, a distance of 509.45 feet a 1/2-inch iron rod with a plastic cap stamp "SARTIN 3694" found for the northeast corner of the herein described tract of land, common to the southeast corner of said 4.000 acre tract, and on the westerly right-of-way line of Frisco Road, according to said Replat of Midway Mall;

THENCE South 00°21'50" West, crossing said 2.00 acre tract, and on the westerly right-of-way line of said Frisco Road, a distance of 143.40 feet to a 1/2-inch iron rod with a plastic cap stamped "RPLS 4708" found for the southeast corner of the herein described tract of land, on the southerly line of said Block 4, and common to the northwest corner of a called 0.122 of an acre tract of land described in the deed to City of Sherman, recorded in Volume 2637, Page 732, said Official Records, and common to the northeast corner of a called 0.929 of an acre tract of land described in the deed to Sandbag Acquisitions, LLC, recorded in Volume 5815, Page 329, said Official Records, and on a southerly line of said 2.00 acre tract;

THENCE North 88°29'56" West, with the southerly line of said 2.00 acre tract, and with a southerly line of said Block 4, and with the northerly line of said 0.929 acre tract, passing an route at a distance of 183.64 feet a 1/2-inch iron rod found for a re-entrant corner of said 2.00 acre tract, and continuing on said course, crossing said 2.00 acre tract, and crossing said Block 4, a total distance of 193.43 feet to a 1/2-inch iron rod found for a re-entrant corner of the herein described tract of land, common to the northwest corner of said 0.929 acre tract;

THENCE South 01°28'09" West, crossing said 2.00 acre tract, and crossing said Block 4, with the westerly line of said 0.929 acre tract, a distance of 198.16 feet to a 1/2-inch iron rod found for the southwest corner of the herein described tract of land, common to the western-most southwest corner of said 0.929 acre tract, and on the southwesterly line of said 2.00 acre tract, and on the southwesterly line of said Block 4, and on the northeasterly line of Lot 1R of aforesaid Replat of Sidney Heights Addition;

THENCE North 41°27'09" West, with the southwesterly line of said 2.00 acre tract, and with the southwesterly line of said Block 4, and with the northeasterly line of said Lot 1R, and with the northeasterly line of aforesaid Lot 2R, a distance of 484.44 feet to the POINT OF BEGINNING and enclosing 1.873 acres (81,577 square feet) of land, more or less.

NOTES ADDRESSING SCHEDULE "B" EXCEPTIONS:

Only those easements and/or other matters of record, as listed in Title Commitment GF No. 0136371, issued by Texan Title Insurance Company, countersigned by Red River Title Company, with an effective date of May 3, 2021, and an issued date of May 10, 2021, and enlisted below were considered for this Survey. The surveyor did not perform an abstract of title.

10a. Easement to Amvets, Post No. 47, of record in Volume 845, Page 113, Volume 845, Page 120, Volume 845, Page 114 and Volume 845, Page 117 of the Deed Records of Grayson County, Texas.
(Easements appurtenant to the subject tract for an offsite waterline. Unable to be located by description.)

FLOOD STATEMENT:

I have examined the F.E.M.A. Flood Insurance Rate Map for the City of Sherman, Grayson County, Texas, Community Number 485509, effective date 09/29/2010 and that map indicates that this property is within "Non-shaded Zone X" defined as "Areas determined to be outside the 0.2% annual chance flood" as shown on Panel 0290 F of said map. This flood statement does not imply that the property and/or structures thereon will be free from flooding or flood damage, on rare occasions, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor.

LEGEND

●	FOUND MONUMENT	U.E.	UTILITY EASEMENT
IRF	IRON ROD FOUND	E	ELECTRIC METER
RFC	IRON ROD FOUND W/PLASTIC CAP	☼	UTILITY/POWER POLE
CM	CONTROLLING MONUMENT	⟨	GUY
( )	DEED OR PLAT CALL	G	NATURAL GAS METER
P.R.G.C.T.	PLAT RECORDS, GRAYSON COUNTY, TEXAS	Ⓢ	SANITARY SEWER MANHOLE
			BOUNDARY LINE
D.R.G.C.T.	DEED RECORDS, GRAYSON COUNTY, TEXAS		ADJOINER LINE
			EASEMENT
O.R.G.C.T.	OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS		WIRE FENCE
			METAL/WROUGHT IRON FENCE
VOL., PG.	VOLUME, PAGE		CHAIN LINK FENCE
INST. NO.	INSTRUMENT NO.		ASPHALT
(AC)	AC UNIT		OVERHEAD ELECTRIC/UTILITY

Certify to: Daniel A. Wills, Kari Wills, Amvets Post #47 of Texas Department of Amvets; Texan Title Insurance Company; Red River Title Company;

I, Chris R. Noah, a Registered Professional Land Surveyor in the State of Texas, do hereby certify that this survey has been prepared from an actual on-the-ground survey of the premises depicted hereon and described in the land description attached hereto, conducted under my direction and supervision on 05/19/2021, and there are no discrepancies, conflicts, shortages in area or boundary line conflicts, or any intrusions of visible improvements from adjoining tracts, or protrusions of visible improvements onto adjoining tracts, to the best of my knowledge and belief, except as shown. I further certify that this survey meets or exceeds the minimum standards established by the Texas Board of Professional Land Surveying.

Chris R. Noah, R.P.L.S. No. 6585

STATE OF TEXAS · REGISTERED · CHRIS R. NOAH · 6585 · PROFESSIONAL LAND SURVEYOR

TITLE SURVEY
1.873 ACRES
W.F. PATTERSON SURVEY, ABSTRACT NO. 969
REPLAT OF MIDWAY MALL
PART OF BLOCK 4
4500 Frisco Road, Sherman
Grayson County, Texas

Preston Trail LAND SURVEYING
83493 N. State Hwy 289, Suite 5
Pottsboro, TX 75076
www.prestontraillandsurveying.com
903-786-5029

TBPLS Firm No. 10194375	Drawn by: BMH	Scale: 1"=30'	Project No. 214384
	Checked by: CRN	Date: 05/21/2021	Sheet No. 1 of 1

BEING all of that certain tract or parcel of land situated in the W.F. Patterson Survey, Abstract No. 969, City of Sherman, Grayson County, Texas, being part of Block 4 of the Replat of Midway Mall, according to the plat thereof recorded in Volume 8, Page 8, Plat Records, Grayson County, Texas, and being the remaining portion of a called 2.00 acre tract of land described in the deed to Amvets Post #47 of Texas Department of Amvets, recorded in Volume 1707, Page 292, Deed Records, Grayson County, Texas, and being more particularly described as follows:
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THENCE South 88°40'59" East, with the northerly line of said 2.00 acre tract, and with the southerly line of said 4.000 acre tract, and crossing said Block 4, a distance of 509.45 feet a 1/2-inch iron rod with a plastic cap stamp "SARTIN 3694" found for the northeast corner of the herein described tract of land, common to the southeast corner of said 4.000 acre tract, and on the westerly right-of-way line of Frisco Road, according to said Replat of Midway Mall;
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THENCE North 88°29'56" West, with the southerly line of said 2.00 acre tract, and with a southerly line of said Block 4, and with the northerly line of said 0.929 acre tract, passing en route at a distance of 183.64 feet a 1/2-inch iron rod found for a re-entrant corner of said 2.00 acre tract, and continuing on said course, crossing said 2.00 acre tract, and crossing said Block 4, a total distance of 193.43 feet to a 1/2-inch iron rod found for a re-entrant corner of the herein described tract of land, common to the northwest corner of said 0.929 acre tract;
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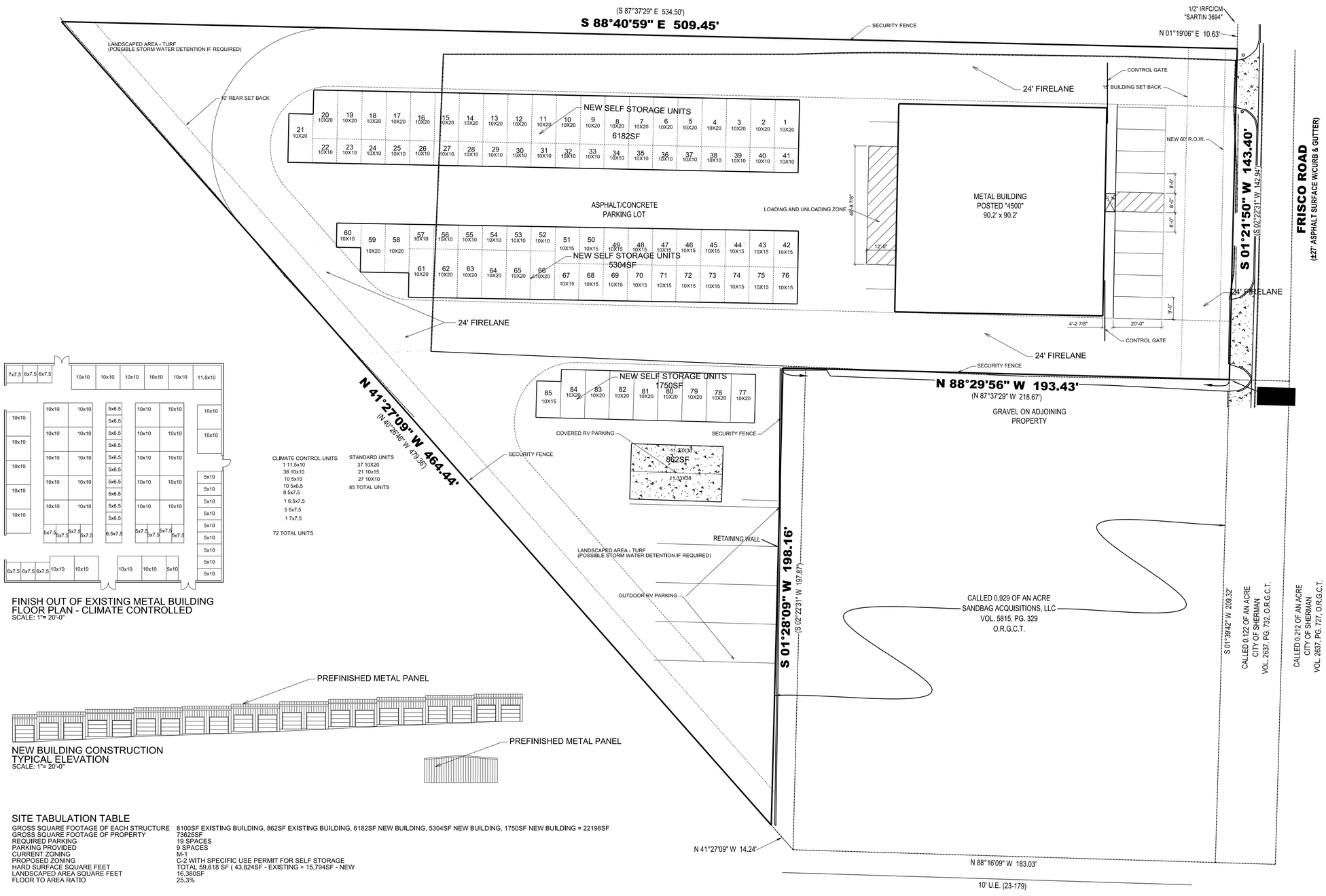
THENCE North 41°27'09" West, with the southwesterly line of said 2.00 acre tract, and with the southwesterly line of said Block 4, and with the northeasterly line of said Lot 1R, and with the northeasterly line of aforesaid Lot 2R, a distance of 464.44 feet to the POINT OF BEGINNING and enclosing 1.873 acres (81,577 square feet) of land, more or less.

EXHIBIT B



CLIMATE CONTROL UNITS
1 11.5x10
36 10x10
10 5x10
10 5x6.5
8 5x7.5
1 6.5x7.5
5 6x7.5
1 7x7.5

72 TOTAL UNITS

STANDARD UNITS
37 10X20
21 10x15
27 10X10
85 TOTAL UNITS

FINISH OUT OF EXISTING METAL BUILDING
FLOOR PLAN - CLIMATE CONTROLLED
SCALE: 1"= 20'-0"

NEW BUILDING CONSTRUCTION
TYPICAL ELEVATION
SCALE: 1"= 20'-0"

SITE TABULATION TABLE

GROSS SQUARE FOOTAGE OF EACH STRUCTURE	8100SF EXISTING BUILDING, 862SF EXISTING BUILDING, 6182SF NEW BUILDING, 5304SF NEW BUILDING, 1750SF NEW BUILDING = 22198SF
GROSS SQUARE FOOTAGE OF PROPERTY	73625SF
REQUIRED PARKING	19 SPACES
PARKING PROVIDED	9 SPACES
CURRENT ZONING	M-1
PROPOSED ZONING	C-2 WITH SPECIFIC USE PERMIT FOR SELF STORAGE
HARD SURFACE SQUARE FEET	TOTAL 59,618 SF (43,824SF - EXISTING + 15,794SF - NEW
LANDSCAPED AREA SQUARE FEET	16,380SF
FLOOR TO AREA RATIO	25.3%

SITE PLAN

SCALE: 1"= 20'-0"

NORTH

RELEASE
FOR
P&Z APPROVAL

REGISTERED ARCHITECT
KENT HUGHLETT
13254
STATE OF TEXAS
5-20-2022

KENT HUGHLETT, ARCHITECT PLLC
177 TIMBERBROOK CIRCLE
DENISON, TEXAS 75021
RKHUGHLETT@GMAIL.COM
972-743-8398

SELF STORAGE FACILITY
4500 FRISCO ROAD
SHERMAN, TEXAS

A-1

MAY 26, 2022

dlagrone H:\ENGINEER\GIS\ArcGIS Pro Projects\Planning\Public Notification.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

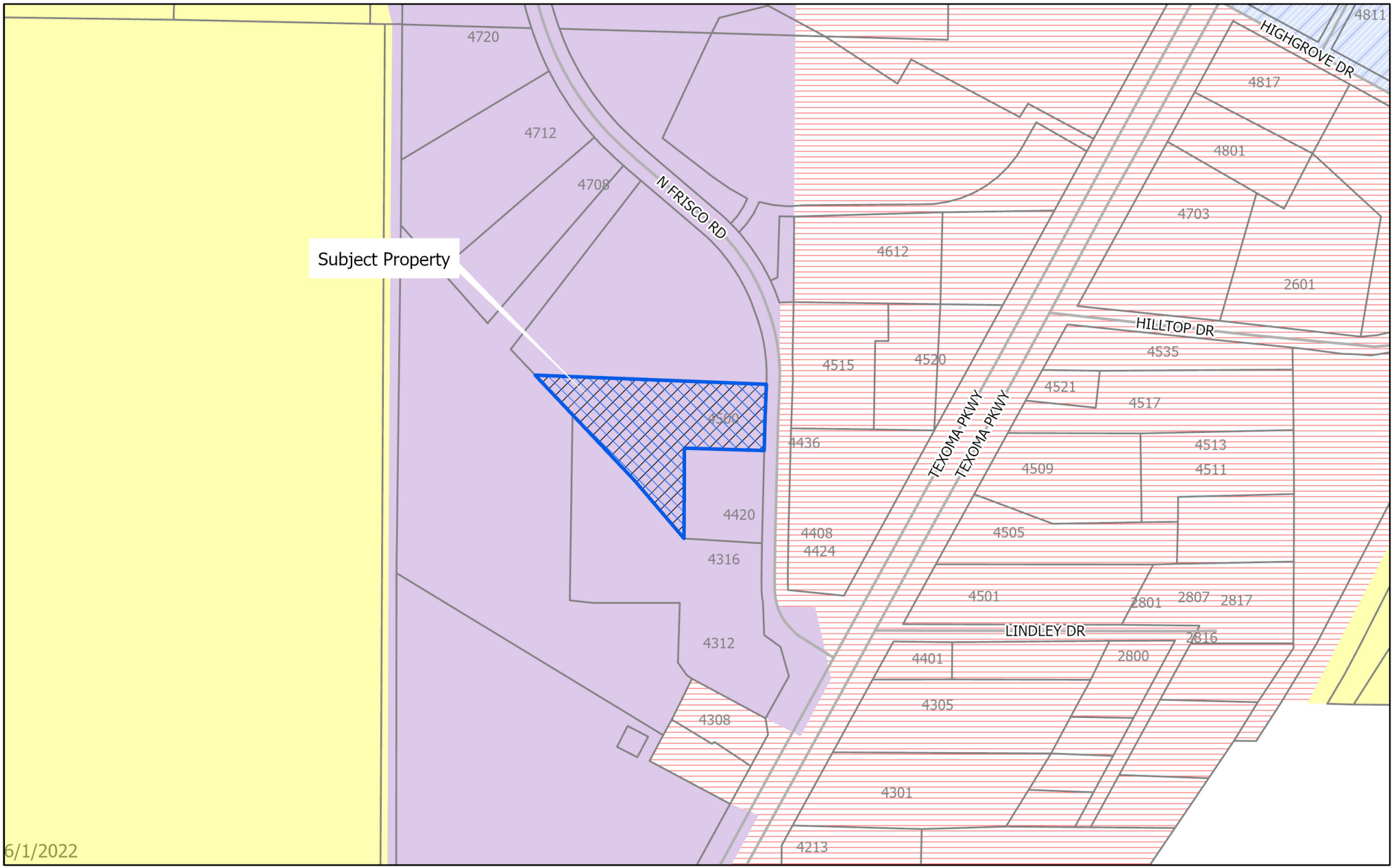
City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
Location Map
(4500 N Frisco Rd)

N
W E
S

Date: 6/1/2022 8:47 AM

Scale: 1:4,466



dlagrone H:\ENGINEER\GIS\ArcGIS Pro Projects\Planning\Public Notification.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development
- Subject Locations
- Parcels

CITY OF SHERMAN
Zoning Location Map
(4500 N Frisco Rd)

N
W E
S

Scale: 1:3,603

Date: 6/1/2022 8:47 AM

4500 FRISCO RD

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services

STAFF REVIEW LETTER

June 14, 2022

Rex Huddleston
7127 Joyce Way
Dallas, TX 75225

Preston Trail Land Surveying
83493 N. State Highway 289
Pottsboro, TX 75076

Daniel & Kari Wills
604 Legend Ln
Sherman, TX 75092

Kent Hughlett
177 Timberbrook Cir.
Denison, TX 75021

Dear Applicants,

The request for Variance under Ordinance No. Ordinance No. 2280, Section 8, Subsection (5)(a) to allow nine (9) parking spaces in lieu of the required 19 spaces for a Mini-warehouse, Zone Change approval under Ordinance No. 2280, Section 12, from an M-1 (Light Manufacturing) District to a C-2 (General Commercial) District and a Specific Use Permit and Site Plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District located at 4500 Frisco Road has been scheduled to be heard by the Planning and Zoning Commission on Tuesday, June 21, 2022 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's General Zoning Ordinance, Ordinance No. 2280, the regulations applicable to the C-2 (General commercial) District, the Sign Ordinance, the Fence Ordinance and the Commercial Tree and Landscaping Ordinance. (*Chapter 14, Exhibit A, Sec. 6.7; Sec. 7(14), Sec. 7(13) and Sec. 17).*
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. All required off-street parking shall be on private property and shall not encroach into the right-of-way. *(Chapter 14, Exhibit A, Section 7, Subsection 10(b))*
4. Parking shall be provided for one space per 1,000 square foot, unless a variance is granted; a parking space is considered to be 9' x 20'. (*Chapter 14, Exhibit A, Sec.8 (5)(a); Sec.7(10)(b)).*
5. The maximum height of the building shall not exceed 35'. (*Chapter 14, Exhibit A, Sec. 6.7)*
6. The trash dumpster will need to be located inside the main building area.
7. The use of the property must comply with all Federal and State Laws and regulations and with all ordinances, rules and regulations of the City of Sherman.
8. Outside storage is not allowed.
9. Platting of the property is required.
10. The property must be properly maintained in a state of good repair and neat appearance.
11. The approval of the site plan shall be effective for a period of (2) years from the date of approval and shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Specific Use Permit was approved.

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

Engineering:

13. Platting of the property is required. *(Code of Ordinances Chapter 10, Section 10.02.021; Texas Local Government Code Title 1, Sec. 212.004)*
14. Additional right-of-way dedication on Frisco Road may be required upon platting. *(Code of Ordinances Chapter 10, Exhibit A, Secs. 5(B)(5), (10); 5(C)(1); 6(B)(7)-(8), (14)-(15); 12(B)(1)(a); 12(B)(1)(k)(1)-(3); 12(B)(5))*
15. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *(Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154)*
16. Verify fire requirements and code compliance with Fire Marshal. *(Code of Ordinances Chapter 3.02(c))*
17. The location of the trash receptors must be approved by the Public Works Department.
18. Privately owned and maintained detention in accordance with City criteria may be required. Engineering documentation shall be provided to the City of Sherman Engineering Department for review and approval. If detention is required, Ownership and Maintenance information to be shown on plat. *(Code of Ordinances Chapter 10, Exhibit A, Sec. 12(I))*
19. Water main must be extended in accordance with City criteria to serve proposed Lot. *(Code of Ordinances Chapter 13, Sec. 13.07.282; Chapter 10, Exhibit A, Sec. 12(G))*
20. Civil Engineering plans shall be provided to the Engineering Department for review and approval. Plat to reflect changes upon Engineering review. *(Code of Ordinances Chapter 10, Exhibit A, Sec. 12, Code of Ordinances Chapter 10, Exhibit A, Sec. 15.)*
21. Three Party Agreement required for Public Infrastructure.

Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission. It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

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

Respectfully,

Rob Rae
Acting Secretary, Planning and Zoning Commission and Board of Adjustments

cc: Robby Hefton, City Manager
Clint Philpott, Asst. City Manager
Wayne Lee, P.E., Director of Engineering
Tom Pruitt, Utility Engineer
Billy Hartsfield, Fire Marshal
Amber Doan, Engineering Coordinator
Christopher Armstrong, Asst. City Engineer
The Law Firm of Abernathy, Roeder, Boyd, & Hullett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 23.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

4500 FRISCO ROAD

The request of Daniel and Kari Wills (Owners), Rex Huddleston (Prospective Buyer), Kent Hughlett (Architect) and Preston Trail Land Surveying (Surveyor) concerning the property at 4500 Frisco Road, being 1.873 acres in the W.F Patterson Survey, Abstract No. 969, a Replat of Midway Mall Part of Block 4, as follows:

Board of Adjustments

A. Variance under Ordinance No. Ordinance No. 2280, Section 8, Subsection (5)(a) to allow nine (9) parking spaces in lieu of the required 19 spaces for a Mini-warehouse.

Planning and Zoning Commission

B. Zone Change approval under Ordinance No. 2280, Section 12, from an M-1 (Light Manufacturing) District to a C-2 (General Commercial) District.
C. Specific Use Permit and Site Plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District.

Background:

The property is located at 4500 Frisco Road between Texoma Parkway and Fallon Drive. The owner is requesting a Zone Change from an M-1 (LightManufacturing) District to a C-2 (General Commercial) District; a Specific Use Permit and Site Plan approval to to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District; and a Variance to allow nine (9) parking spaces in lieu of the required 19 spaces for a Mini-warehouse.

Adjacent Zoning:

M-1 (Light Manufacturing) District

Origination:

Daniel and Kari Wills (Owners)
Rex Huddleston (Prospective Buyer)
Kent Hughlett (Architect)
Preston Trail Land Surveying (Surveyor)

Master Plan Designation:

Auto Urban Commercial – Require more land for parking than building floor area. Automobiles and parking are the most prominent features. Parking lots reduce building density and prevent any possibility of creating an enclosed space.

Number of notices mailed:

7

Objections Received:

0

Development Review Meeting:

Yes

Staff Recommendation:

Staff recommends that the removal of the non-conforming freestanding sign on the property line be a condition of the SUP, if approved.

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Survey
Site Plan
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 4.**

Meeting Date: 07/18/2022
Prepared By: Rob Rae, Director of Development Services
Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6502
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow an Early Learning & Tutoring Center (School Nursery, Kindergarten, or Daycare for Children) in an R-1 (One-Family Residential) at 1817 Glenway Drive, being Lot Nine (9), Block One (1) of the Peppertree Addition (Luke Scheibmeir, Owner; Colleen Bowling, Tenant; and David Fite Surveying (Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

Issue:

To consider Granting a Specific Use Permit to allow an Early Learning & Tutoring Center (School Nursery, Kindergarten, or Daycare for Children) in an R-1 (One-Family Residential) at 1817 Glenway Drive, being Lot Nine (9), Block One (1) of the Peppertree Addition (Luke Scheibmeir, Owner; Colleen Bowling, Tenant; and David Fite Surveying (Surveyor)

Background:

The property is located at 1817 Glenway Drive between North Grant and North Ridgeway Drives. The owner is requesting a Specific Use Permit and Site Plan approval to allow an Early Learning & Tutoring Center (School Nursery, Kindergarten, or Daycare for Children) in an R-1 (One-Family Residential) District.

The owner will be using this address for Bright Idea Learning Tutoring and Early Learning Center. The business has been in existence and established in this community for 4 years. They have outgrown their old space and are moving into this new address and adding an Early Learning Center to the business. In this new space, they will be running a preschool in the daytime hours and tutoring in the after-school hours Monday-Friday. They will have minimal traffic and parents drop off and pick up rather than park and stay. This is a central location that meets the requirements for the preschool, and enhances education in our growing community.

Origination:

Luke Scheibmeir (Owner)
Colleen Bowling (Tenant)
David Fite Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted 4/2 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter.

Staff recommends that the SUP be tied to the applicant (Colleen Bowling), the SUP must be renewed in one year and that the SUP ordinance requires compliance with the approved site plan (Exhibit B). These additional conditions have been included in the attached ordinance.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6502
Exhibit A - Survey
Exhibit B - Site Plan
Location Map
Zoning Map
Zoning Sign Photo
Narrative
Site Plan Narrative
Floor Plan
Elevations
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6502

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AN EARLY LEARNING & TUTORING CENTER (SCHOOL NURSERY, KINDERGARTEN, OR DAYCARE FOR CHILDREN) IN AN R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT AT 1817 GLENWAY DRIVE, BEING LOT NINE (9), BLOCK ONE (1) OF THE PEPPERTREE ADDITION (LUKE SCHEIBMEIR, OWNER; COLLEEN BOWLING, TENANT; AND DAVID FITE SURVEYING, SURVEYOR) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

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

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

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

SECTION 1. That, from and after the effective date of this Ordinance, Luke Scheibmeir (Owner), Colleen Bowling (Tenant), and David Fite Surveying (Surveyor) concerning the property located at 1817 Glenway Drive, being Lot Nine (9), Block One (1) of the Peppertree Addition are granted a Specific Use Permit to allow an Early Learning & Tutoring Center (School Nursery, Kindergarten, or Daycare for Children) in an R-1 (One-Family Residential) District and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include property described as **Exhibit A – Survey**.

SECTION 2. That this Specific Use Permit is granted on the following conditions:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's General Zoning Ordinance, Ordinance No. 2280, the regulations applicable to the R-1 (One-Family Residential) District, the

Fence Ordinance, and the Residential Tree and Landscaping Ordinance. (*Chapter 14, Exhibit A, Sec. 6.3; Sec. 7(13) and Sec. 17)*

2. Signs advertising the business are not allowed. *(Chapter 14, Exhibit A, Section 7, 14(g))*
3. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
4. Driveways and parking are permitted on paved surfaces only (concrete or asphalt). *(Chapter 14, Exhibit A, Section 7, Subsection 10(h))*
5. A minimum 6' fence is required abutting residentially zoned property. *(Chapter 14, Exhibit A, Section 7, Subsection 13)*
6. Parking shall be provided for one space for every 1.5 employees: this includes all employees working at the property; a parking space is considered to be 9' x 20'. *(Chapter 14, Exhibit A, Section 8, Subsection 5(a) and Section 7, Subsection 10(b))*
7. All required off-street parking shall be on private property and shall not encroach into the right-of-way. *(Chapter 14, Exhibit A, Section 7, Subsection 10(b)*
8. The approval of the site plan shall be effective for a period of (2) years from the date of approval and shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Specific Use Permit was approved.
9. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

Engineering:

10. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. (*Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154)*
11. Parking will be permitted on private property only.

Additional Conditions:

1. The property shall be developed and used in accordance with all City Ordinances and the Site Plan shown in **Exhibit B.**
2. The Specific Use Permit is tied to the applicant, Colleen Bowling, such that the Specific Use Permit may be revoked if a person or entity other than Colleen Bowling is the lessee of the business.
3. The applicant must renew the Specific Use Permit one year from the date of this approved ordinance.

SECTION 3. That this Ordinance shall be entered upon the official zoning map as provided in Section 2, Ordinance No. 2280.

SECTION 4. That it shall be unlawful for any person to make use of the Property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the General Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 5. That the General Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 6. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 7. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

SECTION 8. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

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

INTRODUCED on this the 18th day of July, 2022.

ADOPTED on this the 18th day of July, 2022.

EFFECTIVE DATE on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT A

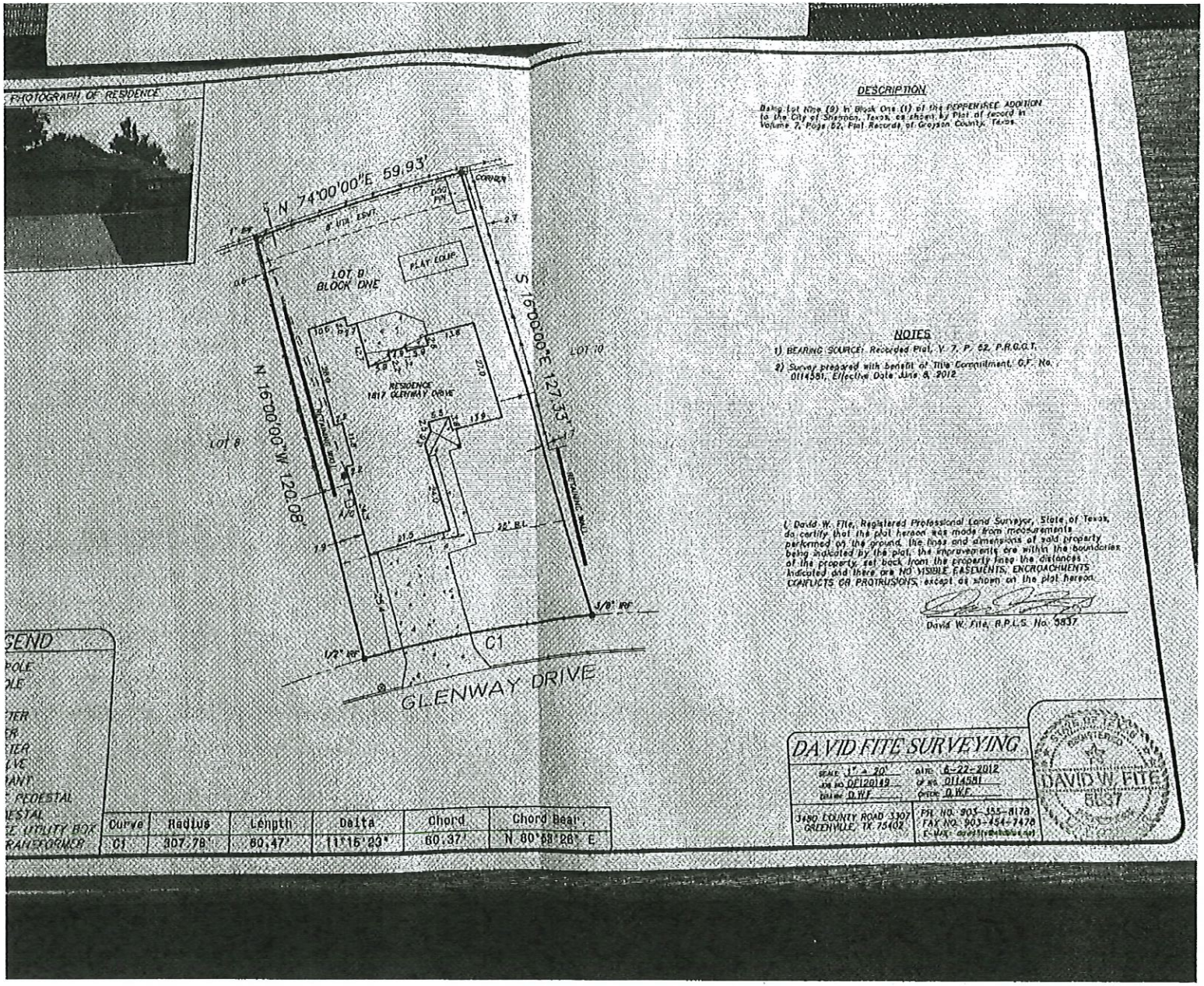

PHOTOGRAPH OF RESIDENCE
DESCRIPTION
Being Lot Nine (9) in Block One (1) of the PEPPERIDGE ADDITION to the City of Sherman, Texas, as shown by Plat of record in Volume 7, Page 82, Plat Records of Grayson County, Texas.
N 74°00'00"E 59.93'
S 16°00'00"E 127.33'
N 16°00'00"W 120.08'
LOT 9
BLOCK ONE
LOT 10
LOT 8
PLAY EQUIP.
RESIDENCE
1817 GLENWAY DRIVE
GLENWAY DRIVE
C1
NOTES
1) BEARING SOURCE: Recorded Plat, V. 7, P. 82, P.R.G.C.T.
2) Survey prepared with benefit of Title Commitment, G.F. No. 0114581, Effective Date June 8, 2012
I, David W. Fite, Registered Professional Land Surveyor, State of Texas, do certify that the plat hereon was made from measurements performed on the ground, the lines and dimensions of said property being indicated by the plat; the improvements are within the boundaries of the property, set back from the property lines the distances indicated and there are NO VISIBLE EASEMENTS, ENCROACHMENTS CONFLICTS OR PROTRUSIONS, except as shown on the plat hereon.
David W. Fite, R.P.L.S. No. 5837
DAVID FITE SURVEYING
SCALE 1" = 20'
DATE 6-22-2012
JOB NO. DF120149
G.F. NO. 0114581
DRAWN D.W.F.
CHKD D.W.F.
3480 COUNTY ROAD 3307
GREENVILLE, TX 75402
PH. NO. 903-455-8178
FAX NO. 903-454-7478
DAVID W. FITE
5837
Curve | Radius | Length | Delta | Chord | Chord Bear.
C1 | 307.78' | 60.47' | 11°15'29" | 60.37' | N 60°58'26" E

EXHIBIT B

PHOTOGRAPH OF RESIDENCE

Small little Tykes play equipment

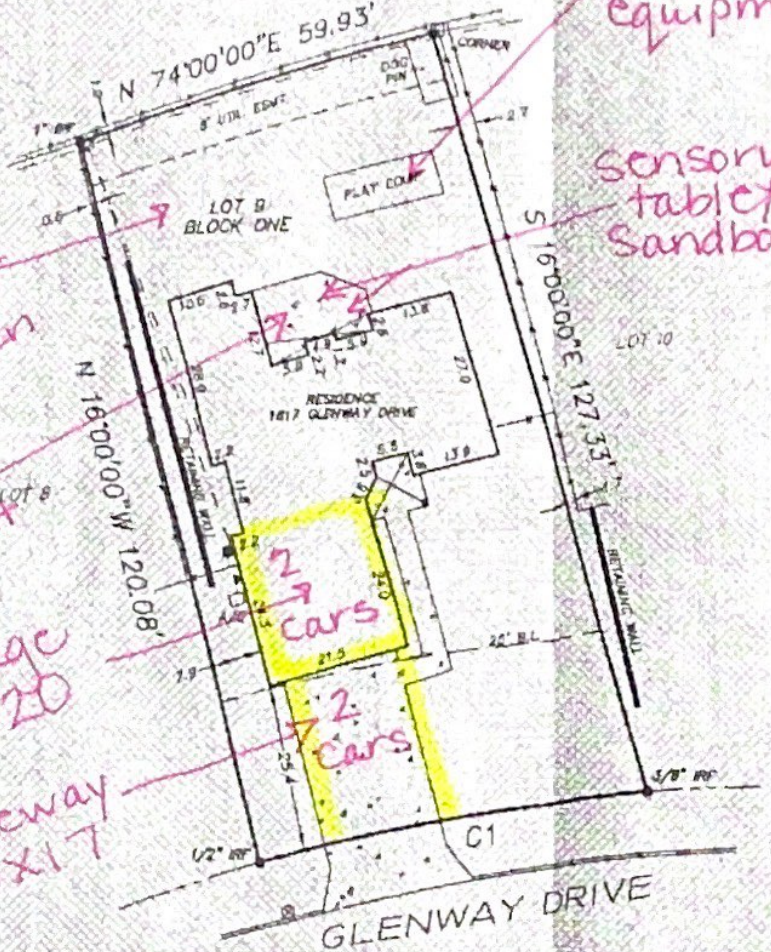
Sensory table / Sandbox

raised beds for veg/fruit garden

Little Tykes plastic grill set

Garage 20x20

Driveway 35X17



DESCRIPTION

Being Lot Nine (9) in Block One (1) of the PEPPERTREE ADDITION to the City of Shannon, Texas, as shown by Plat of record in Volume 7, Page 52, Plat Records of Grayson County, Texas.

NOTES

1) BEARING SOURCE: Recorded Plat, V. 7, P. 52, P.R.G.C.T.

2) Survey prepared with benefit of Title Commitment, G.F. No. 0114581, Effective Date June 8, 2012

I, David W. Fite, Registered Professional Land Surveyor, State of Texas, do certify that the plat hereon was made from measurements performed on the ground, the lines and dimensions of said property being indicated by the plat, the improvements are within the boundaries of the property, set back from the property lines the distances indicated and there are NO VISIBLE EASEMENTS, ENCROACHMENTS CONFLICTS OR PROTRUSIONS, except as shown on the plat hereon.

David W. Fite, R.P.L.S. No. 5637

LEGEND

POLE
LE
TER.
R
IER
VE
ANT.
PEDESTAL
ESTAL
E UTILITY BOX
RANSFORMER

Curve	Radius	Length	Delta	Chord	Chord Bear.
C1	307.78'	60.47'	11°15'23"	60.37'	N 80°53'28" E

DAVID FITE SURVEYING

SCALE: 1" = 20' DATE: 6-22-2012
JOB NO. DF120149 GF NO. 0114581
DRAWN: D.W.F. CHECK: D.W.F.

3480 COUNTY ROAD 3307
GREENVILLE, TX 75402

PH. NO. 903-355-8178
FAX NO. 903-454-7478
E-MAIL: davidfite@sbcglobal.net

STATE OF TEXAS REGISTERED DAVID W. FITE 5637

dlagrone H:\ENGINEER\GIS\ArcGIS Pro Projects\Planning\Public Notification.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
Location Map
(1817 Glenway Dr)

N
W E
S

Date: 5/12/2022 4:51 PM

Scale: 1:1,529

dlagrone H:\ENGINEER\GIS\ArcGIS Pro Projects\Planning\Public Notification.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development
- Subject Locations
- Parcels

CITY OF SHERMAN
Zoning Location Map
(1817 Glenway Dr)

N W E S

Scale: 1:2,306

Date: 5/12/2022 4:51 PM

1817 GLENWAY DRIVE

Bright Idea Learning Tutoring and Early Learning Center
1817 Glenway Road
Sherman, TX 75092

Project Narrative:

We will be using this address for our business, Bright Idea Learning Tutoring and Early Learning Center. The business has been in existence and established in this community for 4 years now. We have outgrown our old space and are moving into this new address and adding an Early Learning Center to the business. In this new space, we will be running a preschool in the daytime hours and tutoring in the after school hours Monday-Friday. We are not changing the structure. We also don't need to add parking as we will have minimal traffic and parents drop off and pick up rather than park and stay. We feel that this new location works great for families as it is centrally located, meets the requirements for the preschool, and enhances education in our growing community.

Colleen Bowling and Felicia Smith

Bright Idea Learning
1817 Glenway Rd
Sherman, TX 75092

Felicia Smith
Tutoring/Therapy
(903) 227-7059

Colleen Bowling
Early Learning Center
(903) 820-2668

Bright Idea Learning Site Plan

Please see the attached survey with spaces labeled.

Dyslexia Therapy & Tutoring:

Rooms 1 and 2 will be utilized year round for Dyslexia therapy and general tutoring for students grades EC-12. Tutors are certified teachers who have been/will have a background check and fingerprints as required by the Minimum Standards for Child-Care Centers due to the preschool requirements of adults entering a child care facility. Tutors will park in the garage, driveway and/or street in front of the two open fields on either side of Glenway Drive. Parents are encouraged to drop off and depart the property, but it is not a requirement. If parents choose to stay, they will park in the street or in available driveway space and wait for the tutoring session to end. Tutors work with students for one hour periods at a time.

During the school year, with the exception of a few homeschooled students, tutors and students will work primarily after-school hours until 8pm. In the summer, tutors will work with 1-3 students at a time, as schedules allow, and depending on demand for educational services, tutoring sessions may overflow into utilizing the kitchen space and office space (master bedroom) of 1817 Glenway Drive. No more than 4 tutors will be serving students at once. Student groups are primarily 1:1, but may occasionally be up to and no more than 1:3 teacher:student ratio.

Early Learning Center:

The preschool will service early learners ages 3.5-5 years old. The operating hours will be Monday through Friday 7:30am-5:30pm. The preschool will offer a T/Th program and a M/W/F program with a maximum of 12 students in each program. There will be one to two teachers working at the preschool at one time. Lead teachers will be certified teachers. Both lead and support teachers will have had background checks and fingerprinting done in accordance with the state Minimum Standards for Child Care Licensing. Teachers will park in the garage or in the driveway. Parents are encouraged to drop off/pick up and depart the property in a timely fashion.

The Early Learning Center will not utilize Tutoring Rooms 1 or 2 and doors will be closed during preschool operating hours when not in use. The bathroom in the hallway will be used for student purposes for tutoring and for preschool students.

The Living Room will be used for students to complete Works during morning independent work time and for free play in the afternoon. The Dining Area of the kitchen will be used for whole group calendar time and thematic unit lessons. The open Galley Kitchen will be used to prepare snacks and student's home lunches while still being able to supervise children.

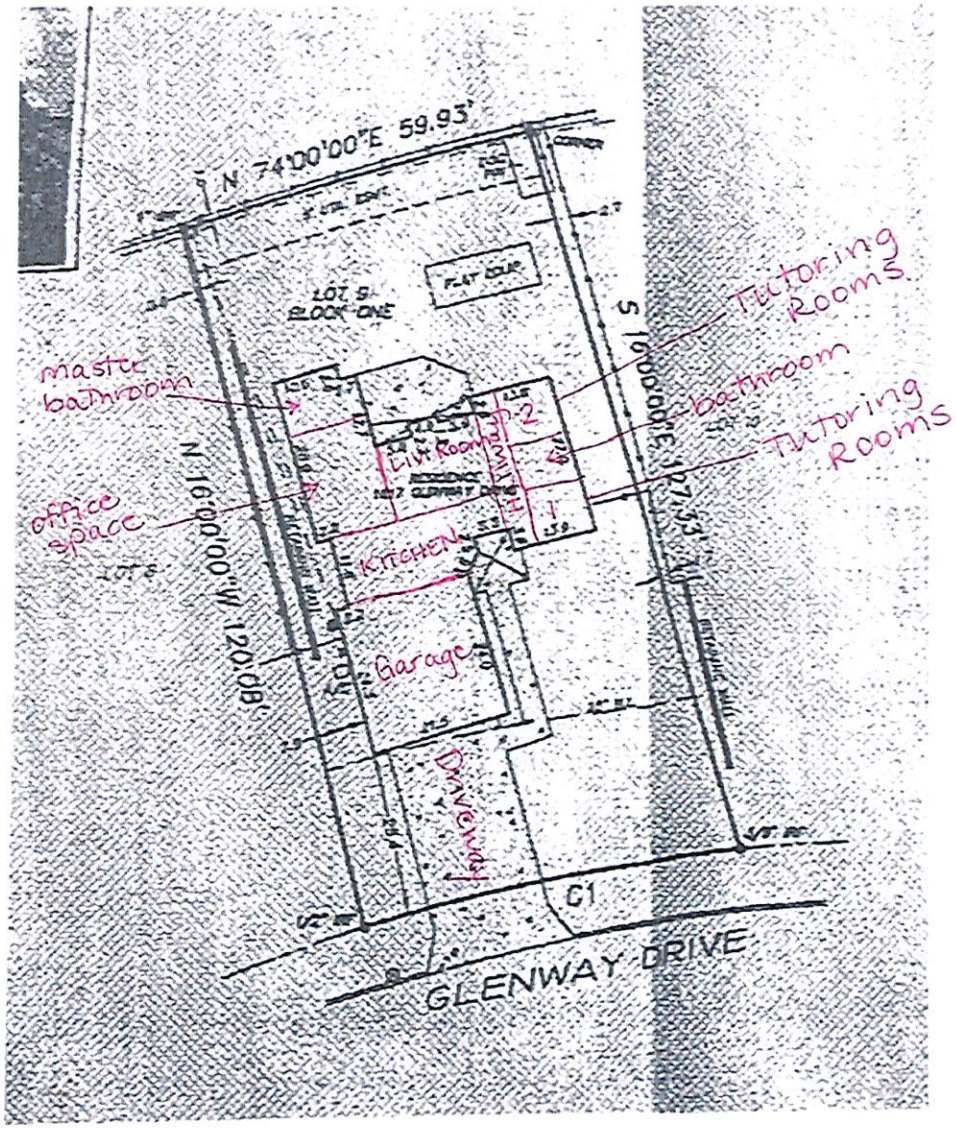
The Master Bedroom will be used as an office space/teacher's lounge for preschool teachers and tutors to use when not directly supervising children. The Master Bathroom is the primary adult bathroom in the house.

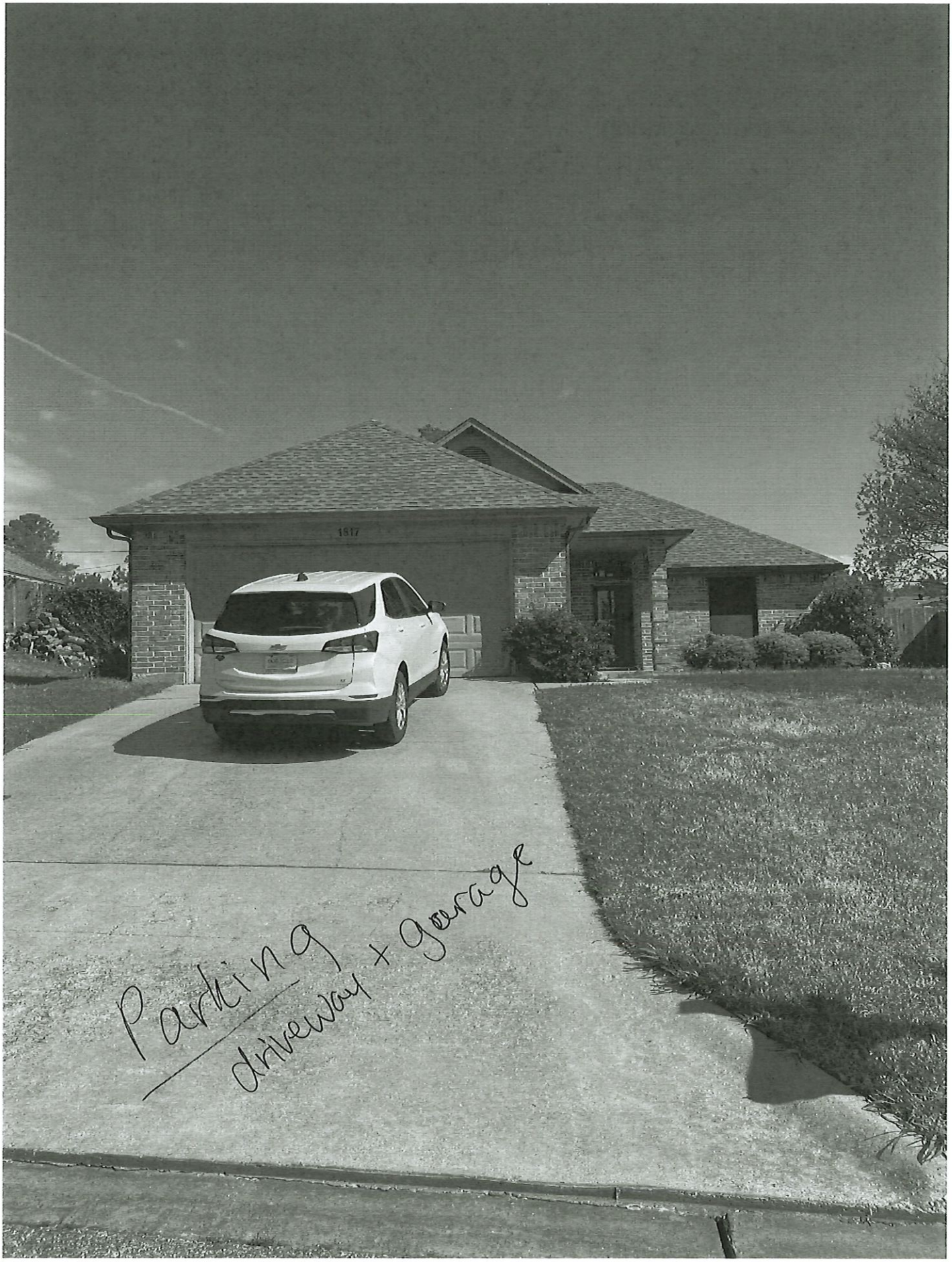
Parking:

The garage has enough space for 2 cars to be parked in it with the driveway able to hold 2-4 more cars. There is also enough street parking to support 7-10 more cars, although it is unlikely that so many cars would be parked along Glenway Drive at once.

Backyard:

Because of the slope of the backyard, in lieu of a large wooden play structure, a smaller Little Tykes swing set will be set up in the flat area of the backyard. In addition, a closed sandbox, an outdoor sensory table, a small playhouse, a Little Tykes plastic grill set and several child-sized picnic tables will be set up in the backyard. At some point, we also plan to have raised fruit and vegetable gardens. Early learners will spend one hour in the morning and one hour in the afternoon in the backyard.


N 74°00'00"E 59.93'
LOT 9
BLOCK ONE
FLAT ROOF
S 16°00'00"E 127.53'
N 16°00'00"W 120.08'
Tutoring Rooms
master bathroom
bathroom
Tutoring Rooms
office space
Living Room
KITCHEN
Garage
Driveway
C1
GLENWAY DRIVE


1817
Parking
driveway + garage

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services

STAFF REVIEW LETTER

June 14, 2022

Luke Scheibmeir
3213 Redbud Trail
Sherman, TX 75092

David Fite Surveying
3480 County Road 3307
Greenville, TX 75402

Colleen Bowling
1309 Tobin St.
Howe, TX 75459

Dear Applicants,

The request for a Specific Use Permit and site plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow an Early Learning & Tutoring Center (School Nursery, Kindergarten, or Daycare for Children) in an R-1 (One-Family Residential) District located at 1817 Glenway Drive has been scheduled to be heard by the Planning and Zoning Commission on Tuesday, June 21, 2022 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's General Zoning Ordinance, Ordinance No. 2280, the regulations applicable to the R-1 (One-Family Residential) District, the Fence Ordinance, and the Residential Tree and Landscaping Ordinance. (*Chapter 14, Exhibit A, Sec. 6.3; Sec. 7(13) and Sec. 17)*
2. Signs advertising the business are not allowed. *(Chapter 14, Exhibit A, Section 7, 14(g))*
3. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
4. Driveways and parking are permitted on paved surfaces only (concrete or asphalt). *(Chapter 14, Exhibit A, Section 7, Subsection 10(h))*
5. A minimum 6' fence is required abutting residentially zoned property. *(Chapter 14, Exhibit A, Section 7, Subsection 13)*
6. Parking shall be provided for one space per bedroom, minimum two per unit; a parking space is considered to be 9' x 20'. *(Chapter 14, Exhibit A, Section 6.4 and Section 7, Subsection 10(b))*
7. All required off-street parking shall be on private property and shall not encroach into the right-of-way. *(Chapter 14, Exhibit A, Section 7, Subsection 10(b)*
8. The approval of the site plan shall be effective for a period of (2) years from the date of approval and shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Specific Use Permit was approved.
9. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

Engineering:

10. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. (*Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154)*
11. Parking will be permitted on private property only.

It is the policy of the Planning and Zoning Commission and the Board of Adjustments not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

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

Respectfully,

Rob Rae
Acting Secretary, Planning and Zoning Commission and Board of Adjustments

cc: Robby Hefton, City Manager
Clint Philpott, Asst. City Manager
Wayne Lee, P.E., Director of Engineering
Tom Pruitt, Utility Engineer City Attorney
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney
Billy Hartsfield, Fire Marshal
Amber Doan, Engineering Coordinator
Christopher Armstrong, Asst. City Engineer

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 9.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

1817 GLENWAY DRIVE

The request of Luke Scheibmeir (Owner), Colleen Bowling (Tenant), and David Fite Surveying (Surveyor) concerning the property located at 1817 Glenway Drive, being Lot Nine (9), Block One (1) of the Peppertree Addition, as follows:

Planning and Zoning Commission

Specific Use Permit and Site Plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow an Early Learning & Tutoring Center (School Nursery, Kindergarten, or Daycare for Children) in an R-1 (One-Family Residential) District.

Background:

The property is located at 1817 Glenway Drive between North Grant and North Ridgeway Drives. The owner is requesting a Specific Use Permit and Site Plan approval to allow an Early Learning & Tutoring Center (School Nursery, Kindergarten, or Daycare for Children) in an R-1 (One-Family Residential) District.

The owner will be using this address for Bright Idea Learning Tutoring and Early Learning Center. The business has been in existence and established in this community for 4 years. They have outgrown their old space and are moving into this new address and adding an Early Learning Center to the business. In this new space, they will be running a preschool in the daytime hours and tutoring in the after-school hours Monday-Friday. They will have minimal traffic and parents drop off and pick up rather than park and stay. This is a central location that meets the requirements for the preschool, and enhances education in our growing community.

Adjacent Zoning:

R-1 (One Family Residential) District

Origination:

Luke Scheibmeir (Owner)
Colleen Bowling (Tenant)
David Fite Surveying (Surveyor)

Master Plan Designation:

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

Number of notices mailed:

26

Objections Received:

0

Development Review Meeting:

No

Staff Recommendation:

Staff recommends that if approved, the SUP be limited to one-year and be applicable only to the applicants Colleen Bowling and Felicia Smith.

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Survey
Site Plan
Elevations
Floor Plan
Floor Plan Narrative
Narrative
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 5.**

Meeting Date: 07/18/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6503

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow Patio Homes in an R-1 (One-Family Residential) District in the 2000-2300 Blocks West Center Street, being 67.25 acres in the Elizabeth Jones Survey, Abstract 625 (W.W. Collins Holdings, LP, Owner; Frank Su, Meritage Homes of Texas, Prospective Buyer; Johnson Volk Consulting, Engineer/Surveyor; and Kimley-Horn and Associates; Engineer/Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

Issue:

To consider Patio Homes in an R-1 (One-Family Residential) District in the 2000-2300 Blocks West Center Street, being 67.25 acres in the Elizabeth Jones Survey, Abstract 625 (W.W. Collins Holdings, LP, Owner; Frank Su, Meritage Homes of Texas, Prospective Buyer; Johnson Volk Consulting, Engineer/Surveyor; and Kimley-Horn and Associates; Engineer/Surveyor)

Background:

The property is located in the 2000-2300 blocks of West Center Street between West Center and West Houston Streets and is zoned R-1 (One-Family Residential) District.

The owner would like to plat the property into 233 lots for residential development. They are also requesting a Specific Use Permit and Site Plan approval to allow Patio homes in an R-1 (One-Family Residential) District.

Origination:

W.W. Collins Holdings, LP (Owner)
Frank Su, Meritage Homes of Texas (Prospective Buyer)
Johnson Volk Consulting (Engineer/Surveyor)
Kimley-Horn and Associates (Engineer/Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted 6/0 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter.

The SUP ordinance requires compliance with the approved Site Plan and Landscape Plan (Exhibit B). These additional conditions have been included in the attached ordinance.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6503
Exhibit A - Survey
Exhibit B - Site Plan/Landscape plan
Location Map
Zoning Map
Zoning Sign Photo
Narrative
Elevations
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6503

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PATIO HOMES IN AN R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT IN THE 2000-2300 BLOCKS WEST CENTER STREET, BEING 67.25 ACRES IN THE ELIZABETH JONES SURVEY, ABSTRACT 625 (W.W. COLLINS HOLDINGS, LP, OWNER; FRANK SU, MERITAGE HOMES OF TEXAS, PROSPECTIVE BUYER; JOHNSON VOLK CONSULTING, ENGINEER/SURVEYOR; AND KIMLEY-HORN AND ASSOCIATES, ENGINEER/SURVEYOR) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

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

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

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

SECTION 1. That, from and after the effective date of this Ordinance, W.W. Collins Holdings, LP (Owner), Frank Su, Meritage Homes of Texas (Prospective Buyer), Johnson Volk Consulting (Engineer/Surveyor) and Kimley-Horn and Associates (Engineer/Surveyor) concerning the property located in the 2000-2300 Blocks West Center Street, being 67.25 acres in the Elizabeth Jones Survey, Abstract 625 are granted a Specific Use Permit to allow Patio Homes in an R-1 (One-Family Residential) District and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include property described as **Exhibit A – Survey**.

SECTION 2. That this Specific Use Permit is granted on the following conditions:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's General Zoning Ordinance,

Ordinance No. 2280, the regulations applicable to the R-1 (One-Family Residential) District, the Patio Home Ordinance, the Fence Ordinance, the Sign Ordinance and the Residential Tree and Landscaping Ordinance. *Chapter 14, Exhibit A, Sec. 6.3; Sec. 9*; *Sec. 7(13) & (14) and Sec. 17)*

2. Patio home lots must have a minimum lot area of 4,000 square feet, and a minimum lot width of 40 feet on regular lots and 45 feet on corner lots. A maximum lot width is 50 feet or 55 feet for corner lots. (*Chapter 14, Exhibit A, Section 8, Subsection 9(b))*
3. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
4. All required off-street parking shall be on private property and shall not encroach into the right-of-way. *(Chapter 14, Exhibit A, Section 7 (13) & (14), Subsection 10(b))*
5. Parking is permitted on paved surfaces only (concrete and asphalt). *(Chapter 14, Exhibit A, Section 7, Subsection 10(h))*
6. Parking shall be provided for one space per bedroom, minimum two per unit; a parking space is considered to be 9'x20'. *(Chapter 14, Exhibit A, Section 6.3 & Section 7, Subsection 10(b))*
7. Side yard setbacks must be uniform for all homes within a given block. (*Chapter 14, Exhibit A, Section 8, Subsection 9(b))*
8. Concrete trail identified on the site plan must be minimum 8 feet wide.
9. Any contiguous subdivision, including multiple phases, developed with twenty-five (25) or more lots under the Patio Home standards of this ordinance shall provide usable open space. Developments with 25 - 49 patio home lots shall provide usable open space which equals or exceeds five (5) percent of the gross platted area, excluding rights-of-way for major thoroughfares. Developments with 50 or more patio homes shall provide usable open space which equals or exceeds ten (10) percent of the gross platted area, excluding rights-of-way for major thoroughfares. A contiguous subdivision is defined as: abutting or separated only by a local or collector street to the subdivision. Subdivisions separated by rights-of-way, drainage or utility easements in excess of sixty (60) feet in width shall not be considered as contiguous. (*Chapter 14, Exhibit A, Section 8, Subsection 9(e))*
10. Any structures built over any of the easements on the property will require approval from the City Council for an encroachment easement.
11. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.

Engineering:

12. Phase 1 and Phase 2 shall be submitted as individual final plats. "Parkland Dedication" may be conveyed by metes and bounds without plat.
13. Off-site privately owned and maintained detention in Phase 2 shall be constructed with Phase 1.
14. No monument signs will be permitted within easements.
15. Trails and park features to be included in Engineering plans for review.
16. Water main must be extended in accordance with City criteria to serve proposed development. (*Code of Ordinances Chapter 13, Sec. 13.07.282; Chapter 10, Exhibit A, Sec. 12(G))*
17. Sanitary Sewer main must be extended in accordance with City criteria to serve proposed development. Sewer capacity shall be verified for proposed use. (*Code of Ordinances Chapter 13, Sec. 13.07.282; Chapter 10, Exhibit A, Sec. 12(H))*
18. Civil Engineering plans shall be provided to the Engineering Department for review and approval. Plat to reflect changes upon Engineering review. (*Code of Ordinances Chapter 10, Exhibit A, Sec. 12, Code of Ordinances Chapter 10, Exhibit A, Sec. 15.)*
19. Three Party Agreement required for Public Infrastructure.
20. Verify fire requirements and code compliance with Fire Marshal. (*Code of Ordinances Chapter 3.02(c))*

Additional Conditions:

21. The property shall be developed and used in accordance with all City Ordinances and the Site Plan and Landscape Plan shown in **Exhibit B.**

SECTION 3. That this Ordinance shall be entered upon the official zoning map as provided in Section 2, Ordinance No. 2280.

SECTION 4. That it shall be unlawful for any person to make use of the Property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the General Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 5. That the General Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 6. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 7. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

SECTION 8. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

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

INTRODUCED on this the 18th day of July, 2022.

ADOPTED on this the 18th day of July, 2022.

EFFECTIVE DATE on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

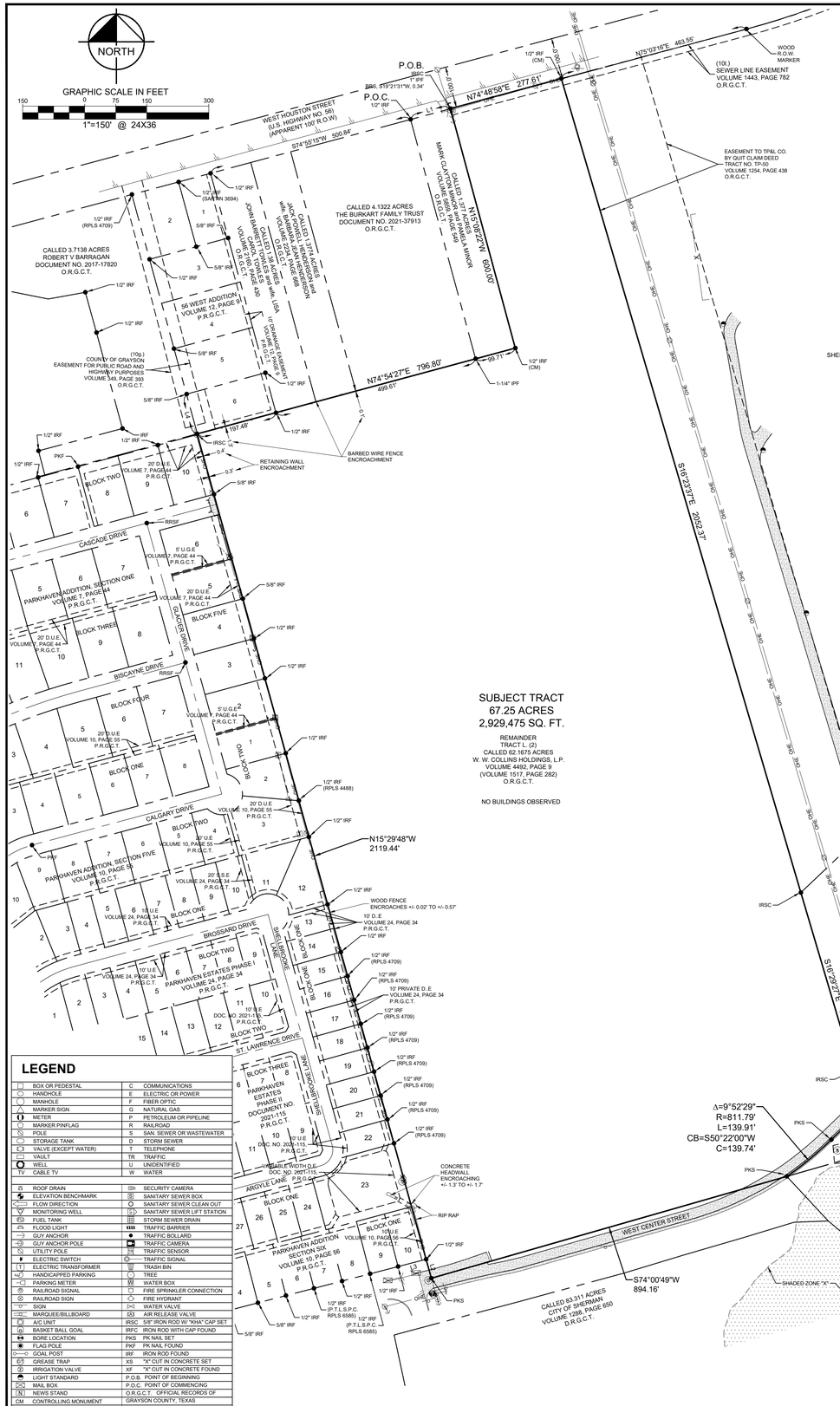
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT A



LINE TABLE		
NO.	BEARING	LENGTH
L1	N74°47'24"E	100.07'
L2	N15°29'48"W	48.00'
L3	S75°09'01"W	69.74'
L4	N15°00'20"W	99.46'

LEGEND

☐	BOX OR PEDESTAL	C	COMMUNICATIONS
⬭	HANDHOLE	E	ELECTRIC OR POWER
◯	MANHOLE	F	FIBER OPTIC
⋀	MARKER SIGN	G	NATURAL GAS
◐	METER	P	PETROLEUM OR PIPELINE
◇	MARKER PINFLAG	R	RAILROAD
⊘	POLE	S	SAN. SEWER OR WASTEWATER
⬭	STORAGE TANK	D	STORM SEWER
⊡	VALVE (EXCEPT WATER)	T	TELEPHONE
▭	VAULT	TR	TRAFFIC
◯	WELL	U	UNIDENTIFIED
TV	CABLE TV	W	WATER
⛆	ROOF DRAIN	⊡	SECURITY CAMERA
⚑	ELEVATION BENCHMARK	⊡	SANITARY SEWER BOX
⟨	FLOW DIRECTION	○	SANITARY SEWER CLEAN OUT
▽	MONITORING WELL	▷	SANITARY SEWER LIFT STATION
⛽	FUEL TANK	▥	STORM SEWER DRAIN
⚠	FLOOD LIGHT	▮▮▮	TRAFFIC BARRIER
→	GUY ANCHOR	●	TRAFFIC BOLLARD
→	GUY ANCHOR POLE	■	TRAFFIC CAMERA
⊘	UTILITY POLE	⊡	TRAFFIC SENSOR
◗	ELECTRIC SWITCH	◎	TRAFFIC SIGNAL
T	ELECTRIC TRANSFORMER	▥	TRASH BIN
♿	HANDICAPPED PARKING	◯	TREE
⊓	PARKING METER	W	WATER BOX
⊕	RAILROAD SIGNAL	▢	FIRE SPRINKLER CONNECTION
⊗	RAILROAD SIGN	◇	FIRE HYDRANT
▽	SIGN	⋈	WATER VALVE
⊓	MARQUEE/BILLBOARD	⊠	AIR RELEASE VALVE
⊡	A/C UNIT	IRSC	5/8" IRON ROD W/ "KHA" CAP SET
⊟	BASKET BALL GOAL	IRFC	IRON ROD WITH CAP FOUND
⊷	BORE LOCATION	PKS	PK NAIL SET
⚑	FLAG POLE	PKF	PK NAIL FOUND
⊙—⊙	GOAL POST	IRF	IRON ROD FOUND
GT	GREASE TRAP	XS	"X" CUT IN CONCRETE SET
⊛	IRRIGATION VALVE	XF	"X" CUT IN CONCRETE FOUND
⛱	LIGHT STANDARD	P.O.B.	POINT OF BEGINNING
✉	MAIL BOX	P.O.C.	POINT OF COMMENCING
N	NEWS STAND	O.R.G.C.T.	OFFICIAL RECORDS OF GRAYSON COUNTY, TEXAS
CM	CONTROLLING MONUMENT	P.R.G.C.T.	PLAT RECORDS OF GRAYSON COUNTY, TEXAS
RRSF	RAILROAD SPIKE FOUND		

LINE TYPE LEGEND

	BOUNDARY LINE
	ADJACENT PROPERTY LINE
	EASEMENT LINE
	BUILDING LINE
W	WATER LINE
SS	SANITARY SEWER LINE
ST	STORM SEWER LINE
GAS	UNDERGROUND GAS LINE
OHE	OVERHEAD UTILITY LINE
UGE	UNDERGROUND ELECTRIC LINE
UGT	UNDERGROUND TELEPHONE LINE
	FENCE
	CONCRETE PAVEMENT
	ASPHALT PAVEMENT

NOTES ADDRESSING SCHEDULE B EXCEPTIONS:

(Pursuant to Commitment for Title Insurance, issued by Fidelity National Title Insurance Company, GF. No. LT-19167-190167220010 3Marie, effective date January 28, 2022, issued February 7, 2022.)

10f. Easement(s) and rights incidental thereto, as granted in a document:
Granted to: the State of Texas
Purpose: As provided in said document
Recording Date: April 16, 1929
Recording No: Volume 343, Page 131, Real Property Records, Grayson County, Texas
(does not affect subject tract)

10g. Easement(s) and rights incidental thereto, as granted in a document:
Granted to: the County of Grayson, a municipal subdivision of the State of Texas
Purpose: As provided in said document
Recording Date: March 31, 1930
Recording No: Volume 349, Page 393, Real Property Records, Grayson County, Texas
(does not affect subject tract, as shown hereon)

10h. The subject tract is a portion of the property described in the document recorded in Volume 475, Page 231 of the Deed Records of Grayson County, Texas. This survey does not provide a determination or opinion concerning the mineral estates and interests and all rights incident thereto in the above recorded document. Only the mineral estate's location relative to the surveyed property was determined by the surveyor.

10i. Easement(s) and rights incidental thereto, as granted in a document:
Granted to: Texas Power & Light Company
Purpose: As provided in said document
Recording Date: July 3, 1948
Recording No: Volume 561, Page 108, Real Property Records, Grayson County, Texas
(due to the vague description of this easement, the surveyor is unable to accurately determine its location)

10i. The subject tract is a portion of the property described in the document recorded in Volume 611, Page 229 of the Deed Records of Grayson County, Texas. This survey does not provide a determination or opinion concerning the mineral estates and interests and all rights incident thereto in the above recorded document. Only the mineral estate's location relative to the surveyed property was determined by the surveyor.

10j. Easement(s) and rights incidental thereto, as granted in a document:
Granted to: Texas Power & Light Company
Purpose: As provided in said document
Recording Date: November 30, 1964
Recording No: Volume 1020, Page 40, Real Property Records, Grayson County, Texas
(due to the vague description of this easement, the surveyor is unable to accurately determine its location)

10k. The subject tract is a portion of the property described in the document recorded in Volume 1366, Page 400 of the Deed Records of Grayson County, Texas. This survey does not provide a determination or opinion concerning the mineral estates and interests and all rights incident thereto in the above recorded document. Only the mineral estate's location relative to the surveyed property was determined by the surveyor.

10l. Easement(s) and rights incidental thereto, as granted in a document:
Granted to: the City of Sherman a municipal corporation
Purpose: As provided in said document
Recording Date: August 17, 1978
Recording No: Volume 1443, Page 782, Real Property Records, Grayson County, Texas
(affects subject tract, as shown hereon)

10m. Easement(s) and rights incidental thereto, as granted in a document:
Granted to: the City of Sherman, a municipal corporation
Purpose: As provided in said document
Recording Date: September 5, 1979
Recording No: Volume 1488, Page 336, Real Property Records, Grayson County, Texas
(affects subject tract, as shown hereon)

10n. The subject tract is a portion of the property described in the document recorded in Volume 1517, Page 282 and a portion of the property described in the document recorded in Volume 1517, Page 621 of the Deed Records of Grayson County, Texas. This survey does not provide a determination or opinion concerning the mineral estates and interests and all rights incident thereto in the above recorded document. Only the mineral estate's location relative to the surveyed property was determined by the surveyor.

10o. The subject tract is a portion of the property described in the document recorded in Volume 1517, Page 286 and a portion of the property described in the document recorded in Volume 1517, Page 629 of the Deed Records of Grayson County, Texas. This survey does not provide a determination or opinion concerning the mineral estates and interests and all rights incident thereto in the above recorded document. Only the mineral estate's location relative to the surveyed property was determined by the surveyor.

10p. The subject tract is a portion of the property described in the document recorded in Volume 1578, Page 61 of the Deed Records of Grayson County, Texas. This survey does not provide a determination or opinion concerning the mineral estates and interests and all rights incident thereto in the above recorded document. Only the mineral estate's location relative to the surveyed property was determined by the surveyor.

10q. The subject tract is not a portion of the property described in the document recorded in Volume 1578, Page 67, and the subject tract is a portion of the property described in the document recorded in Volume 1578, Page 70 of the Deed Records of Grayson County, Texas. This survey does not provide a determination or opinion concerning the mineral estates and interests and all rights incident thereto in the above recorded document. Only the mineral estate's location relative to the surveyed property was determined by the surveyor.

10r. The subject tract is a portion of the property described in the document recorded in Volume 1578, Page 57, of the Deed Records of Grayson County, Texas. This survey does not provide a determination or opinion concerning the mineral estates and interests and all rights incident thereto in the above recorded document. Only the mineral estate's location relative to the surveyed property was determined by the surveyor.

10s. The subject tract is a portion of the property described in the document recorded in Volume 1578, Page 67 and a portion of the property described in the document recorded in Volume 1578, Page 73, of the Deed Records of Grayson County, Texas. This survey does not provide a determination or opinion concerning the mineral estates and interests and all rights incident thereto in the above recorded document. Only the mineral estate's location relative to the surveyed property was determined by the surveyor.

10t. Easement(s) and rights incidental thereto, as granted in a document:
Granted to: the City of Sherman, Texas, a municipal corporation
Purpose: As provided in said document
Recording Date: February 9, 1987
Recording No: Volume 1892, Page 705, Real Property Records, Grayson County, Texas
(does not affect subject tract, as shown hereon)

10u. Easement(s) and rights incidental thereto, as granted in a document:
Granted to: the City of Sherman, a municipal corporation of the State of Texas
Purpose: As provided in said document
Recording Date: January 11, 1999
Recording No: Volume 2741, Page 271, Real Property Records, Grayson County, Texas
(does not affect subject tract)

10v. The subject tract is a portion of the property described in Volume 2377, Page 792 of the Deed Records of Grayson County, Texas. This survey does not provide a determination or opinion concerning the mineral estates and interests and all rights incident thereto in the above recorded document. Only the mineral estate's location relative to the surveyed property was determined by the surveyor.

10w. The subject tract is a portion of the property described in the document recorded in Volume 4833, Page 389 of the Deed Records of Grayson County, Texas. This survey does not provide a determination or opinion concerning the mineral estates and interests and all rights incident thereto in the above recorded document. Only the mineral estate's location relative to the surveyed property was determined by the surveyor.

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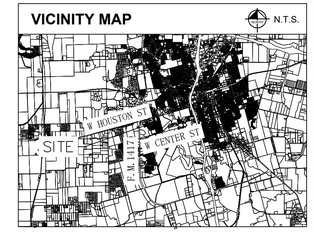
VICINITY MAP N.T.S.



NOTES:

1. All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983. All dimensions shown are ground distances. To obtain a grid distance, multiply the ground distance by the Project Combined Factor (PCF) of 0.999890661049.
2. There are no buildings observed on the surveyed property.
3. The surveyor did not observe physical evidence of a street address of the surveyed property during the process of completing the field work for this survey.
4. No visible evidence of current earth moving work, building construction or building additions were observed at the time of survey.
5. No wetland markings were observed at the time of survey.
6. There are no known proposed changes in street right-of-way lines.
7. No parking spaces were observed on the subject tract.

FLOOD STATEMENT:

According to Federal Emergency Management Agency's Flood Insurance Rate Map No. 48181C0270F, for Grayson County, Texas and incorporated areas, dated 9/29/2010 and Federal Emergency Management Agency's Flood Insurance Rate Map No. 48181C0400F, for Grayson County, Texas and incorporated areas, dated 9/29/2010, this property is located within:

Zone X (unshaded) defined as "Areas determined to be outside the 0.2% annual chance floodplain"

AND

Zone X (shaded) defined as "Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood"

The floodplain zone lines shown hereon are approximate and are based on scaling from said FIRM maps.

If this site is not within an identified special flood hazard area, this flood statement does not imply that the property and/or the structures thereon will be free from flooding or flood damage. On rare occasions, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor.

SURVEYORS CERTIFICATION:

To: Meritage Homes of Texas, LLC an Arizona limited liability company; and Fidelity National Title Insurance Company

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes Items 1, 2, 3, 4, 8, 9, 13 and 16 of Table A thereof. The field work was completed on March 24, 2022.

Survey Date: March 28, 2022

Michael B. Marx
Registered Professional Land Surveyor No. 5181
Kimley-Horn and Associates, Inc.
6160 Warren Pkwy., Suite 210
Frisco, Texas 75034
Ph. 972-335-3580
michael.marx@kimley-horn.com

PRELIMINARY
THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

ALTA/NSPS LAND TITLE SURVEY
67.25 ACRES
ELIZABETH JONES SURVEY
ABSTRACT NO. 625
CITY OF SHERMAN
GRAYSON COUNTY, TEXAS

Kimley»Horn
6160 Warren Parkway, Suite 210
Frisco, Texas 75034
Tel. No. (972) 335-3580
Fax No. (972) 335-3779
FIRM # 10193822

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 150'	MS	KHA	3/28/2022	061179330	1 OF 2

DWG NAME: K:\FRI_SURVEY\061179330\MERITAGE HOMES - SHERMAN\DWG\061179330 AS DWG PLOTTED BY MARX, MICHAEL 4/12/2022 11:55 AM LAST SAVED 3/28/2022 4:15 PM

SURVEY DESCRIPTION:

BEING a 67.25 acre tract of land situated in the Elizabeth Jones Survey, Abstract No. 625, Grayson County, Texas and being a remainder of a called 62.1675 acre tract of land (Tract L, 2) conveyed to W.W. Collins Holdings, L.P. by Warranty Deed recorded in Volume 4492, Page 9 of the Official Records of Grayson County, Texas (O.R.G.C.T), being a remainder of a called 65.0993 acre tract of land (Tract L, 1) conveyed to W.W. Collins Holdings, L.P. by Warranty Deed recorded in Volume 4492, Page 9 of the O.R.G.C.T., and being more particularly described as follows:

COMMENCING at a found 1/2-inch iron rod in the south right of way line of West Houston Street (U.S. Highway No. 56), being the northwest corner of a called 1.377 acre tract of land conveyed to Mark Clayton Minor and Pamela Minor by Warranty Deed recorded in Volume 5859, Page 549 of the O.R.G.C.T., and being the northeast corner of a called 4.1322 acre tract of land conveyed to the Burkart Family Trust by Warranty Deed recorded in Document No. 2021-37913 of the O.R.G.C.T., from which a found 1/2-inch iron rod being the northwest corner a called 1.38 acre tract of land conveyed to John Barrett Towles and wife, Lisa Carol Towles by Warranty Deed recorded in Volume 2160, Page 430 of the O.R.G.C.T. bears, South 74°55'15" West, a distance of 500.84 feet;

THENCE North 74°47'24" East, along the north line of said 1.377 acre tract to a set 5/8-inch iron rod (with cap stamped "KHA") being northwest corner of said remainder of 62.1675 acre tract, and being the **POINT OF BEGINNING** of the herein described tract, from which a found 1-inch iron pipe bears, South 19°21'31" West, a distance of 0.34 feet;

THENCE North 74°48'58" East, along the south line of said right of way, and north line of said remainder of 62.1675 acre tract, a distance of 277.61 feet to a found 1/2-inch iron rod, being the northwest corner of a called 47.54 acre tract of land conveyed to Sherman Independent School District by Warranty Deed recorded in Volume 4064, Page 807 of the O.R.G.C.T., from which a found wooden right of way marker bears, North 75°03'16" East, a distance of 463.55 feet;

THENCE South 16°23'37" East, along the west line of said 47.54 acre tract, a distance of 2,052.37 feet to a set 5/8-inch iron rod (with cap stamped "KHA") being the northwest corner of a called 17.772 acre tract of land conveyed to the City of Sherman by Deed of Dedication recorded in Volume 3566, Page 616 of the O.R.G.C.T.;

THENCE South 16°29'27" East, along the west line of said 17.772 acre tract, a distance of 450.00 feet to a set 5/8-inch iron rod (with cap stamped "KHA") being the southwest corner of said 17.772 acre tract;

THENCE North 46°34'49" East, along the south line of said 17.772 acre tract, a distance of 626.05 feet to a set 5/8-inch iron rod (with cap stamped "KHA") at the beginning of a non-tangent curve to the right with a radius of 2,298.72 feet, a central angle of 10°07'53", and a chord bearing and distance of North 51°38'07" East, 405.94 feet;

THENCE continuing along the south line of said 17.772 acre tract, in an easterly direction, with said non-tangent curve to the right, an arc distance of 406.47 feet to a set 5/8-inch iron rod (with cap stamped "KHA");

THENCE North 56°41'28" East, continuing along the south line of said 17.772 acre tract, a distance of 171.75 feet to a set 5/8-inch iron rod (with cap stamped "KHA") in the west line of Lot 16, Block 1 of the Woodland Addition recorded in Volume 1, Page 48 of the Plat Records of Grayson County, Texas (P.R.G.C.T.), and being in the east line of said remainder of 65.0993 acre tract;

THENCE South 15°01'38" East, along the east line of said remainder of 65.0993 acre tract, west line of said Lot 16, Block 1, over and across Woodland Drive, passing at a distance of 115.12 feet a found 1/2-inch iron rod (with cap stamped "Preston Trail Land Surveying Property Corner RPLS 6585") being the northwest corner of Lot 7, Block 3, of said Woodland Addition, and continuing another 147.77 feet to a found 1/2-inch iron rod (with cap stamped "Preston Trail Land Surveying Property Corner RPLS 6585") being the southwest corner of Lot 7, Block 3, and being the northwest corner of a called 16.690 acre tract conveyed to Salient Group, LLC by Warranty Deed recorded in Document No. 2021-2191 of the O.R.G.C.T., and continuing in all for a total distance of 707.71 feet to a found 3-inch wooden post being the southeast corner of said remainder of 65.0993 acre tract;

THENCE South 74°57'25" West, along the south line of said remainder of 65.0993 acre tract, a distance of 708.86 feet to a set 5/8-inch iron rod (with cap stamped "KHA") being the southeast corner of a called 2.042 acre tract of land conveyed to the City of Sherman by Warranty Deed recorded in Volume 3566, Page 616 of the O.R.G.C.T.;

THENCE North 15°41'11" West, along the east line of said 2.042 acre tract, a distance of 307.59 feet to a set PK-nail (with shiner stamped "KHA") being the northeast corner of said 2.042 acre tract;

THENCE South 46°08'55" West, along the north line of said 2.042 acre tract, a distance of 535.74 feet to a set PK-nail (with shiner stamped "KHA") at the beginning of a non-tangent curve to the right with a radius of 811.79 feet, a central angle of 09°52'29", and a chord bearing and distance of South 50°22'00" West, 139.74 feet;

THENCE continuing along the north line of said 2.042 acre tract in a westerly direction, with said non-tangent curve to the right, an arc distance of 139.91 feet to a set PK-nail (with shiner stamped "KHA") being the southwest corner of said 2.042 acre tract, and northwest corner of a called 112.637 acre tract conveyed to Dogwood Creek Land Holdings, LLC by Warranty Deed in Document No. 2017-13280 of the O.R.G.C.T.;

THENCE South 74°00'49" West, along the south line of said remainder of 62.1675 acre tract, a distance of 894.16 feet to a set PK-nail (with shiner stamped "KHA") being in West Center Street, and being the southwest corner of said remainder of 62.1675 acre tract;

THENCE North 15°29'48" West, along the west line of said remainder of 62.1675 acre tract, passing at a distance of 48.00 feet a found 1/2-inch iron rod being the southeast corner of Lot 10, Block 1 of Parkhaven Addition Section Six recorded in Volume 10, Page 56 of the P.R.G.C.T., from which a found 1/2-inch iron rod being the southwest corner of Lot 10, southeast corner of Lot 9 bears, South 75°09'01" West, a distance of 69.74 feet, and continuing along the east line of said Block 1, Parkhaven Addition Section Six, east line of Block 1, Parkhaven Estates Phase II recorded in Document No, 2021-115 of the P.R.G.C.T., east line of Block 1, Parkhaven Estates Phase I, recorded in Volume 24, Park 34 of the P.R.G.C.T., east line of Block 2, Parkhaven Addition, Section Five recorded in Volume 10, Page 55 of the P.R.G.C.T., and east line of Block 5, and Block 2 of Parkhaven Addition Section One recorded in Volume 7, Page 44 of the P.R.G.C.T., continuing in all a total distance of 2,119.44 feet to a set 5/8-inch iron rod (with cap stamped "KHA"), being the southeast corner of a called 3.7138 acre tract of land conveyed to Robert V. Barragan by Warranty Deed recorded in Document No. 2017-17820 of the O.R.G.C.T., and being the southwest corner of Lot 6 of 56 West Addition recorded in Volume 12, Page 9 of the P.R.G.C.T., from which a found 5/8-inch iron rod being the northwest corner of said Lot 6 bears, North 15°00'20" West, 99.46 feet;

THENCE North 74°54'27" East, along the north line of said remainder of 62.1675 acre tract, south line of said Lot 6, of 56 West Addition, south line of said 1.38 acre tract, south line of a called 1.3774 acre tract conveyed to Jack Powell Henderson and wife, Barbara Jean Henderson recorded in Volume 2234, Page 668 of the O.R.G.C.T., south line of said 4.1322 acre tract, and south line of said 1.377 acre tract, passing at a distance of 197.48 feet a found 1/2-inch iron rod being the southeast corner of said Lot 6, and continuing another 499.61 feet passing a found 1-1/4-inch pipe being the southeast corner of said 4.1322 acre tract, southwest corner of said 1.377 acre tract, continuing in all a total distance of 796.80 feet to a found 1/2-inch iron rod being the southeast corner of said 1.377 acre tract;

THENCE North 15°08'22" West, along the east line of said 1.377 acre tract, and west line of said remainder of 62.1675 acre tract a distance of 600.00 feet to the **POINT OF BEGINNING** and containing 67.25 acres of land in Grayson County, Texas.

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ALTA/NSPS LAND TITLE SURVEY
67.25 ACRES
ELIZABETH JONES SURVEY
ABSTRACT NO. 625
CITY OF SHERMAN
GRAYSON COUNTY, TEXAS

No.	DATE	REVISION DESCRIPTION
1	4/12/22	Replaced Denton with Grayson label.

Kimley»Horn
6160 Warren Parkway, Suite 210
Frisco, Texas 75034
Tel. No. (972) 335-3580
FIRM # 10193822
Fax No. (972) 335-3779

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 150'	MS	KHA	3/28/2022	061179330	2 OF 2

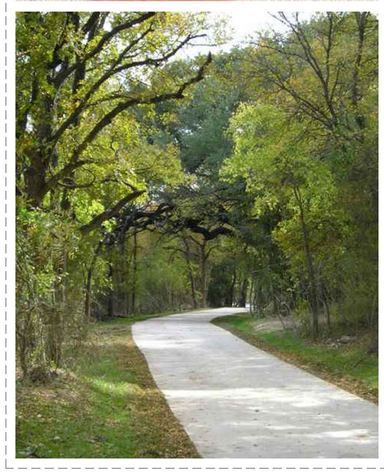
DWG NAME: K:\FR_SURVEY\061179330\MERITAGE HOMES - SHERMAN\DWG\061179330 AS DWG PLOTTED BY MARX, MICHAEL 4/12/2022 11:55 AM LAST SAVED 3/28/2022 4:15 PM

EXHIBIT B

CALLOUTS LEGEND:

- ENTRY SIGN
- (A) PLAYGROUND
- (B) CONCRETE TRAIL
- (C) LANDSCAPE AREA TO BE INCLUDE IN OPEN SPACE CALCULATIONS
- * POTENTIAL CONNECTION TO SCHOOL SITE (SUBJECT TO APPROVAL FROM THE SCHOOL DISTRICT)

AREA SUMMARY TABLE	
Gross Acreage	67.25 acres
Perimeter ROW Dedications	3.71 acres
Parkland Dedication	7.78 acres
Net Developable Acreage	55.76 acres
Useable Open Space	7.71 acres
% Open Space	13.80%



NORTH

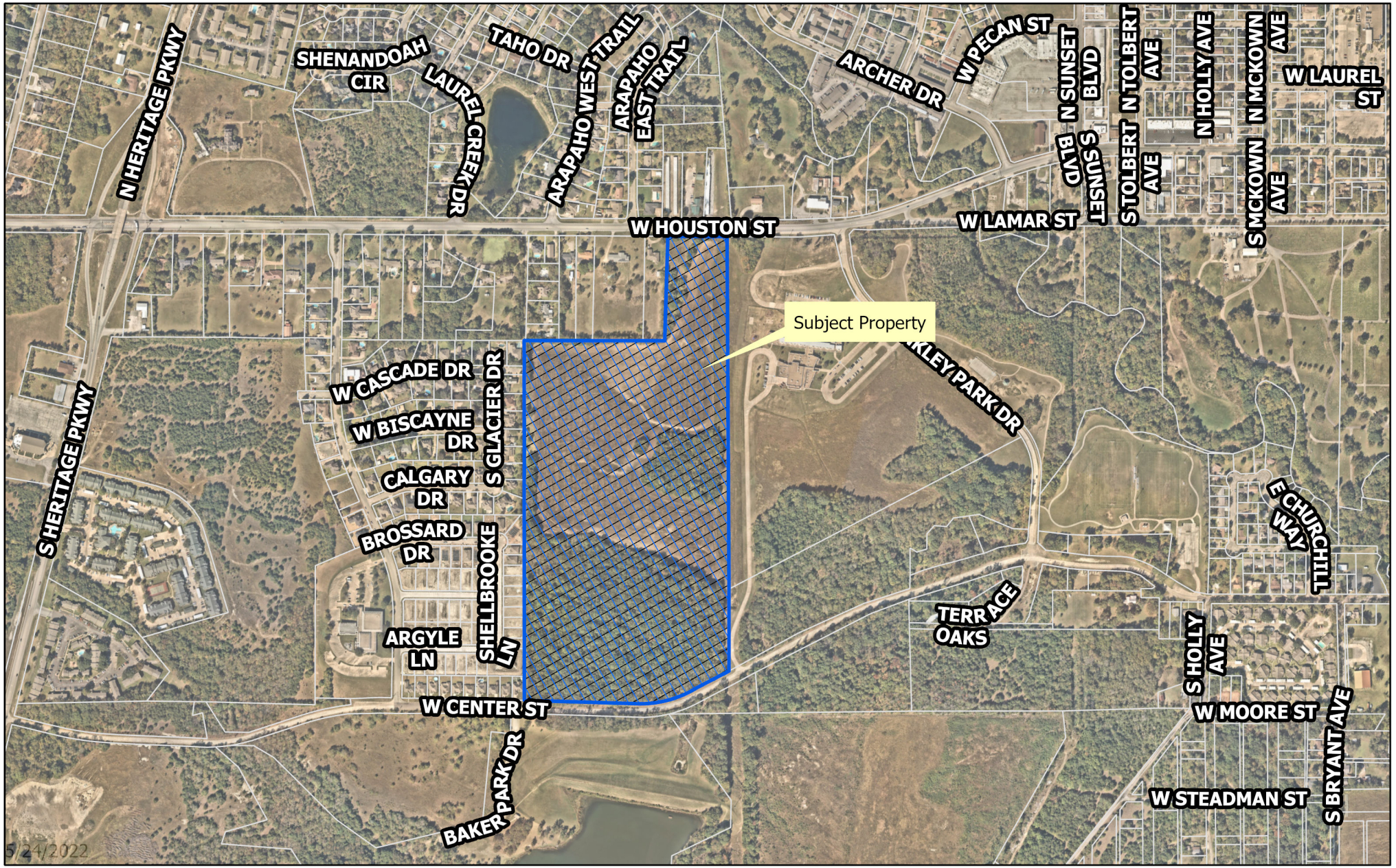
SCALE: 1" = 150'-0"

WEST CENTER TRACT - SITE PLAN

City of Sherman, Texas

SHEET 1
Owner Submittal 5-16-2022

JOHNSON VOLK CONSULTING
TBPELS: Engineering Firm No. 11962 / Land Surveying Firm No. 10194033
704 Central Parkway East | Suite 1200 | Plano, TX 75074 | 972.201.3100



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Sherman
CLASSIC TOWN. BROAD HORIZON.

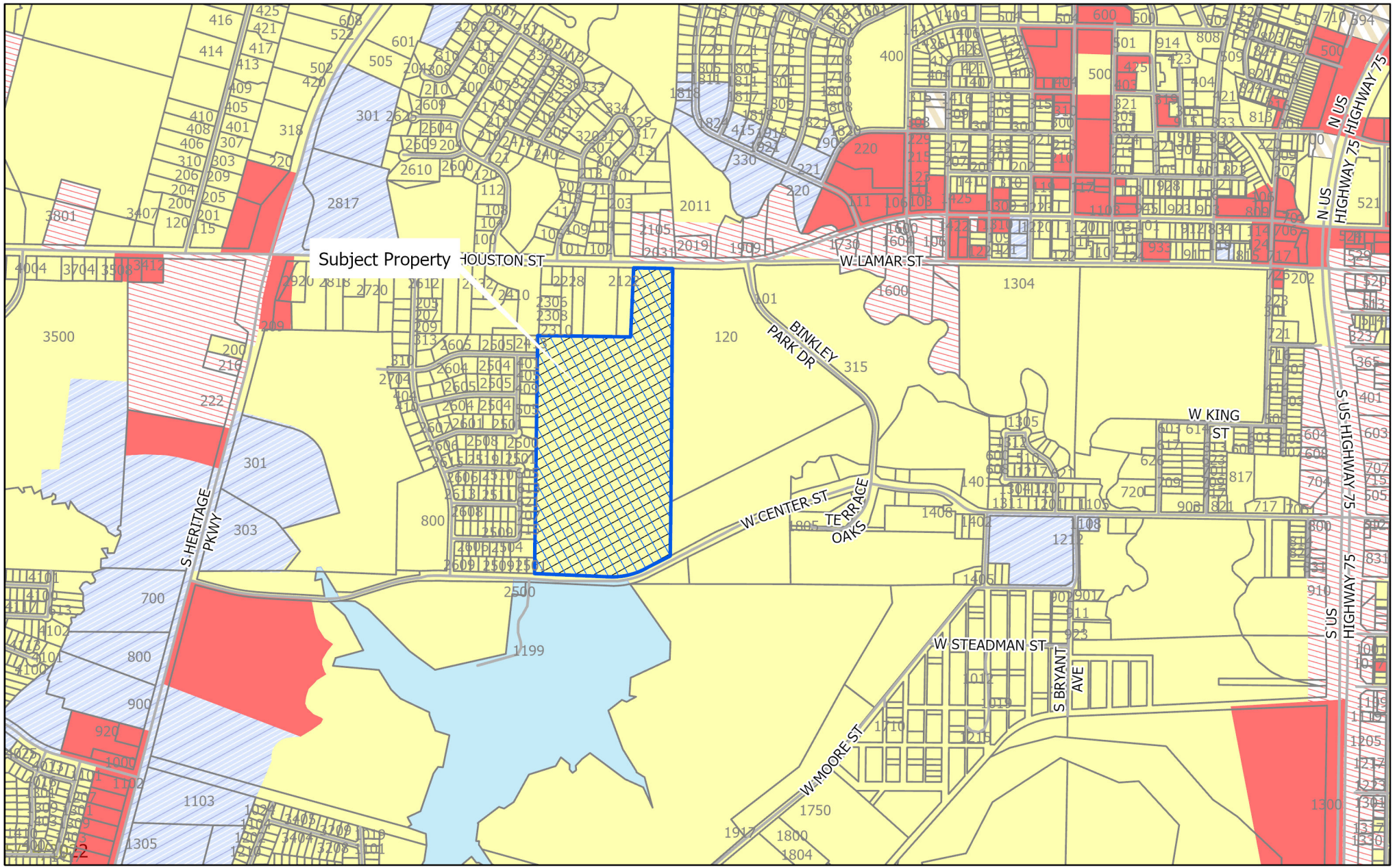
City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
Location Map
(2000-2300 W Center St)

N
W E
S

Date: 5/24/2022 8:53 AM

Scale: 1:9,116



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Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development
- Subject Locations
- Parcels

CITY OF SHERMAN
Zoning Location Map
(2000-2300 W Center St)

N W E S

Scale: 1:13,744

Date: 5/24/2022 8:53 AM

2000-2300 W. CENTER ST

Kimley»Horn

May 12, 2022

Mr. Rob Rae
Director of Development Services
City of Sherman
220 W. Mulberry Street
Sherman, TX 75090

RE: ***Project Narrative – West Center Tract – Patio Home Specific Use Permit***

Dear Mr. Rae,

The West Center Tract is approximatey 67.25 acres located on the northside of West Center Street approximately 6,500 LF west of US 75, currently zoned R-1. The purpose of this Specific Use Permit (SUP) request is to allow for the site to be developed as a Patio Home community in conformance with the criteria in the City's Code Ordinances, Chapter 14 Zoning Ordinance, Exhibit A, Section 8(9).

The development is anticipated to include 233 patio home lots with a typical lot dimension of 50'x120'. In addition to the patio home lots, the development will provide open space in excess of 10% of the net developable acreage and a separate park land dedication of approximately 7.7 acres.

Thank you for your help with this project. Please contact me at (469) 914-8720 or bryan.moody@kimley-horn.com should you have any questions.

Sincerely,

Bryan Moody, P.E.

WEST CENTER TRACT

CITY OF SHERMAN

SAMPLE BUILDING ELEVATIONS

LIFE. BUILT. BETTER.®

Meritage Homes®

Setting the standard
for energy-efficient homes®

SINGLE STORY

LIFE. BUILT. BETTER.®

Meritage Homes®

Setting the standard
for energy-efficient homes®

SINGLE STORY

LIFE. BUILT. BETTER.®

Meritage Homes®

Setting the standard
for energy-efficient homes®

TWO STORY

LIFE. BUILT. BETTER.®

Meritage Homes®

Setting the standard
for energy-efficient homes®

TWO STORY

LIFE. BUILT. BETTER.®

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services

STAFF REVIEW LETTER

June 14, 2022

W.W. Collin Holdings, L.P.
3719 Encanto Dri
Fort Worth, TX 76109

Kimley-Horn
13455 Noel Road, Two Galleria Office Tower
Suite 700
Dallas, TX 75240

Meritage Homes of Texas
Frank Su
8840 Cypress Waters Blvd # 100
Coppell, TX 76092

Dear Applicants,

The request for a Specific Use Permit and site plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow Patio Homes in an R-1 (One-Family Residential) District located in the 2000-2300 Blocks West Center Street has been scheduled to be heard by the Planning and Zoning Commission on Tuesday, June 21, 2022 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's General Zoning Ordinance, Ordinance No. 2280, the regulations applicable to the R-1 (One-Family Residential) District, the Patio Home Ordinance, the Fence Ordinance, the Sign Ordinance and the Residential Tree and Landscaping Ordinance. *Chapter 14, Exhibit A, Sec. 6.3; Sec. 9; Sec. 7(13) & (14) and Sec. 17)*
2. Patio home lots must have a minimum lot area of 4,000 square feet, and a minimum lot width of 40 feet on regular lots and 45 feet on corner lots. A maximum lot width is 50 feet or 55 feet for corner lots. (*Chapter 14, Exhibit A, Section 8, Subsection 9(b))*
3. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
4. All required off-street parking shall be on private property and shall not encroach into the right-of-way. *(Chapter 14, Exhibit A, Section 7 (13) & (14), Subsection 10(b))*
5. Parking is permitted on paved surfaces only (concrete and asphalt). *(Chapter 14, Exhibit A, Section 7, Subsection 10(h))*
6. Parking shall be provided for one space per bedroom, minimum two per unit; a parking space is considered to be 9'x20'. *(Chapter 14, Exhibit A, Section 6.3 & Section 7, Subsection 10(b))*
7. Side yard setbacks must be uniform for all homes within a given block. (*Chapter 14, Exhibit A, Section 8, Subsection 9(b))*
8. Concrete trail identified on the site plan must be minimum 8 feet wide.
9. Any contiguous subdivision, including multiple phases, developed with twenty-five (25) or more lots under the Patio Home standards of this ordinance shall provide usable open space. Developments with 25 - 49 patio home lots shall provide usable open space which equals or exceeds five (5) percent of the gross platted area, excluding rights-of-way for major thoroughfares. Developments with 50 or more patio homes shall provide usable open space which equals or

exceeds ten (10) percent of the gross platted area, excluding rights-of-way for major thoroughfares. A contiguous subdivision is defined as: abutting or separated only by a local or collector street to the subdivision. Subdivisions separated by rights-of-way, drainage or utility easements in excess of sixty (60) feet in width shall not be considered as contiguous. (*Chapter 14, Exhibit A, Section 8, Subsection 9(e))*

10. Any structures built over any of the easements on the property will require approval from the City Council for an encroachment easement.
11. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.

Engineering:

12. Phase 1 and Phase 2 shall be submitted as individual final plats. "Parkland Dedication" may be conveyed by metes and bounds without plat.
13. Off-site privately owned and maintained detention in Phase 2 shall be constructed with Phase 1.
14. No monument signs will be permitted within easements.
15. Trails and park features to be included in Engineering plans for review.
16. Water main must be extended in accordance with City criteria to serve proposed development. (*Code of Ordinances Chapter 13, Sec. 13.07.282; Chapter 10, Exhibit A, Sec. 12(G))*
17. Sanitary Sewer main must be extended in accordance with City criteria to serve proposed development. Sewer capacity shall be verified for proposed use. (*Code of Ordinances Chapter 13, Sec. 13.07.282; Chapter 10, Exhibit A, Sec. 12(H))*
18. Civil Engineering plans shall be provided to the Engineering Department for review and approval. Plat to reflect changes upon Engineering review. (*Code of Ordinances Chapter 10, Exhibit A, Sec. 12, Code of Ordinances Chapter 10, Exhibit A, Sec. 15.)*
19. Three Party Agreement required for Public Infrastructure.
20. Verify fire requirements and code compliance with Fire Marshal. (*Code of Ordinances Chapter 3.02(c))*

Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission. It is the policy of the Planning and Zoning Commission and the Board of Adjustments not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

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

Respectfully,

Rob Rae
Acting Secretary, Planning and Zoning Commission and Board of Adjustments

cc: Robby Hefton, City Manager
Clint Philpott, Asst. City Manager
Wayne Lee, P.E., Director of Engineering
Tom Pruitt, Utility Engineer City Attorney
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney
Billy Hartsfield, Fire Marshal
Amber Doan, Engineering Coordinator
Christopher Armstrong, Asst. City Engineer

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 10.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

2000-2300 BLOCKS WEST CENTER STREET

The request of W.W. Collins Holdings, LP (Owner), Frank Su, Meritage Homes of Texas (Prospective Buyer), Johnson Volk Consulting (Engineer/Surveyor) and Kimley-Horn and Associates (Engineer/Surveyor) concerning the property located in the 2000-2300 Blocks West Center Street, being 67.25 acres in the Elizabeth Jones Survey, Abstract 625, as follows:

Planning and Zoning Commission

A. Preliminary Plat of West Center Tract.
B. Specific Use Permit and Site Plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow Patio Homes in an R-1 (One-Family Residential) District.

Background:

The property is located in the 2000-2300 Blocks West Center Street between West Center and West Houston Streets and is zoned R-1 (One-Family Residential) District.
The owner would like to plat the property into 233 lots for residential development. They are also requesting a Specific Use Permit and Site Plan approval to allow Patio homes in an R-1 (One-Family Residential) District.

Adjacent Zoning:

R-1 (One Family Residential) District
C-2 (General Commercial) District

Origination:

W.W. Collins Holdings, LP (Owner)
Frank Su, Meritage Homes of Texas (Prospective Buyer)
Johnson Volk Consulting (Engineer/Surveyor)
Kimley-Horn and Associates (Engineer/Surveyor)

Master Plan Designation:

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

Number of notices mailed:

37

Objections Received:

0

Development Review Meeting:

Yes

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Survey
Preliminary Plat
Site Plan/Landscape Plan
Elevations
Narrative
Staff Review Letter - SUP
Staff Review Letter -Prelim. Plat

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 6.**

Meeting Date: 07/18/2022
Prepared By: Rob Rae, Director of Development Services
Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6504
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow Patio Homes in an R-1 (One-Family Residential) District in the 300-400 Blocks East Sherman Street, being 50.908 acres in the Preston Kitchens Survey, Abstract No. 667 (Kirk Allen, Three Oaks Development & Construction, Owner and Underwood Drafting & Surveying, Inc., Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

Issue:

To consider Patio Homes in an R-1 (One-Family Residential) District in the 300-400 Blocks East Sherman Street, being 50.908 acres in the Preston Kitchens Survey, Abstract No. 667 (Kirk Allen, Three Oaks Development & Construction, Owner and Underwood Drafting & Surveying, Inc., Surveyor)

Background:

The property is located in the 300-400 blocks of East Sherman Street between South East and South Crockett Streets and is zoned R-1 (One-Family Residential) District.

The owner would like to plat the property into 82 lots for residential development. They are also requesting a Specific Use Permit and Site Plan approval to allow Patio homes in an R-1 (One-Family Residential) District.

Origination:

Kirk Allen, Three Oaks Development & Construction (Owner)
Underwood Drafting & Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted 6/0 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter.

The SUP ordinance requires compliance with the approved Site Plan and Landscape Plan (Exhibit B). These additional conditions have been included in the attached ordinance.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6504
Exhibit A - Final Plat
Exhibit B - Site Plan/Landscape plan
Location Map
Zoning Map
Zoning Sign Photo
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6504

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PATIO HOMES IN AN R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT IN THE 300-400 BLOCKS EAST SHERMAN STREET, BEING 50.908 ACRES IN THE PRESTON KITCHENS SURVEY, ABSTRACT NO. 667 (KIRK ALLEN, THREE OAKS DEVELOPMENT & CONSTRUCTION, OWNER AND UNDERWOOD DRAFTING & SURVEYING, INC., SURVEYOR) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

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

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

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

SECTION 1. That, from and after the effective date of this Ordinance, Kirk Allen, Three Oaks Development & Construction (Owner) and Underwood Drafting & Surveying, Inc. (Surveyor) concerning the property in the 300-400 Blocks East Sherman Street, being 50.908 acres in the Preston Kitchens Survey, Abstract No. 667 are granted a Specific Use Permit to allow Patio Homes in an R-1 (One-Family Residential) District and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include property described as **Exhibit A – Final Plat**.

SECTION 2. That this Specific Use Permit is granted on the following conditions:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's General Zoning Ordinance, Ordinance No. 2280, the regulations applicable to the R-1 (One-Family Residential) District, the Patio Home Ordinance, the Fence Ordinance, the Sign Ordinance and the Residential Tree and

Landscaping Ordinance. *Chapter 14, Exhibit A, Sec. 6.3; Section 8(9); Sec. 7(13) & (14) and Sec. 17)*

2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. All required off-street parking shall be on private property and shall not encroach into the right-of-way. *(Chapter 14, Exhibit A, Section 7 (13) & (14), Subsection 10(b))*
4. Parking is permitted on paved surfaces only (concrete and asphalt). *(Chapter 14, Exhibit A, Section 7, Subsection 10(h))*
5. Parking shall be provided for one space per bedroom, minimum two per unit; a parking space is considered to be 9'x20'. *(Chapter 14, Exhibit A, Section 6.3 & Section 7, Subsection 10(b))*
6. Side yard setbacks must be uniform for all homes within a given block. (*Chapter 14, Exhibit A, Section 8, Subsection 9 (b))*
7. Impact fees will be required at the time of building permit application. *(Chapter 13, Article. 13.11)*
8. Side yard setbacks must be uniform for all homes within a given block. (*Chapter 14, Exhibit A, Section 8, Subsection 9 (b))*
9. Any contiguous subdivision, including multiple phases, developed with twenty-five (25) or more lots under the Patio Home standards of this ordinance shall provide usable open space. Developments with 25 - 49 patio home lots shall provide usable open space which equals or exceeds five (5) percent of the gross platted area, excluding rights-of-way for major thoroughfares. Developments with 50 or more patio homes shall provide usable open space which equals or exceeds ten (10) percent of the gross platted area, excluding rights-of-way for major thoroughfares. A contiguous subdivision is defined as: abutting or separated only by a local or collector street to the subdivision. Subdivisions separated by rights-of-way, drainage or utility easements in excess of sixty (60) feet in width shall not be considered as contiguous. (*Chapter 14, Exhibit A, Section 8, Subsection 9 (e))*
10. Any structures built over any of the easements on the property will require approval from the City Council for an encroachment easement.
11. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.
12. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

Additional Conditions:

13. The property shall be developed and used in accordance with all City Ordinances and the Site Plan and Landscape Plan shown in **Exhibit B.**

SECTION 3. That this Ordinance shall be entered upon the official zoning map as provided in Section 2, Ordinance No. 2280.

SECTION 4. That it shall be unlawful for any person to make use of the Property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the General Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this

Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 5. That the General Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 6. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 7. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

SECTION 8. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

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

INTRODUCED on this the 18th day of July, 2022.

ADOPTED on this the 18th day of July, 2022.

EFFECTIVE DATE on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

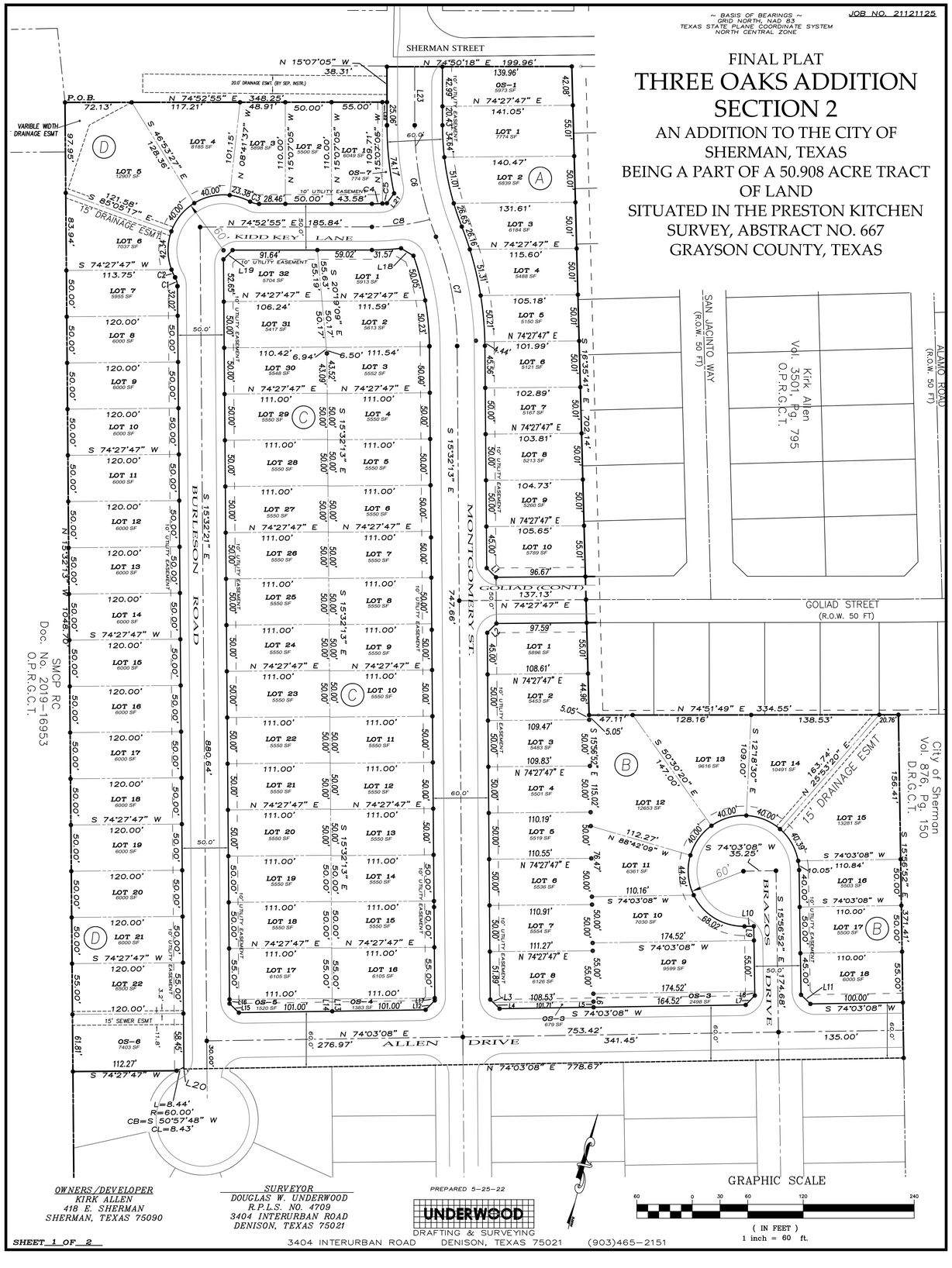
BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT A

JOB NO. 21121125



FINAL PLAT
THREE OAKS ADDITION SECTION 2

AN ADDITION TO THE CITY OF SHERMAN, TEXAS
BEING A PART OF A 50.908 ACRE TRACT OF LAND
SITUATED IN THE PRESTON KITCHEN SURVEY, ABSTRACT NO. 667
GRAYSON COUNTY, TEXAS

CURVE TABLE				
CURVE	RADIUS	ARC	CHORD BEARING	CHORD	DELTA ANGLE
C1	20.00'	10.04'	N 29°54'47" W	9.93'	28°45'07"
C2	59.99'	9.19'	N 39°54'11" W	9.18'	8°46'22"
C3	20.00'	10.04'	N 89°15'29" E	9.93'	28°45'07"
C4	225.07'	11.42'	N 73°25'40" E	11.42'	2°54'27"
C5	225.25'	4.85'	N 71°27'21" E	4.85'	1°14'01"
C6	330.00'	123.52'	S 25°50'29" E	122.80'	21°26'48"
C7	330.00'	91.11'	S 42°31'11" E	90.83'	15°49'40"
C8	250.00'	163.24'	N 67°38'05" E	63.07'	14°29'40"

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 60°35'13" W	14.14'
L2	N 29°27'47" E	14.14'
L3	S 60°44'33" E	4.42'
L4	S 60°44'33" E	9.67'
L5	N 15°56'52" W	8.09'
L6	N 15°56'52" W	14.60'
L7	N 29°51'08" E	14.14'
L8	N 15°56'52" W	4.60'
L9	N 15°56'52" W	15.40'
L10	N 74°03'08" E	10.00'
L11	S 60°56'52" E	14.14'
L12	S 29°56'52" W	14.19'
L13	N 15°32'13" W	13.31'
L14	S 15°32'13" E	13.74'
L15	N 60°44'33" W	14.09'
L16	N 15°32'13" W	4.54'
L17	N 15°32'13" W	6.21'
L18	N 74°29'21" W	15.63'
L19	N 29°40'21" W	14.09'
L20	N 15°32'13" W	1.55'
L21	N 29°52'13" E	13.23'
L22	N 74°52'55" E	5.00'
L23	S 15°07'05" E	63.37'

OWNERS/DEVELOPER
KIRK ALLEN
418 E. SHERMAN
SHERMAN, TEXAS 75090

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS 75021

PREPARED 5-25-22

UNDERWOOD
DRAFTING & SURVEYING
3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

JOB NO. 21121125

LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, being a part of the Preston Kitchens Survey, Abstract No. 667, and being a part of that same tract of land described as 50.908 acres conveyed to Harold and Patsy Falk by deed recorded in Volume 1616, Page 664, Deed Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows:

Beginning at a set 1/2" steel rod at the northwest corner of said 50.908 acre tract;

Thence with the north line of said 50.908 acre tract the following calls and distances:
North 74°52'55" East a distance of 348.25 feet to a set 1/2" steel rod;
North 15°07'05" West a distance of 38.31 feet to a set 1/2" steel rod;
North 74°50'18" East a distance of 199.96 feet to a set 1/2" steel rod;

Thence South 16°35'41" East a distance of 702.14 feet to a set 1/2" steel rod;

Thence North 74°51'49" East a distance of 334.55 feet to a set 1/2" steel rod;

Thence South 15°56'52" East a distance of 371.41 feet to a set 1/2" steel rod;

Thence South 74°03'08" West a distance of 778.67 feet to a set 1/2" steel rod;

Thence North 15°32'13" West a distance of 1.55 fee to a set 1/2" steel rod ;

Thence with a non-tangent curve to the left having a radius of 60.00 feet, (chord bears South 50°57'48" West, a distance of 8.43 feet) an arc length of 8.44 feet to a set 1/2" steel rod ;

Thence South 74°27'47" West a distance of 112.27 feet to a set 1/2" steel rod;

Thence North 15°32'13" West a distance of 1048.70 to the Point of Beginning and containing 16.421 acres of land.

ACCEPTANCE

Approved this _____ day of _____,2022, by Operation of the Law.

_____ _____
Chairman Secretary

CERTIFICATE OF ACCEPTANCE OF DEDICATION

Accepted by the City Council of the City of Sherman

_____ _____
Mayor, City of Sherman, Texas Date

CERTIFICATE OF COMPLIANCE

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, THREE OAKS ADDITION SECTION 2, an addition to the City of Sherman, Texas, was submitted to the City Council on the ___day of _____ 2022, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as herein above subscribed.

Witness my hand this_____day of _____ ,2022.

_____
Clerk, City of Sherman, Texas

AVIGATION RELEASE

THE STATE OF TEXAS
COUNTY OF GRAYSON

WHEREAS, THREE OAKS DEVELOPMENT AND CONSTRUCTION, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as THREE OAKS ADDITION SECTION 2, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed for navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER'S described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property, and OWNER does hereby fully remise and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at THREE OAKS ADDITION SECTION 2, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

EXECUTED THIS _____ DAY OF _____, 2022

BY: THREE OAKS DEVELOPMENT AND CONSTRUCTION

BY: _____

OWNERS DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

THAT We, Kirk Allen and Kari Allen do hereby adopt this plat designating the hereinabove property as the THREE OAKS ADDITION SECTION 2, an addition to the City of Sherman, and do hereby dedicate to the public use forever the streets and easements shown on this plat for the mutual use and accommodation of all public and private utilities desiring to use or using same. Any public or private utility shall have the right to remove and keep removed all or part or any buildings, fences, trees, shrubs or other improvements or growths which in anyway endanger or interfere with the construction, maintenance, or efficiency of its respective systems on any of these easements strips and any public or private utility shall, at all times, have a right of ingress and egress to and from and upon the said easement strips for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or part of its respective system without the permission of anyone. This plat approved subject to all ordinances, rules regulations and resolutions of the City of Sherman, Texas.

WITNESS MY HAND this_____ day of_____ ,2022

_____
Kirk Allen

_____
Kari Allen, by Kirk Allen (by Power of Attorney)

STATE OF TEXAS
COUNTY OF GRAYSON

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE this___day of_____, 2022.

_____
Notary Public in and for
the State of Texas
Commission Expires: _____

CERTIFICATE OF ACCEPTANCE

Approved by Operation of Law on _____

_____ _____
Mayor, City of Sherman, Texas Date

The undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing plat of Three Oaks Addition Section 2, an addition to the City of Sherman has thereby been authorized to accept the dedication of streets, alleys, easements and public places as shown and set forth in and upon said map or plat and further authorized the Mayor to note the acceptance thereof by signing his name as hereinabove subscribed.

Witness my hand this ____day of_____ , A.D. 2022.

_____
Clerk, City of Sherman, Texas

PLANNING AND ZONING COMMISSION CERTIFICATE OF ACCEPTANCE

Accepted this ____day of_____, 2022 , by the City Planning and Zoning Commission of the City of Sherman, Texas.

_____ _____
Chairman Secretary

SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

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

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

~ GENERAL NOTES ~

1. Water Supply to be provided by the City of Sherman.
2. Sewer Service to be provided by the City of Sherman
3. Electrical service is provided by Oncor Electrical Delivery.
4. Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the floodway is prohibited.
5. Any existing creeks or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
6. The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or drainage easements for the control of erosion.
7. Neither the City of Sherman nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
8. The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
9. Bearings are based on the City of Sherman Control Monument Network.
10. The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.
11. Part of the subject property lie's within a Federal Emergency Management Agency (FEMA) designated flood plain as shown by FIRM Map No. 48181C0405F, Dated September 29, 2010.
12. Offsite Detention to be owned and maintained by Home Owners Association.
13. Part of Branch Street has been abandoned by City of Sherman Ordinance 6293 (Instrument No. 2020-11854)
14. Part of East Street has been abandoned by City of Sherman Ordinance 6294 (Instrument No. 2020-11832 and corrected in 2020-33627)

FINAL PLAT
THREE OAKS ADDITION SECTION 2

AN ADDITION TO THE CITY OF SHERMAN, TEXAS
BEING A PART OF A 50.908 ACRE TRACT
SITUATED IN THE PRESTON KITCHEN SURVEY, ABSTRACT NO. 667
GRAYSON COUNTY, TEXAS

OWNERS/DEVELOPER
KIRK ALLEN
418 E. SHERMAN
SHERMAN, TEXAS 75090

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS 75021

PREPARED 05-25-22

UNDERWOOD
DRAFTING & SURVEYING
3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

EXHIBIT B

Block 56
Block 50
Block 51
SHERMAN STREET
SIDNEY LANE (R.O.W. 50 FT)
ALAMO ROAD (R.O.W. 50 FT)
GOLIAD STREET (R.O.W. VAR. FT)
SAN JACINTO WAY (R.O.W. 50 FT)
S. MONTGOMERY ST.
Kirk Allen
Vol. 3501, Pg. 795
O.P.R.G.C.T.
City of Sherman
Vol. 876, Pg. 150
D.R.G.C.T.
S15°56'52"E 371.41'
N74°51'49"E 324.55'
S16°35'41"E 702.15'
N74°50'18"E
209.96'
N15°07'05"W 38.31'
N74°52'55"E 346.25'
S17°03'08"W 778.67'
S74°27'47"W
112.27'
N15°32'13"W 1048.70'
SMCP RC
Doc. No. 2019-16953
O.P.R.G.C.T.
100 Year Flood Zone
Per Fema Map 181C0405F
9/25/2010
12.05 Acres
Michael S. Sterry
O.P.R.G.C.T.
Pylon Farms LODTNG Trust
Vol. 1768, Pg. 660
D.R.G.C.T.
FUTURE PHASE
OPEN SPACE
FUTURE PHASE
8' HIKE BIKE TRAIL
8' HIKE BIKE TRAIL
GAS
0 100 200
GRAPHIC SCALE
1"=100'

STOP!
CALL BEFORE YOU DIG
Texas 811
Know what's below.
(@ least 72 hours prior to digging)

Issue Dates:	Revision & Date:
1 5/6/2022	1
2	2
3	3
4	4
5	5
6	6

CROSS ENGINEERING CONSULTANTS
1720 W. Virginia Street
McKinney, Texas 75069
972.562.4409
Texas P.E. Firm No. F-5935

Drawn By:	Checked By:	Scale:
C.E.C.I.	C.E.C.I.	1"=100'

THIS DOCUMENT IS RELEASED FOR THE PURPOSE OF INTERIM REVIEW UNDER THE AUTHORITY OF BRYAN J. WEISGERBER, P.E. NO. 126777 ON 05/06/22. IT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING, OR PERMIT PURPOSES.

EXHIBIT - 1

THREE OAKS PHASE 2

Three Oaks Development and Construction
CITY OF SHEERMAN, TEXAS

Sheet No. 1

Project No. 21009

THREEE OAKS PHASE 2

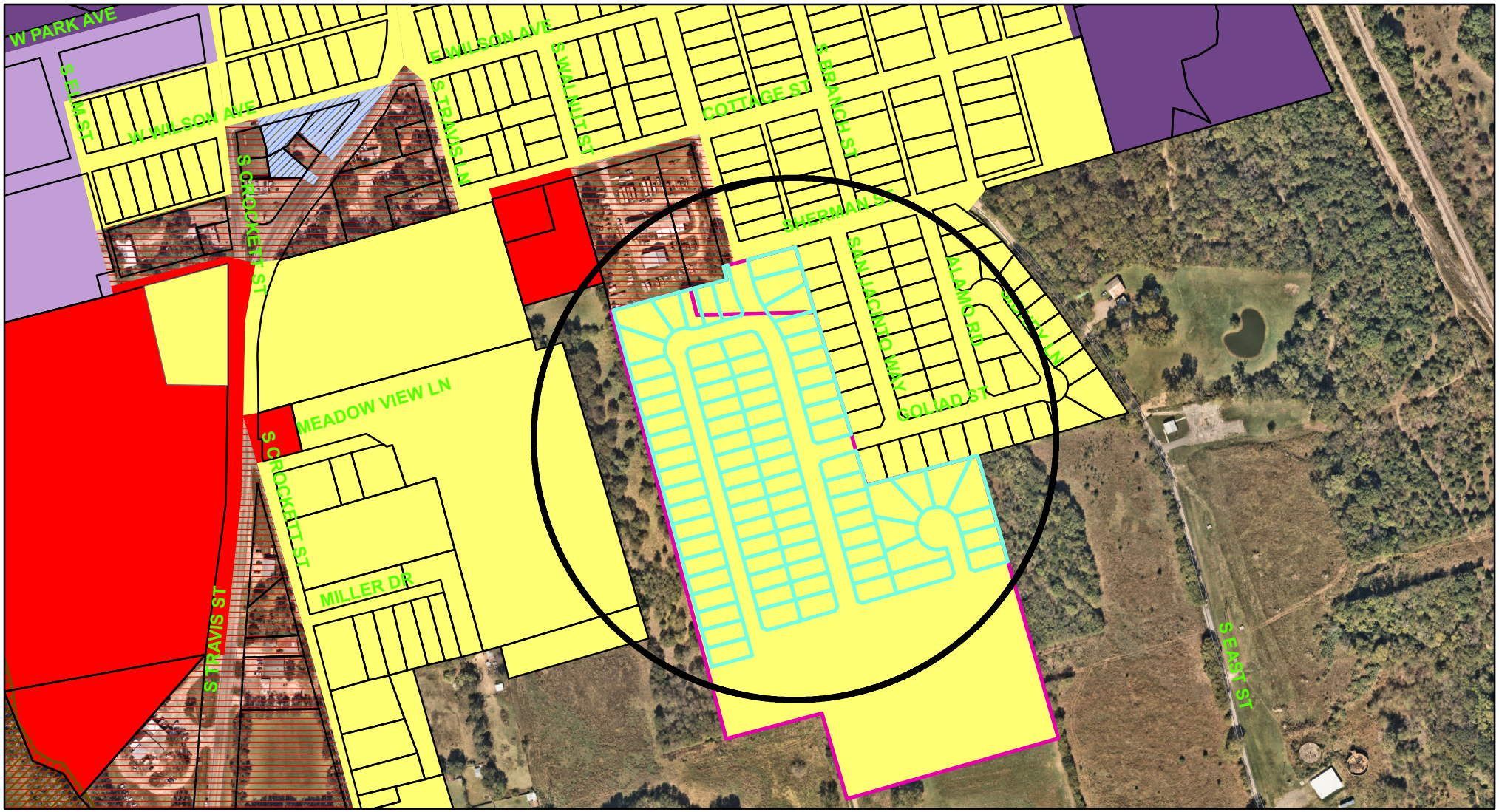
Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

300-400 BLOCKS E. SHERMAN ST. & 2200 BLOCK S. MONTGOMERY ST.

NOT TO SCALE

1 in = 275 ft



Zoning - 300-400 Blocks East Sherman Street & 2200 Block S. Montgomery Street

Legend

Special Districts Overlay
DISTRICT_NAME
- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor
Representation: ShermGIS.DBO.TransportationCorridor_Rep_1
- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts
Representation: ShermGIS.DBO.ZoningDistrict_Rep
- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

NOT TO SCALE

1 in = 400 ft

300-400 E. SHERMAN ST.

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services

STAFF REVIEW LETTER

June 14, 2022

Three Oaks Development and Construction Company
1313 W. Washington
Sherman, TX 75092

Underwood Drafting & Surveying
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request for a Specific Use Permit and site plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow Patio Homes in an R-1 (One-Family Residential) District located in the 300-400 Blocks East Sherman Street has been scheduled to be heard by the Planning and Zoning Commission on Tuesday, June 21, 2022 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's General Zoning Ordinance, Ordinance No. 2280, the regulations applicable to the R-1 (One-Family Residential) District, the Patio Home Ordinance, the Fence Ordinance, the Sign Ordinance and the Residential Tree and Landscaping Ordinance. *Chapter 14, Exhibit A, Sec. 6.3; Section 8(9); Sec. 7(13) & (14) and Sec. 17)*
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. All required off-street parking shall be on private property and shall not encroach into the right-of-way. *(Chapter 14, Exhibit A, Section 7 (13) & (14), Subsection 10(b))*
4. Parking is permitted on paved surfaces only (concrete and asphalt). *(Chapter 14, Exhibit A, Section 7, Subsection 10(h))*
5. Parking shall be provided for one space per bedroom, minimum two per unit; a parking space is considered to be 9'x20'. *(Chapter 14, Exhibit A, Section 6.3 & Section 7, Subsection 10(b))*
6. Side yard setbacks must be uniform for all homes within a given block. (*Chapter 14, Exhibit A, Section 8, Subsection 9 (b))*
7. Impact fees will be required at the time of building permit application. *(Chapter 13, Article. 13.11)*
8. Side yard setbacks must be uniform for all homes within a given block. (*Chapter 14, Exhibit A, Section 8, Subsection 9 (b))*
9. Any contiguous subdivision, including multiple phases, developed with twenty-five (25) or more lots under the Patio Home standards of this ordinance shall provide usable open space. Developments with 25 - 49 patio home lots shall provide usable open space which equals or exceeds five (5) percent of the gross platted area, excluding rights-of-way for major thoroughfares. Developments with 50 or more patio homes shall provide usable open space which equals or exceeds ten (10) percent of the gross platted area, excluding rights-of-way for major thoroughfares. A contiguous subdivision is defined as: abutting or separated only by a local or collector street to the subdivision. Subdivisions separated by rights-of-way, drainage or utility easements in excess of

sixty (60) feet in width shall not be considered as contiguous. (*Chapter 14, Exhibit A, Section 8, Subsection 9 (e)*)

10. Any structures built over any of the easements on the property will require approval from the City Council for an encroachment easement.
11. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.
12. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

It is the policy of the Planning and Zoning Commission and the Board of Adjustments not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

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

Respectfully,

Rob Rae
Acting Secretary, Planning and Zoning Commission and Board of Adjustments

cc: Robby Hefton, City Manager
Clint Philpott, Asst. City Manager
Wayne Lee, P.E., Director of Engineering
Tom Pruitt, Utility Engineer City Attorney
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney
Billy Hartsfield, Fire Marshal
Amber Doan, Engineering Coordinator
Christopher Armstrong, Asst. City Engineer

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 16.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

300-400 BLOCKS EAST SHERMAN STREET

The request of Kirk Allen, Three Oaks Development & Construction (Owner) and Underwood Drafting & Surveying, Inc. (Surveyor) concerning the property in the 300-400 Blocks East Sherman Street, being 50.908 acres in the Preston Kitchens Survey, Abstract No. 667, as follows:

Planning and Zoning Commission

A. Specific Use Permit and Site Plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow Patio Homes in an R-1 (One-Family Residential) District.
B. Final Plat approval of Three Oaks Addition Section 2.

Background:

The property is located in the 300-400 Blocks East Sherman Street between South East and South Crockett Streets and is zoned R-1 (One-Family Residential) District.
The owner would like to plat the property into 82 lots for residential development. They are also requesting a Specific Use Permit and Site Plan approval to allow Patio homes in an R-1 (One-Family Residential) District.

Adjacent Zoning:

R-1 (One Family Residential) District
C-2 (General Commercial) District
Extra Territorial Jurisdiction (ETJ)

Origination:

Kirk Allen, Three Oaks Development & Construction (Owner)
Underwood Drafting & Surveying, Inc. (Surveyor)

Master Plan Designation:

Not included in the Master Plan

Number of notices mailed:
12

Objections Received:
0

Development Review Meeting:
Yes

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Final Plat
Site Plan
Staff Review Letter-SUP
Staff Review Letter-PLAT

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 7.**

Meeting Date: 07/18/2022

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers 6500, 6501, 6502, 6503 & 6504

Issue:

E. 2. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6500**
Amending Section 12, Ordinance No. 2280, so as to Include Certain Property within the C-2 (General Commercial) District located at 4500 Frisco Road, being 1.873 Acres in the W.F. Patterson Survey, Abstract No. 969, a Replat of Midway Mall Part of Block 4 (Daniel and Kari Wills, Owners; Rex Huddleston, Prospective Buyer; Kent Hughlett, Architect; and Preston Trail Land Surveying, Surveyor); Providing a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 3. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6501**
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow an Indoor Storage (Mini-warehouse) in a C-2 (General Commercial) District 4500 Frisco Road, being 1.873 acres in the W.F. Patterson Survey, Abstract No. 969, a Replat of Midway Mall Part of Block 4 (Daniel and Kari Wills, Owners; Rex Huddleston, Prospective Buyer; Kent Hughlett, Architect; and Preston Trail Land Surveying, Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

E. 4. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6502**
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow an Early Learning & Tutoring Center (School Nursery, Kindergarten, or Daycare for Children) in an R-1 (One-Family Residential) at 1817 Glenway Drive, being Lot Nine (9), Block One (1) of the Peppertree Addition (Luke Scheibmeir, Owner; Colleen Bowling, Tenant; and David Fite Surveying (Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

E. 5. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6503**
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow Patio Homes in an R-1 (One-Family Residential) District in the 2000-2300 Blocks West Center Street, being 67.25 acres in the Elizabeth Jones Survey, Abstract 625 (W.W. Collins Holdings, LP, Owner; Frank Su, Meritage Homes of Texas, Prospective Buyer; Johnson Volk Consulting, Engineer/Surveyor; and Kimley-Horn and Associates; Engineer/Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

E. 6. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6504**

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, So As to Grant a Specific Use Permit to allow Patio Homes in an R-1 (One-Family Residential) District in the 300-400 Blocks East Sherman Street, being 50.908 acres in the Preston Kitchens Survey, Abstract No. 667 (Kirk Allen, Three Oaks Development & Construction, Owner and Underwood Drafting & Surveying, Inc., Surveyor); Providing That This Specific Use Permit Shall Be Granted Subject to Certain Conditions; Providing A Penalty Not to Exceed $2,000.00

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 1.**

Meeting Date: 07/18/2022

Prepared By: Jana Garner, Grants Coordinator

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6923

Authorizing Publication of the Proposed Final Statement/Action Plan for the Community Development Block Grant for Program Year 2022; Authorizing Submission of the Block Grant Application; Authorizing Execution of Certifications of Compliance in Connection with the Administration and Conduct of the Community Development Program for Program Year 2022.

Issue:

Approval of the Program Year (PY) 2022 Community Development Block Grant Final Statement/Action Plan

Background:

Each year, the City of Sherman receives an entitlement grant (Community Development Block Grant) from the U.S. Department of Housing and Urban Development (HUD). We are required to prepare and submit an annual Action Plan, which is a description of the activities that will be undertaken during the coming year to address the needs of our low- and moderate-income and special needs citizens. This Action Plan is based on a five (5) year Consolidated Plan & Strategy developed by City staff and approved by the Sherman City Council. It serves as the City's long-term planning tool to address the identified needs of public housing, homelessness, and other non-housing community development needs and activities within the City of Sherman. For PY 2022, the City will allocate the majority of the funds towards parks improvement, substandard structure demolition, and public service activities.

Over the past five (5) years, the City of Sherman's history of allocations for the Community Development Block Grant is as follows:

- PY 2018 - $368,334.00
- PY 2019 - $358,317.00
- PY 2020 - $366,740.00
- PY 2021 - $378,731.00
- PY 2022 - $335,940.00

Origination:

Jana Garner, Grants Coordinator

Financial Consideration:

The City of Sherman has been allocated $335,940 in Community Development Block Grant funds from HUD to address our various community development needs for low- and moderate-income and special needs citizens during PY 2022.

Staff Recommendation:

It is staff recommendation that the Sherman City Council approve the resolution to adopt the PY 2022 Community Development Block Grant Final Statement/Action Plan as submitted.

Alternatives:

The Sherman City Council may change or re-appropriate these funds/allocations as they see fit.

Attachments

Resolution No. 6923

Final Statement

RESOLUTION NO. 6923

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING PUBLICATION OF THE PROPOSED FINAL STATEMENT/ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT FOR PROGRAM YEAR 2022; AUTHORIZING SUBMISSION OF THE BLOCK GRANT APPLICATION; AUTHORIZING EXECUTION OF CERTIFICATIONS OF COMPLIANCE IN CONNECTION WITH THE ADMINISTRATION AND CONDUCT OF THE COMMUNITY DEVELOPMENT PROGRAM FOR PROGRAM YEAR 2022; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, under the Housing and Community Development Act of 1974, as amended, the City of Sherman is eligible to receive an estimated $335,940 for program year 2022, to be expended on eligible activities primarily benefiting low- and moderate-income families and special need populations; and

WHEREAS, the Community Development Block Grant regulations require the opportunity for citizen participation in the development of the final statement and authorizing of the expenditure of such funds; and

WHEREAS, after proper notice was posted in public places and published on the website of the City of Sherman, public hearings were held by said Community Development Staff to receive citizen participation and input on May 18, 2022 and June 22, 2022; and

WHEREAS, the City Council, after due consideration of the proposed Community Development Final Statement and of all matters raised at public meetings, is of the opinion that, unless public comment warrants revisions, said final statement should be submitted to the U.S. Department of Housing and Urban Development as the Community Development Application for the City of Sherman for Program Year 2022, in order to secure funding as provided herein;

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

SECTION 1. That the Community Development Final Statement, embodying those projects set forth on Attachment "A", attached hereto and made a part hereof for all purposes, is hereby approved and adopted as the Community Development Plan of the City of Sherman, Texas, for Program Year 2022.

SECTION 2. That the City Council of the City of Sherman hereby certifies and assures the U.S. Department of Housing and Urban Development that development of this application for funds under the Housing and Community Development Act of 1974, as amended, and the implementation of the Block Grant Program will be conducted in accordance with all applicable provisions of the "Assurances" as required.

SECTION 3. That the City Manager of the City of Sherman is hereby authorized to execute, on behalf of the City of Sherman, the "Certifications" set forth on Attachment "B", attached hereto and made a part hereof for all purposes. These Certifications concern compliance with certain guidelines, regulations, and policies in preparation of this application and in conducting the Community Development Program of the City of Sherman.

SECTION 4. That the City Manager of the City of Sherman is hereby authorized to submit, as the Chief Executive Officer of the City of Sherman, and on behalf of the City of Sherman, the Community Development Final Statement and a certified copy of this resolution and all attachments thereto to the U.S. Department of Housing and Urban Development, in application for funds available to the City of Sherman under the Housing and Community Development Act of 1974, as amended. Said application shall be made on forms required by the U.S. Department of Housing and Urban Development.

SECTION 5. That the City Manager of the City of Sherman is hereby authorized and designated to act as Chief Executive Officer in connection with this application, and is hereby authorized and directed to provide such additional information as may be required in connection with said application.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____ **BY:** _____

LINDA ASHBY, CITY CLERK **DAVID PLYLER, MAYOR**

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

BY: _____

RYAN D. PITTMAN, CITY ATTORNEY

Attachment A

CITY OF SHERMAN, TEXAS
FINAL STATEMENT/ACTION PLAN OF
COMMUNITY DEVELOPMENT OBJECTIVES
AND PROJECTED USE OF FUNDS FOR PROGRAM YEAR 2022

GRANT NO: B-22-MC-48-0027

The City of Sherman has received notice from the U.S. Department of Housing and Urban Development (HUD) that its entitlement grant for the Community Development Program (CDBG) for program year 2022 is $335,940.00. These funds will be available on October 1, 2022. Activities that directly benefit low- and moderate-income persons will be available citywide. Other activities which have an area benefit will only be available in areas of the city which are populated by a majority of low- and moderate-income persons. The City has met citizen participation requirements.

The City of Sherman's Consolidated Plan is a document which is required by the U.S. Department of Housing and Urban Development, and includes the following subjects: (1) Housing and Homeless Needs Assessment - A description of the jurisdiction's estimated housing needs for the ensuing five-year period; (2) Housing Market Analysis - A description of the significant characteristics of the jurisdiction's housing market, including supply, demand, condition and cost of housing and the housing stock and services available (i.e., public and assisted housing, homeless, elderly, frail elderly, persons with disabilities (mental/physical/developmental), persons with alcohol and other drug addictions, and persons with HIV/AIDS and related diseases; (3) Strategic Plan - A description of the five-year strategy and plan to address affordable housing, homelessness, other special needs and non-housing community development plan; and, (4) Action Plan - A description of the jurisdiction's one-year plan of activities to be undertaken during the coming year.

The overall goal of this community development planning and development program is to develop viable urban communities by providing suitable living environments and expanded economic opportunities, principally for low-moderate income persons and special need populations of the City of Sherman. Therefore, based on these objectives, the following use of funds is being proposed:

COMMUNITY DEVELOPMENT PROGRAM ACTION PLAN
PROGRAM YEAR 2022

DEMOLITION/CLEARANCE PROGRAM: $88,000
A program to demolish vacant, substandard structures and clear property lots that pose a risk to health and safety.

PARK IMPROVEMENT: $130,452
A program to fund projects in parks within low- and moderate-income target areas and improve ADA accessibility in parks throughout the city of Sherman, promoting general health and wellness among the entire community. Focus will especially be to benefit those living in low-moderate income areas and those with disabilities.

PROGRAM ADMINISTRATION: $67,188

- **CITY PROGRAM ADMINISTRATION: $53,188**
  The City proposes to use the Administration funds for personnel and support for all phases of the application process, environmental reviews, fair labor standard compliance, contract management, fair housing Grantee Performance Report, and preparation of annual Action Plan, Performance Report associated with the City of Sherman Five-Year Consolidated Plan and Strategy, and the producing of the 10-year Fair Housing Study.
- **CASA OF GRAYSON COUNTY: $3,500**
  A program to train and support volunteer advocates and staff on process and procedures to advocate for foster children in Grayson County that have been abused or neglected.
- **CHILD & FAMILY GUIDANCE CENTER: $3,500**
  A program to provide counseling services for family dysfunction, alcohol and substance abuse, domestic violence, and sexual abuse for low- and moderate-income Sherman residents.
- **FOUR RIVERS OUTREACH: $3,500**
  A program that serves those who are overcoming their struggles with addiction by providing a men's residential 16-bed facility and a 12-month Life Renewal program. Recipients are those who, at one time, resided within the city limits of Sherman.
- **GRAND CENTRAL STATION: $3,500**
  A program to support nutrition, specifically food for low- and moderate-income Sherman residents.

PUBLIC SERVICE ACTIVITIES: $50,300

- **BOYS & GIRLS CLUB OF SHERMAN, INC.: $4,000**
  Funds to be used to assist with the development and advancement of a teen program for those from low- and moderate-income households.
- **CHILDREN'S ADVOCACY CENTER: $4,000**
  A program to provide high quality services to abused and traumatized children who, at one time, resided within the city limits of Sherman.
- **GRAYSON COUNTY CRISIS CENTER: $4,000**
  A program of activities that will provide emergency assistance to homeless women and children of domestic violence who, at one time, resided within the city limits of Sherman.
- **HOUSE OF ELI: $6,000**
  Funds will be used to house and assist young men, ages 18-21, who are aging out of foster care or being released from incarceration provide shelter, food, clothing, personal needs, and a family environment in which they can thrive.
- **MULTICULTURAL FAMILY CENTER: $6,000**
  Provide direct adult educational services to underserved immigrant population including ESL, Parenting, Family Literacy and Citizenship.
- **SHERMAN HOUSING AUTHORITY: $5,000**
  A program to address the problems of drug abuse and associated crime in public housing. Activities include increasing law enforcement services to stop the sale of illegal drugs in and around assisted housing, apprehend sellers of such drugs, and reduce crime in the assisted housing area.
- **SHERMAN YOUTH SPORTS ASSOCIATION: $3,000**
  A program to provide sports equipment to children from low- and moderate-income households so that they can participate safely in activities offered by the Sherman Youth Sports Association.
- **TEXOMA COMMUNITY CENTER: $3,500**
  CAMP Wonder provides an opportunity for the children receiving mental health services through TCC to socialize with their peers in a fun environment while being taught skills that they can translate to their lives.
- **TEXOMA FAMILY SHELTER, INC.: $4,300**
  A program of activities that will provide emergency assistance to homeless individuals and families, who at one time, resided within the city limits of Sherman.
- **TEXOMA AREA PARATRANSIT SYSTEM: $3,500**
  CDBG funds will pay for public transportation costs for eligible residents to access medical, nutrition, education, grocery, and other eligible activities.
- **THE CAMP: $3,500**
  Funds will be used for after-school and boxing programs to help the children in the community with learning, discipline and structure.
- **UNITED WAY OF GRAYSON COUNTY: $3,500**
  Cradle to Workforce is to create safe neighborhood providers in low-income areas for our most vulnerable families who need flexible childcare schedules.

TOTAL PROGRAM ALLOCATION: $335,940

The City of Sherman seeks, through the following program objectives, to improve housing conditions, neighborhood appearance, employment opportunities, and the overall quality of life for low and moderate-income citizens. No activities will be undertaken which cause involuntary displacement of persons.

CITY OF SHERMAN COMMUNITY DEVELOPMENT OBJECTIVES

1. Encourage citizen participation and input to obtain maximum public involvement in program activities.
2. Promote the general health and wellness of all members of the community through improved parks and recreational facilities in the low- and moderate-income target areas.
3. Improve the quality of life for Sherman residents with the removal of structures that create unsafe, unsanitary, and hazardous situations for the public.
4. Promote drug elimination programs for low- and moderate-income assisted housing families and households.
5. Provide support for provision of emergency shelter, food, and assistance to the homeless and those in danger of becoming homeless.
6. Assist in providing counseling services to youth and adults from low- and moderate-income families.
7. Assist in providing activities for children and teens from low- and moderate-income families.
8. Provide support for provision of shelter and assistance to men in overcoming addiction.
9. Provide services for abused and neglected children.

The Action Plan of Community Development Objectives and Projected Use of Funds for Program Year 2022 are available in the Finance Department of the City of Sherman. Any citizen or agency interested in commenting on this Final Statement of Objectives is invited to submit written comments c/o Jana Garner, Grants Coordinator, City of Sherman, P.O. Box 1106, Sherman, TX 75091-1106. Written comments must be received prior to 5:00 p.m. on July 8, 2022. A summary of comments received will be made a part of the summary of citizen participation of this Plan.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 2.**

Meeting Date: 07/18/2022

Prepared By: Teri Fine, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6924

Approving and Authorizing Execution of a Second Amended and Restated Master Development Agreement Among the CITY OF SHERMAN, TEXAS, CROSSROADS HOSPITAL DEVELOPMENT LLC, IVY P3 GROUP, LLC and CFP SHERMAN HOSPITAL, LLC for the Development, Design and Construction of an Estimated 80-bed Acute Care Hospital and Appropriate Site Amenities Supporting the Same within the City of Sherman, Texas

Issue:

Amending the original Master Development Agreement approved January 4, 2021, and the First Amended and Restated Master Development Agreement approved on March 21, 2022, to facilitate the development, design, and construction of an estimated 80-bed acute care hospital on twelve acres of land near the Sherman Crossroads development.

Background:

In January 2021, the City Council approved a Master Development Agreement among the City of Sherman, IVY P3 GROUP, LLC, (IVY) a Texas limited liability company, CFP SHERMAN, LLC, (CFP) an Arizona nonprofit limited liability company, and Crossroads Hospital Development, LLC, a Texas limited liability company to develop, design and construct an estimated 80-bed acute care hospital and site amenities to serve the hospital in the Crossroads Development area, north of West Travis Street and west of U.S. Highway 75. This agreement specified the roles and responsibilities of each of the parties through the completion of the pre-development phase of the project.

The primary change in this Second Amended and Restated Agreement clarifies the rights of the City to dispose of the Hospital assets after all bonds are paid off, assuming the bonds are paid off not as a part of an event of default or foreclosure. There are other clarifying changes identified by the City Attorney and the respective attorneys for the developer and other parties to this project. These clarifications are necessary to address comments from prospective bond holders to the transaction.

Origination:

City Manager's Office

Financial Consideration:

The City's participation in this project is limited to an initial cash contribution of between $525,000 and $737,500 in the form of a non-recourse loan to CFP, repayable when the construction bonds are issued by CFP. The City's final contribution is dependent upon total final pre-development costs. When the hospital project is completed, it is expected to generate over $1.1 million annually in incremental revenues to the City.

Staff Recommendation:

Staff recommends approval and acceptance of the Second Amended and Restated Master Development Agreement with CROSSROADS HOSPITAL DEVELOPMENT LLC, IVY P3 GROUP, LLC and CFP SHERMAN, LLC.

Alternatives:

As directed by City Council

Attachments

Resolution No. 6924

Master Development Agreement - Second Amended

Second Amended MDA - Redlined

RESOLUTION NO. 6924

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND AUTHORIZING EXECUTION OF A SECOND AMENDED AND RESTATED MASTER DEVELOPMENT AGREEMENT AMONG THE CITY OF SHERMAN, TEXAS, CROSSROADS HOSPITAL DEVELOPMENT LLC, IVY P3 GROUP, LLC AND CFP SHERMAN HOSPITAL, LLC FOR THE DEVELOPMENT, DESIGN AND CONSTRUCTION OF AN ESTIMATED 80-BED ACUTE CARE HOSPITAL AND APPROPRIATE SITE AMENITIES SUPPORTING THE SAME WITHIN THE CITY OF SHERMAN, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Council of the City of Sherman, Texas, hereby approves and accepts the Second Amended and Restated Master Development Agreement to facilitate the development, design and construction of an estimated 80-bed acute care hospital on twelve acres of land near the Sherman Crossroads development in Sherman, Texas.

SECTION 2. That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Amended and Restated Master Development Agreement with Crossroads Hospital Development LLC, Ivy P3 Group, LLC and CFP Sherman Hospital, LLC for the development, design and construction of the acute care hospital and appropriate site amenities supporting the same, in accordance with all contract documents to be attached hereto and made a part hereof for all purposes.

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.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 5th day of July, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

SECOND AMENDED AND RESTATED MASTER DEVELOPMENT AGREEMENT

This Second Amended and Restated Master Development Agreement (hereinafter referred to as the "Agreement") by and among the **CITY OF SHERMAN, TEXAS**, a Texas municipality (hereinafter referred to as the "City"), **CROSSROADS HOSPITAL DEVELOPMENT LLC** a Texas limited liability company (hereinafter referred to as "Crossroads," and as the "Development Consultant" as the term "Development Consultant" is further described and defined below), **IVY P3 GROUP f/k/a IVY HOTEL GROUP, LLC**, a Texas limited liability company (hereinafter referred to as "Ivy," and as the "Project Manager" (as the term "Project Manager" is defined below), and **CFP SHERMAN HOSPITAL, LLC**, an Arizona limited liability company whose sole member is Community Facility Public Private Partnerships, a Minnesota nonprofit corporation and a tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code, together with its successors and assigns (hereinafter referred to as the "Nonprofit" (as the term "Nonprofit" is defined below), is made and entered into as of the Executive Date (as defined below) and executed on the following recitals, terms, and conditions.

RECITALS:

WHEREAS, Project Manager desires to facilitate the development, design, and construction of an estimated 80-bed acute care hospital and appropriate site amenities supporting the same within the City of Sherman, Texas in close proximity to the "Crossroads" development area therein, which such hospital and amenities will benefit the City through service to its residents (the "Project");

WHEREAS, the City, Development Consultant, and the Nonprofit desire to participate with Project Manager in the development, design, and construction of the Project in the manner set forth in this Agreement;

WHEREAS, the City, CFP Sherman, LLC, Development Consultant and Ivy had entered into a Master Development Agreement, approved by the City on or about January 4, 2021, with respect to the Project (the "Original Master Development Agreement");

WHEREAS, contemporaneous with the amendment and restatement of the Original Master Development Agreement as described below, CFP Sherman, LLC assigned its interests and obligations under the Original Master Development Agreement to the Nonprofit, and the Nonprofit has assumed the interests and obligations of CFP Sherman, LLC under the Original Master Development Agreement, per and pursuant to that certain Assignment and Assumption Agreement, dated contemporaneous with the Amended and Restated Master Development Agreement referenced below, by and between CFP Sherman, LLC, as assignor, to CFP Sherman Hospital, LLC, as assignee;

WHEREAS, the parties to the Original Master Development Agreement amended and restated such Original Master Development Agreement pursuant to the terms and conditions as set forth in the Amended and Restated Master Development Agreement as approved by the City on March 21, 2022;

WHEREAS, the parties to the Amended and Restated Master Development Agreement now desire to amend and restate such Amended and Restated Master Development Agreement pursuant to the terms and conditions as set forth herein this Agreement;

WHEREAS, the Nonprofit is a qualified nonprofit corporation that is exempt from the payment of federal income tax under Section 501(a) of the Internal Revenue Code as an entity created under Section 501(c)(3) of the Internal Revenue Code that the City has selected to assist the City in fulfilling its governmental burdens by developing, owning, financing, and operating the Project;

WHEREAS, one of the charitable purposes of the Nonprofit is to **lessen the burdens of government**, which charitable purpose may be accomplished through various means, including without limitation, the development, construction, acquisition, ownership, management, maintenance, operation and disposition of public health facilities, public health buildings, public works and infrastructure projects of various types including, but not limited to, the Project, as well as the provision of services and financial assistance and the performance of activities that enable state and local government to proficiently carry out its functions and responsibilities to its citizens;

WHEREAS, the Nonprofit shall hereby engage Project Manager to assist the Nonprofit with respect to the development, design, and construction within the City of Sherman, Texas, the Project, and to provide certain financial assistance to Project Manager as set forth herein;

WHEREAS, the Nonprofit and Project Manager shall hereby engage the Development Consultant to provide its expertise and experience in consulting on projects similar in size, type, nature, and complexity as the Project,

WHEREAS, the City has concluded and finds that this Agreement and the Project described herein will be in the best interests of the residents of the City;

WHEREAS, Project Manager, the Nonprofit and the City acknowledge that, at the time of this Agreement, the specific details of the Project are under review and will be decided and agreed upon by the parties hereto, to be memorialized in an amendment or amendments to this Agreement prior to commencing construction; and

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, Development Consultant, Project Manager and the Nonprofit, amend, restate and agree as follows:

Section 1. Findings Incorporated.

The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the parties.

Section 2. Term.

(a) **Term.** This Agreement shall be effective as of the Effective Date, as defined herein, and shall continue thereafter until a period of 6 months from the date the final Certificate of

Occupancy (the "CO") is issued for the Project, unless terminated sooner under the provisions hereof. Any payment due Project Manager beyond the term outlined above shall survive the Term of this Agreement.

Section 3. Definitions.

The following words shall have the following meanings when used in this Agreement:

(a) **Agreement.** The word "Agreement" means this Second Amended and Restated Master Development Agreement, together with all exhibits and schedules attached to this Second Amended and Restated Master Development Agreement, from time to time, if any, as the same may be amended from time to time.

(b) **City.** The word "City" means the City of Sherman, Texas, a Texas municipality, whose address for purposes of this Agreement is 220 W. Mulberry Street, Sherman, Texas 75090.

(c) **City Council.** The words "City Council" means the council of the City of Sherman, Texas.

(d) **City Manager**. The words "City Manager" means the Office of the City Manager of the City of Sherman, Texas.

(e) **Development Consultant.** The word "Development Consultant" initially means Crossroads who will provide development consulting services on behalf of the Project.

(f) **Effective Date.** The words "Effective Date" mean the date of the latter to execute this Agreement by and between the Development Consultant, Project Manager and the City.

(g) **Eligible Costs.** The words "Eligible Costs" mean cost incurred by the Development Consultant and Project Manager with regard to the Project eligible for advancement by the City under the Predevelopment Loan.

(h) **Event of Default.** The words "Event of Default" mean and include any of the Events of Default set forth below in the section entitled "Events of Default."

(i) **Nonprofit.** The words "Nonprofit" mean CFP Sherman Hospital, LLC, an Arizona limited liability company whose sole member is Community Facility Public Private Partnerships, a Minnesota nonprofit corporation and a tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code, together with its successors and assigns, selected by the City to assist the City by lessening its burdens of government.

(j) **Predevelopment Loan.** The words "Predevelopment Loan" mean a temporary loan from the participants thereto and other service providers to the Project identified therein of up to Three Million Three Hundred Ninety Thousand Dollars

($3,390,000.00) plus interest calculated at the loan closing for the Project to cover the anticipated expenses set forth in the predevelopment budget set forth in ***Exhibit B-1***, attached hereto, to be incurred by Development Consultant and Project Manager, as well as the sums and forms of cash and in-kind contributions set forth in ***Exhibit B-2***, attached hereto, and containing the terms set forth therein.

(k) **Project.** The word "Project" has the meaning given to it in the Preamble of this Agreement and refers to the design, development, construction and operation of an estimated 80-bed acute care hospital and appropriate site amenities servicing the hospital, located in the "Crossroads" development area of the City of Sherman, Texas, as such description of the Project may be further described and defined by Project Manager and the City by amendment to this Agreement.

(l) **Project Bonds.** The words "Project Bonds" have the meaning given to them in Section 8 of this Agreement.

(m) **Project Manager.** The words "Project Manager" initially means Ivy, who will provide project management services on behalf of the Project.

(n) **Property.** The word "Property" means that approximately sixteen and seventy-nine hundredths (16.79) acre tract of land located in the City of Sherman, Texas, as depicted in that certain land survey completed on or about January 4, 2022 as further described in that certain form of Purchase and Sale Agreement set forth in ***Exhibit A*** of this Agreement, which is attached hereto and is incorporated herein for all purposes.

(o) **State Comptroller.** The words "State Comptroller" mean the Office of the Texas Comptroller of Public Accounts, or any successor agency.

(p) **Term.** The word "Term" means the term of this Agreement as specified in Section 2 of this Agreement.

Section 4. Obligations of the Development Consultant.

During the Term of this Agreement, the Development Consultant covenants and agrees to comply with the terms and conditions set forth in that certain Development Consultant Agreement, by and between the Nonprofit and the Development Consultant, annexed hereto and made a part hereof by reference of which the parties hereto (i) acknowledge is a part of the underlying transaction but currently under development, (ii) agree that the City reserves the right to further review and to provide comment upon its completion, and (iii) agree to use reasonable efforts to timely resolve any concerns raised by the City from its aforesaid review and comment.

Section 5. Obligations of Project Manager

During the Term of this Agreement, Project Manager covenants and agrees to comply with the following terms and conditions:

(a) **Property Acquisition.** Project Manager shall cause the acquisition by the Nonprofit of a fee interest in the Property from the owner of the Property contemporaneous with the closing of the Project Financing as further described and set forth in Section 8(a), below**,** in substantial form to the Purchase and Sale Agreement set forth in ***Exhibit A*** to this Agreement.

(b) **Appointment of Project Manager.** The Nonprofit hereby engages Project Manager to be the project manager of the Project to perform project management services as described in this Agreement and that certain Project Management Agreement between Project Manager and the Nonprofit, annexed hereto and made a part hereof by reference, as well as such other project management services typically provided by project managers for projects similar in size, nature, complexity and cost. The parties hereto (i) acknowledge that the Project Management Agreement is a part of the underlying transaction but currently under development, (ii) agree that the City reserves the right to further review and to provide comments to the Project Management Agreement, and (iii) agree to use reasonable efforts to timely resolve any concerns raised by the City arising from its aforesaid review and comments to the Project Management Agreement. Project Manager hereby accepts such engagement and will use commercially reasonable efforts (but Project Manager shall not be obligated to spend its own funds) to coordinate and manage the development of the Project in an expeditious and economical manner for the ultimate benefit of the City.

(c) **Project Management Services**. Project Manager, in consultation with the City, the Nonprofit, and the Development Consultant, shall initiate, coordinate and administer all planning, development, design and construction activities in connection with the acquisition of the Property, development of the Project and construction of the Project, subject to the terms and conditions of this Agreement. Project Manager's services hereunder shall be rendered in a manner consistent with the level of skill and care ordinarily exercised by project managers developing projects similar in size, nature, complexity and cost in municipal areas similar to where the Property is located. The parties hereto acknowledge that the services and work product provided by consultants, design professionals, and construction professionals retained by the Development Consultant, Project Manager and/or the Nonprofit with respect to the Project as contemplated hereby are the responsibility of such consultants, design professionals and construction professionals, and Project Manager does not warrant or guarantee their respective performances.

(d) **Independent Contractor; Approval and Execution of Contracts**. Project Manager is an independent contractor and not an agent of the City or Development Consultant, and Project Manager shall have no authority to make commitments on behalf of, or to legally bind, the City or the Development Consultant unless expressly authorized or agreed to in writing by the City or the Development Consultant. Except as otherwise expressly provided herein, all contracts relating to the development, design, engineering and construction of the Project shall be subject to the City's approval and entered into by the Nonprofit or the Development Consultant, and not Project Manager.

(e) **Certificate of Occupancy and Permits for the Project.** Project Manager shall ensure a Certificate of Occupancy is obtained for the Project from the City together will all certifications and permits from applicable state and/or federal agencies to enable the Project to operate as an 80 bed acute care hospital on or about thirty (30) calendar months after the commencement of construction**,** subject to delays due to force majeure as set forth below and herein.

(f) **Operation of the Project.** An operator approved by the City to operate the Project will, within a maximum of sixty (60) calendar days after the aforesaid Certificate of Occupancy for the Project is issued**,** subject to delays due to force majeure as set forth below and herein, open and operate the Project at a level and to the standard commensurate with an acute medical care facility as required by the rules and regulations of the State of Texas.

(g) **Submission of Eligible Costs, Schedule of Work, Activities and Programs.** Project Manager and Development Consultant will submit to the City monthly written draw requests of its Eligible Costs that are advanceable under the Predevelopment Loan Agreement (hereinafter mentioned), accompanied by a schedule of work, activities, programs performed, and task list as applicable. The first written draw request has been submitted to the City on January 31, 2021 for Eligible Costs, and subsequent draw requests have been, and shall continue to be throughout the Term of this Agreement, submitted monthly thereafter. Each request has and shall be submitted by the last day of the month for each month. The City shall have three (3) business days from the last day of the preceding month to review each draw request subject to the procedure set forth in Section 6(a) below. Once the City has approved the draw request, the City and/or the participants to the Predevelopment Loan will advance the approved funds to the CPA (defined below) within ten (10) days of approval thereof; provided, however, any advancement set forth above shall be limited to the funds available under the Predevelopment Loan at the time such draw request is submitted, and the City shall not assume any liability for payment or reimbursement of any Eligible Costs set forth in the draw request that exceeds the funds committed to by the City in the Predevelopment Loan.

(h) **Performance.** Project Manager will perform and comply with all terms, conditions, and provisions set forth in this Agreement and in all other instruments and agreements by and between Project Manager, the Nonprofit, Project Manager and the City.

Section 6. <u>Obligations of the City.</u>

During the Term of this Agreement, the City covenants and agrees to comply with the following terms and conditions:

(a) **Determination of Eligible Costs.** The City and Project Manager shall determine whether the written draw requests and Eligible Costs set forth therein as submitted by Project Manager pursuant to Section 5(g) of this Agreement are advanceable for

disbursement under the Predevelopment Loan Agreement. If Project Manager submits a draw request for advancement of Eligible Costs in any given month, the City shall have ten (10) business days following the end of the preceding month that the draw requests corresponds with to review and approve said draw request. Should the City and/or Project Manager determine an item is not an Eligible Cost under the Predevelopment Loan, this item will be held for appeal with such determination to be made by the City Manager. The City Manager's determination on the matter shall be final. Upon approval of any portion of a draw request, the City Manager, in coordination with Project Manager, shall cause its responsible share of the approved amount of each advance request to be paid to a Certified Public Accountant selected by the City for the Project pursuant to the terms and conditions of the Predevelopment Loan (the "CPA") within ten (10) days after approval thereof; provided, however, any such advance shall be limited to the funds available under the Predevelopment Loan Agreement at the time such draw request is submitted, and the City shall not assume any liability for payment or reimbursement of any Eligible Costs set forth in a draw request that exceeds the funds committed to by the City in the Predevelopment Loan.

(b) **Record-Keeping.** If an item is an Eligible Cost under the Predevelopment Loan, then the City Manager, Project Manager and the CPA shall maintain records of each scheduled disbursement or advance.

(c) **Performance.** Provided the Development Consultant and/or Project Manager are not in default hereunder, the City shall perform and comply with all terms, conditions, and provisions set forth in this Agreement and in all other instruments and agreements by and between the Development Consultant, Project Manager, and/or the City.

(d) **Financing Confirmation.** The City will take all reasonable actions that may be required by Project Manager and the Development Consultant in order to complete the financing of the Project, as contemplated among the City, Project Manager and the Development Consultant; including amending this Agreement or entering into other mutually acceptable agreements that may be required by Project Manager and the Development Consultant to complete the financing and ownership contemplated by this Agreement; provided, however, the City shall not incur any liability or any cost in association with funding the Project other than those obligations expressly assumed by the City in the Predevelopment Loan pursuant to the terms and conditions set forth therein.

Section 7. <u>Obligations of the Nonprofit.</u>

During the Term of this Agreement, the Nonprofit, in addition to those obligations set forth herein assigned to the Nonprofit in accordance with the terms hereof, covenants and agrees to comply with the following terms and conditions:

(a) **Financing Confirmation.** The Nonprofit will take all reasonable actions that may be required by Project Manager and the Development Consultant in order to

complete the financing of the Project, as contemplated among the City, Project Manager and the Development Consultant; including amending this Agreement or entering into other mutually acceptable agreements that may be required by Project Manager and the Development Consultant to complete the financing and ownership contemplated by this Agreement; provided, however, the Nonprofit shall not be required to take any actions that will cause the City to incur any liability or any cost in association with funding the Project other than those obligations expressly assumed by the City in the Predevelopment Loan pursuant to the terms and conditions set forth therein.

(b) **Performance.** The Nonprofit will perform and comply with all terms, conditions, and provisions set forth in this Agreement and in all other instruments and agreements by and between the Nonprofit, the Development Consultant, Project Manager and the City.

(c) **Assistance with City Obligations.** In conformance with the terms set forth herein, the Nonprofit shall assume certain of the City's obligations set forth herein upon the prior approval of the City, and shall otherwise assist the City in lessening its burdens of government by acting for the benefit of the City. The foregoing shall include, without limitation, the Nonprofit's oversight of the Project on the City's behalf as set forth in Section 8(b) below.

Section 8. <u>Project Financing Conditions.</u>

(a) **Project Financing**. The Nonprofit, being treated as a qualified tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, will cause the issuance of revenue bonds by the Phoenix Industrial Development Authority in one or more series from time to time, in an aggregate principal amount currently estimated not to exceed $260,000,000 (the "Project Bonds"), the proceeds of which will be used to make a loan to the Nonprofit to (a) finance or refinance the costs of acquiring, developing, designing, constructing and equipping the Project, (b) finance or refinance reserves, initial operating costs and other required amounts in connection therewith, and (c) finance or refinance costs of issuance of the Project Bonds. Proceeds of the Project Bonds shall be used first to repay the Predevelopment Loan in full including the City's portion of the Predevelopment Loan and all accrued and unpaid interest thereon.

(b) **Disposition of the Project**. The Nonprofit will oversee the operation, construction, management and disposition of the Project for the exclusive benefit of the City, under the purview and the direction of the City and/or its designated representatives, as appropriate. Provided that the Project Bonds are paid in full and further provided that there is no uncured default under the Master Trust Indenture (the "Master Trust Indenture") between the Nonprofit and UMB Bank, N.A., as Master Trustee, and a sale, foreclosure, transfer or deed in lieu of foreclosure of the Project resulting from such uncured default has not occurred, then the City shall, in its sole discretion and election, direct the Nonprofit in writing to take one of the following actions:

i) Transfer the Project to the City or to a governmental agency designated by the City;

ii) Direct the transfer of the Project to a third party and direct the donation of the proceeds derived from the sale to the City or to a governmental agency designated by the City; or

iii) Direct the Nonprofit to continue to operate the Project for the benefit of the City, and direct that the Nonprofit grant or donate to the City all surplus cash flow derived from the continued operation of the Project.

Subject to the terms and conditions set forth above, including but not limited to that no uncured default under the Master Trust Indenture then exists and a sale, foreclosure, transfer or deed in lieu of foreclosure of the Project resulting from such uncured default has not occurred, if the Nonprofit is directed to take one of the above described actions, then it shall take such action, subject to the terms and conditions above, within ten (10) days of its receipt of such written direction from the City. Subject to the foregoing, if the Nonprofit is directed to take one of the actions described above in part (i) or (ii), the Nonprofit shall deliver to the City an executed and notarized special warranty deed conveying fee simple title to the Project to the grantee designated by the City in its notice, such deed to be delivered within such ten (10) day period.

Subject to the terms and conditions set forth above, the foregoing provisions shall (i) survive the expiration of the Term or termination of this Agreement and shall not expire or otherwise terminate unless and until the City has directed the Nonprofit to take one of the above actions, and (ii) may not be deleted or amended by the Nonprofit or any other person or entity, including without limitation the trustee for the benefit of the Bond holders, without the City's prior written consent, which may be granted or withheld in its sole discretion, provided that no uncured default under the Master Trust Indenture then exists and a sale, foreclosure, transfer or deed in lieu of foreclosure of the Project resulting from such uncured default has not occurred. The City shall have the right but not the obligation to consent.

(c) **Tax-Exempt Financing**. The Parties acknowledge that repayment of the Predevelopment Loan and the obligations, covenants and agreements of the Nonprofit under this Agreement are expressly contingent upon the issuance of the Project Bonds in an amount sufficient to cover all costs of the Project, including, without limitation, the repayment of the Predevelopment Loan. If the Project Bonds in an amount sufficient to cover all costs of the Project, including, without limitation, the repayment of the Predevelopment Loan, has not been issued on or before the Expiration Date set forth and defined in the agreement for the Predevelopment Loan dated even with the date hereof, as may be amended from time to time (the "Predevelopment Loan Agreement"), this Agreement shall be null and void and the Predevelopment Loan shall be deemed to have been forgiven and the Nonprofit shall have no further obligations hereunder.

Section 9. Events of Default.

Each of the following shall constitute an Event of Default under this Agreement:

(a) **General Event of Default.** Failure of any party to comply with or to perform any term, obligation, covenant or condition contained in this Agreement, or failure of any party to comply with or to perform any term, obligation, covenant or condition contained in any other agreement by and among the parties or any of them is an Event of Default.

(b) **False Statements.** Any warranty, representation, or statement made or furnished to the City by or on behalf of the Development Consultant, Project Manager or Nonprofit under this Agreement that is false or misleading in any material respect, either now or at the time made or furnished is an Event of Default.

(c) **Insolvency.** The Development Consultant, Project Manager or Nonprofit's insolvency, appointment of receiver for any part of the Development Consultant, Project Manager or Nonprofit's property, any assignment for the benefit of creditors of the Development Consultant, Project Manager or Nonprofit, any type of creditor workout for the Development Consultant, Project Manager or Nonprofit, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against the Development Consultant, Project Manager or Nonprofit is an Event of Default.

(d) **Ad Valorem Taxes.** The Development Consultant, Project Manager or Nonprofit allows its ad valorem taxes owed to the City to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes and to cure such failure within thirty (30) days after written notice thereof from the City is an Event of Default.

Section 10. Effect of an Event of Default.

Failure of any party to comply with or perform any term, obligation or condition of this Agreement shall constitute an Event of Default. The non-defaulting party shall give written notice to the other part(ies) of any default, and the defaulting part(ies) shall have sixty (60) days to cure said default. Should said default remain uncured after the 60 day cure period, the non-defaulting part(ies) shall have the right to either cure such default, terminate this Agreement, enforce specific performance as appropriate, or maintain a cause of action for damages caused by the event(s) of default.

Section 11. Indemnification.

To the extent allowed by law, each party agrees to release, defend, indemnify, and hold harmless the other (and its officers, agents, and employees) from and against all claims or causes of action for injuries (including death), property damages (including loss of use), and any other losses, demand, suits, judgments and costs, including reasonable attorneys' fees and expenses, in any way arising out of, related to or resulting from its performance under this Agreement, or caused by its negligent acts or omissions (or those of its respective

officers, agents, employees, or any other third parties for whom it is legally responsible) in connection with performing this Agreement.

Section 12. Miscellaneous Provisions.

The following miscellaneous provisions are a part of this Agreement:

(a) **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. The City, the Nonprofit, Project Manager and the Development Consultant understand that this Agreement (i) may be amended from time to time throughout the design and funding period subject to lender's review and other advisor's approval, and (ii) shall be amended from time to time as may be required to conform to the tax-exempt charitable purposes served by the Nonprofit or as may be required for the issuance of the Project Bonds in an amount sufficient to cover all of the costs of the Project. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the City as beneficiary hereunder and by the party or parties sought to be charged or bound by the alteration or amendment.

(b) **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Grayson County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of Grayson County, Texas.

(c) **Assumption by Nonprofit.** As set forth in Section 12(a) above, no party may cause this Agreement to be amended, assigned, assumed, sold or otherwise transferred, or the real property interests in the Property assigned or otherwise transferred without the prior written consent of all of the other parties, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that the Parties hereto hereby agrees that the City, the Development Consultant and/or Project Manager shall have the right to assign in whole or in part, without further consent or approval by any party hereto, each of their respective rights, title, obligations, interests and liabilities under this Agreement to the Nonprofit, and the Nonprofit will so assume all or a portion of the respective rights, title, obligations, interests and liabilities of the City, the Development Consultant and/or Project Manager under this Agreement as so assigned, all for the beneficial interest of the City. The parties agree that, on the date any party hereto assigns all or a portion of their respective rights, title, obligations, interests and liabilities in this Agreement to the Nonprofit and the Nonprofit assumes all or a portion of the respective rights, title, obligations, interests and liabilities of such assigning party under this Agreement, the parties hereto shall be deemed to have released the assigning party from those rights, title, obligations, interests and liabilities under this Agreement assigned to and assumed by the Nonprofit. The assignment and assumption described above will be documented by an amendment or amendments to this Agreement as approved by the City Council.

(d) **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. The City warrants and represents that the individual executing this Agreement on behalf of the City has full authority to execute this Agreement and bind the City to the same. The Development Consultant warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same. Project Manager warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same. The Nonprofit warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same.

(e) **Caption Headings.** Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of the Agreement.

(f) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.

(g) **Enforcement.** The City may enforce the terms of this Agreement, and the City Attorney or his or her designee may enforce all legal rights, benefits inuring to the City and obligations provided under this Agreement, in each case without further authorization. The Development Consultant shall provide to the to-be-selected Nonprofit or City Attorney, as applicable, all documents and records that the City Attorney requests to assist in determining the Development Consultant's compliance with this Agreement.

(h) **Force Majeure.** It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations by Development Consultant or Project Manager hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, or court injunction, acts of terrorism (both domestic and international), the collapse of the financial markets, on a scale similar to that witnessed between 2008-2011, or related in any way to a pandemic, epidemic, or plague or resulting from governmental actions, restrictions, rules, regulations or laws enacted to address same, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or requirement shall be extended for a period of time equal to the period such party was delayed.

(i) **Notices.** Any notice or other communication required or permitted by this Agreement (hereinafter referred to as the "Notice") is effective when in writing and (i) personally delivered either by facsimile (with electronic information and a mailed copy to follow) or by hand or (ii) three (3) days after notice is deposited

with the U.S. Postal Service, postage prepaid, certified with return receipt requested, and addressed as follows:

if to Crossroads:	Crossroads Hospital Development LLC c/o Republic Health Group 1437 Sussex Drive Plano, Texas 75075 Attn: Greg McGaw Phone Number: (214) 202-0340 E-mail: greg.mcgaw@republichg.com
Copy to:	Harkinson Investment Corporation 4560 Beltline Road, Suite 400 Addison, Texas 75001 Attn: Jeff Harkinson Phone Number: (214) 394-9270 E-mail: jharkinson@harkcorp.com
if to Ivy:	Ivy P3 Group LLC, f/k/a Ivy Hotel Group LLC c/o Ivy Hotel Group 4300 MacArthur Avenue, Suite 175 Dallas, Texas 75209 Attn: Robert P. Colombo Phone Number: (917) 921-6889 E-mail: rcolombo@ivyhotelgroup.com
Copy to:	Dorsey & Whitney LLP 300 Crescent Court Suite 400 Dallas, TX 75201 Attn: Gina Betts Phone Number: (214) 981-9910 E-mail: betts.gina@dorsey.com and Dorsey & Whitney LLP 51 West 52nd Street New York, NY 10019 Attn: Jeffrey R. Escobar Phone Number: (212) 415-9315 E-mail: escobar.jeffrey@dorsey.com
if to the City:	City of Sherman, Texas 220 W. Mulberry Street Sherman, TX 75090 Attn: City Manager

Phone Number: (903) 892-7201
E-mail: robbyh@cityofsherman.com

Copy to: Abernathy, Roeder, Boyd & Hullett, P.C.
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Attn: Robert H. Roeder
Phone Number: (214) 544-4000
E-mail: rroeder@abernathy-law.com

if to the Nonprofit: CFP Sherman Hospital, LLP
c/o Community Facility Public Private Partnerships
601 Carlson Parkway, Suite 1050
Minnetonka, Minnesota 55305
Attn: Steve Collins
Phone Number: (612) 735-7717
Email: steve@taxfreeP3.org

Copy to: Best & Flanagan LLP
60 South Sixth Street, Suite 2700
Minneapolis, Minnesota 55402
Attn: Daniel R. W. Nelson
Phone Number: (612) 339-7121
Email: dnelson@bestlaw.com

(j) **Ordinance Applicability.** The signatories hereto shall be subject to all ordinances of the City, whether now existing or in the future arising. This Agreement shall confer no vested rights on the Development Consultant or Project Manager unless specifically enumerated herein.

(k) **Severability.** In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, this Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.

(l) **Time is of the Essence.** Time is of the essence in the performance of this Agreement.

(m) **Undocumented Workers.** Each the Development Consultant and Project Manager certifies that neither the Development Consultant nor Project Manager willingly nor knowingly employs an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, the Development Consultant and/or Project Manager is convicted of a violation under 8 U.S.C. § 1324a(f), the Development Consultant and/or Project Manager shall repay the amount of the public subsidy provided under this Agreement plus interest, at the rate of six percent (6%), not later than the 120th day after the date

the City notifies the Development Consultant and/or Project Manager of their respective violations.

(n) The Development Consultant and Project Manager each represent that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

(1) https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
(2) https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
(3) https://comptroller.texas.gov/purchasing/docs/fto-list.pdf

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Development Consultant, Project Manager and each of their respective parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Each of the undersigned understand "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Development Consultant or Project Manager and exists to make a profit.

(o) **Survival.** The rights and obligations of the respective parties in Sections 8(b) and 11 of this Agreement will survive any termination of this Agreement.

(p) **Delegated Authority.** The City hereby designates the City Manager as the representative of the City and delegates to the City Manager the authority to approve all actions that require the City's approval under this Agreement, except for those actions which are reserved to the City Council by State law or the action of the City Council.

[The Remainder of this Page Intentionally Left Blank]

THE PARTIES ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS AGREEMENT, AND THE PARTIES AGREE TO ITS TERMS. THIS AGREEMENT IS EFFECTIVE AS OF THE EFFECTIVE DATE AS DEFINED HEREIN.

CITY:

CITY OF SHERMAN, TEXAS,
a Texas municipality

By: _____
Name:
Title:
Date Signed: _____

ATTEST:

By: _____
Name:
Title:

APPROVED AS TO FORM:

_____
Name:
City Attorney

DEVELOPMENT CONSULTANT:

CROSSROADS HOSPITAL DEVELOPMENT, LLC
a Texas limited liability company

By: _____
Name: _____
Title: _____
Date Signed: _____

NONPROFIT:

CFP SHERMAN HOSPITAL, LLC
an Arizona limited liability company

By: _____
Name: _____
Title: _____
Date Signed: _____

For the limited purposes stated above:

PROJECT MANAGER

IVY P3 GROUP LLC, f/k/a IVY HOTEL GROUP LLC
a Texas limited liability company

By: _____
Name: _____
Title: _____
Date Signed: _____

Exhibit A

Form of Purchase and Sale Agreement

Real Estate Purchase Agreement

This Real Estate Purchase Agreement (this "Agreement") is made and entered into as of the _____ day of March, 2022 (the "Effective Date") by and between Heritage Development Partners LLC, a Texas limited liability company ("Seller"), and CFP Sherman Hospital, LLC, [an Arizona limited liability company], and its permitted assigns ("Buyer").

Recitals

A. Seller is the owner of that certain real property containing approximately 16.7938 acres of land, located West of US 75 and North of Medical Drive, Sherman, Texas, and as more particularly described on the attached **Exhibit A**.

B. Upon the terms and conditions of this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Property and all easements, hereditaments, air rights, rights of way, licenses, and other rights benefiting or appurtenant to the Property ("Property").

C. Buyer plans to develop an 80 bed, 160,000 square foot acute care hospital on the Property (the "Project").

D. The Buyer will cause the issuance of revenue bonds by the Phoenix Industrial Development Authority in one or more series from time to time in the aggregate estimated amount not to exceed $260,000,000 (the "Project Financing"). As part of the Project Financing the Buyer will cause to be issued Series B Subordinated Bonds in an amount at least equal to the Purchase Price and related expenses as provided herein (the "Series B Project Bonds").

E. Seller is willing to sell the Property to Buyer, and Buyer is willing to purchase the Property, each on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the following terms and conditions, the parties agree as follows:

1. Sale and Purchase. Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller, upon the terms and conditions set forth herein, the Property.

2. Purchase Price, Earnest Money.

(a) Purchase Price. The purchase price to be paid by Buyer to Seller for the Property is **$10,975,000.00** (the "Purchase Price"). The Purchase Price shall be paid by providing Seller with Series B Project Bonds in an amount to be determined and cash in an amount to be determined. Seller agrees to take at least 50% of the Purchase Price in Series B Project Bonds but can increase that percentage, at Seller's option.

(b) Title Company. The Title Company to serve as escrow agent for this Contract is (the "Title Company"): Chicago Title Company, 3100 Monticello, Suite 800, Dallas, TX 75205, Attention: Kristi Covy, Commercial Closing Attorney; krisit.Covey@ctt.com; (972) 764-1456.

(c) Earnest Money. Within three Business Days after the effective date, Buyer shall deliver an earnest money deposit in the amount of $10,000.00 (the "Earnest Money") payable to the Title Company, in its capacity as escrow agent, to be held in escrow pursuant to the terms of this Contract. Seller's acceptance of this Contract is expressly conditioned upon Buyer's timely

deposit of the Earnest Money with the Title Company. If Buyer fails to timely deposit the Earnest Money with the Title Company, then Seller may, at Seller's option, terminate this Contract by delivering a written termination notice to Buyer at any time until Buyer deposits the Earnest Money with the Title Company.

3. Buyer's Feasibility Condition.

(a) Feasibility Period. Subject to extensions provided herein, Buyer shall have a period commencing on the Effective Date and ending at 5:00 p.m. Central Standard Time on April 20, 2022 (as may be extended as provided herein, the "Feasibility Period"), to determine, in Buyer's sole and absolute discretion, if Buyer, is satisfied (i) with its examination and analysis of the Property Documents; (ii) with the condition of the Property, including, without limitation, the results of and matters disclosed by any Inspections; (iii) with all the Project Approvals, upon terms and conditions acceptable to Buyer, subject, however, to Seller's approval rights, as set forth herein; (iv) with all the Project Financing, including issuance of the Series B Project Bonds, upon terms and conditions acceptable to Buyer; and (v) that the Property otherwise meets Buyer's requirements and that the Project is otherwise feasible. Buyer's obligation to purchase the Property hereunder is expressly conditioned upon Buyer's satisfaction with the foregoing matters on or before the expiration of the Feasibility Period, as may be extended as provided herein (collectively, "Buyer's Feasibility Condition"). Buyer may waive Buyer's Feasibility Condition or terminate this Agreement for failure of Buyer's Feasibility Condition in accordance with Section 3(c).

(b) Feasibility Period Extensions.

(i) First Extension. Buyer shall have the right to extend the Feasibility Period for a period of up to **60 days** (the "First Extension") by delivering notice to Seller of Buyer's exercise of the First Extension on or before expiration of the Feasibility Period.

(ii) Second Extension. If Buyer has properly exercised the First Extension, then Buyer shall have the right to extend the Feasibility Period for a second period of up to **60 days** (the "Second Extension") by delivering notice to Seller of Buyer's exercise of the Second Extension on or before the expiration of the Feasibility Period, as extended by the First Extension.

(c) Satisfaction of Buyer's Feasibility Condition; Buyer's Termination Right. If Buyer's Feasibility Condition has not been satisfied or waived by Buyer on or before the expiration of the Feasibility Period, then Buyer shall have the right to terminate this Agreement at any time before the expiration of the Feasibility Period for failure of Buyer's Feasibility Condition by delivering notice of such termination to Seller and the Title Company. Upon Seller's receipt of such termination notice from Buyer, this Agreement shall terminate and be of no further force or effect without the need for any further documentation or approval by Seller, and neither Seller nor Buyer shall have any further rights or obligations under this Agreement, except for those obligations provided for herein which expressly survive termination of this Agreement. If Buyer fails to provide written notice of termination of this Agreement prior to the expiration of the Feasibility Period, then Buyer shall be deemed to have elected to waive Buyer's Feasibility Condition and proceed to Closing, subject to the other terms and conditions of this Agreement.

4. Inspection of Property Documents and Property

(a) Property Documents. Seller shall deliver or make available to Buyer copies of the documents referenced in **Exhibit B** if existing, and if in Seller's possession or control (collectively,

the "Property Documents") within five (5) business days after the Effective Date. Seller makes no representations or warranties of any kind regarding the accuracy or completeness of the information included or the conclusions or statements expressed in any of the Property Documents furnished to Buyer by Seller. Buyer waives any and all claims against Seller arising out of the accuracy or completeness of the information included or the conclusions or statements expressed in the Property Documents so furnished and any and all claims arising out of any duty of Seller to provide Buyer with any updates or changes to the Property Documents. If this Agreement is terminated or cancelled for any reason, all of the Property Documents, as well as all copies made by Buyer or any of its legal counsel, lender, equity investors, consultants and agents and all notes or other tangible or intangible records relating thereto shall be returned to Seller. This Section shall survive the termination or cancellation of this Agreement.

(b) Right of Inspection. Buyer shall have a limited license to examine the Property Documents and make a physical inspection of the Property during the Feasibility Period, so long as this Agreement has not been terminated. In this regard, Buyer and its authorized employees, agents, contractors and representatives (collectively, "Buyer Representatives") shall be entitled to enter upon the Property during normal business hours and upon not less than one (1) business days' notice to Seller or its designated agents (which may be delivered via email) for the purpose of conducting such non-invasive tests, studies, audits and investigations of the Property as Buyer may reasonably desire (collectively, "Inspections"). Buyer shall pay all costs and expenses of all Inspections. Notwithstanding anything herein to the contrary, Buyer shall not perform soil tests, asbestos or lead tests, or perform tests of a similarly intrusive nature without the prior written consent of Seller, such consent not to be unreasonably withheld.

5. Project Development.

(a) Generally. Commencing the Effective Date, Buyer shall, proceeding with all reasonable diligence, use commercially reasonable efforts to obtain all governmental land use approvals and entitlements necessary to develop the Project (the "Project Approvals"). The Project Approvals shall include all land use approvals, entitlements, zoning designations, and platting, required for the development and construction of the Project.

(b) Project Plans. Buyer will keep Seller reasonably informed about Buyer's progress in obtaining the Project Approvals, including providing Seller periodic email updates and presentations, at intervals reasonably requested by Seller.

(c) Project Financing. Commencing no later than promptly following the Effective Date, Buyer shall, proceeding with all reasonable diligence, use commercially reasonable efforts to evaluate, pursue, apply for, and secure all the Project Financing necessary for the acquisition, and construction of the Project.

6. Closing.

(a) Closing Date.

(i) Closing Date. The closing of the purchase and sale of the Property contemplated by this Agreement (the "Closing") will occur on a date that is 10 days after the earlier to occur of (i) the expiration of the Feasibility Period or (ii) Buyer's earlier waiver of Buyer's Feasibility Condition. Buyer may accelerate the Closing by providing Seller at least 10 days' prior notice of Buyer's desired earlier Closing Date.

(b) Seller's Closing Deliveries. At Closing (except as expressly provided below), Seller shall execute and/or deliver to Buyer the following:

(i) Deed. A special warranty deed (a "Deed") conveying fee simple title to the Property to Buyer, free and clear of all encumbrances, except the Permitted Encumbrances.

(ii) Seller Authority Documents. A written resolution or other authorization from Seller, authorizing and approving Seller to complete the Closing.

(iii) Seller's Affidavit. An affidavit by seller indicating that on the Closing Date there are no outstanding, unsatisfied judgments, tax liens, or bankruptcies against or involving Seller or the applicable portion of the Property; that there has been no skill, labor, or material furnished to the applicable portion of the Property for which payment has not been made or for which mechanics' liens could be filed; and that there are no unrecorded interests in the applicable portion of the Property.

(iv) FIRPTA Affidavit. A non-foreign affidavit, properly executed and in recordable form, containing such information as is required by Internal Revenue Code Section 1445(b)(2) and its regulations.

(v) IRS Reporting Form. The appropriate federal income tax reporting form, if any is required.

(vi) Settlement Statement. A Closing settlement statement reflecting the financial provisions of the Closing, consistent with the provisions of this Agreement ("Settlement Statement").

(vii) Possession. Exclusive possession of the Property to Buyer, subject only to the Permitted Encumbrances.

(viii) Representations. A certificate by Seller that all representations and warranties are true and correct as of the Closing Date.

(ix) Other Documents. Such other documents as may be reasonably required to consummate the sale and purchase contemplated hereby, which are not inconsistent with this Agreement.

(c) Buyer's Closing Deliveries. At each Closing (except as expressly provided below), Buyer will execute and/or deliver to Seller the following:

(i) Purchase Price. The Series B Project Bonds and [cash] in an aggregate amount equal to the Purchase Price.

(ii) Settlement Statement. Buyer's counterpart to the Settlement Statement.

(iii) Other Documents. Such other documents as may be reasonably required to consummate the sale and purchase contemplated hereby, which are not inconsistent with this Agreement.

(d) Prorations; Expenses. Seller and Buyer shall make the following prorations and allocations of taxes, assessments, rents, costs, and other expenses at each Closing:

(i) Title Insurance and Closing Fee. Buyer will pay all reasonable and customary closing fees or charges imposed by the Title Company. Buyer shall pay all costs of the Title Commitment (as defined below) and Buyer shall pay the premium costs for any Owner's or Lender's Title Policies it desires and any endorsements thereto.

(ii) Transfer Tax. Buyer shall pay all state deed transfer taxes due on each Deed to be delivered by Seller under this Agreement. Buyer shall pay all mortgage registration, recordation costs, or similar taxes payable in connection with Buyer's financing.

(iii) Recording Costs. Buyer shall pay the cost of recording any necessary documents to place record title in Seller in the condition required by this Agreement, including without limitation, the cost of recording the satisfaction of any existing Seller mortgage and any other document necessary to cure any Cure Items, if any. Buyer will pay the cost of recording the Deed and any instruments required in connection with the Project.

(iv) Real Estate Taxes and Special Assessments. All real estate taxes (based on the most recent assessed valuation by the Grayson County Appraisal District and the current tax rates of the applicable taxing authorities) and special assessments with respect to the applicable portion of the Property shall be prorated as of the Closing Date with Seller being obligated to pay all such real estate taxes and installments of special assessments due and payable with respect to the applicable portion of the Property to the Closing Date and any period prior to the Closing Date, and Buyer being obligated to pay any such real estate taxes and installments of special assessments due and payable with respect to the applicable portion of the Property after the Closing Date and through all subsequent periods. Seller warrants that there are no Rollback taxes due on the property.

(v) Income and Expenses. All income and expenses relating to or deriving from the applicable portion of the Property, if any, shall be prorated on a daily basis as of the Closing Date, including rental income, operating expenses, and utility charges, if any.

(vi) Proration Method. Unless otherwise stated herein, Buyer's and Seller's respective proration obligations shall be determined as follows, respectively, with respect: (i) Seller pays that part of expenses that have accrued on or before the Closing Date, (ii) Buyer pays that part of expenses that accrue after the Closing Date, (iii) Seller is entitled to that part of rental and other income that has accrued on or before the Closing Date, and (iv) Buyer is entitled to that part of rental and other income that accrues after the Closing Date.

(vii) Attorneys' Fees. Each of Seller and Buyer shall pay its own attorneys' fees in connection with the preparation and negotiation of this Agreement and each Closing. Additionally, Buyer shall pay Seller's attorney's fees related to sale of the Property pursuant to this Agreement not to exceed $15,000.

(viii) Survival. The provisions of this Section 6 shall survive each Closing and shall not merge with the delivery of either Deed.

7. Title Matters. Title examination shall be conducted as follows:

(a) Seller's Title Evidence. No later than 7 business days after the Effective Date, Seller shall furnish Buyer with a commitment ("Title Commitment") for a TLTA Owner's Policy of Title Insurance ("Title Policy") committing to insure title to the Property in Buyer, subject only to the Permitted Encumbrances, in the amount of the Purchase Price and issued by the Title Company. As part of the Property Documents, Seller will deliver to Buyer a copy of Seller's most recent land survey of the Property, if any. At Buyer's sole cost, Buyer may obtain an updated land survey of the Property (the "Survey") and Seller will reasonably cooperate with the same, at no cost to Seller.

(b) Buyer's Objections. Within 5 business days after receiving the Title Commitment and the Survey, Buyer shall notify Seller in writing of any matters which render title in Seller as being unmarketable ("Objections"). Buyer's failure to make Objections within the applicable time period will constitute a waiver of Buyer's right to make Objections. Any item disclosed by the Title Commitment and/or the Survey and not objected to by Buyer shall be a "Permitted Encumbrance" hereunder.

(c) Cure Period. Seller shall advise Buyer in writing ("Cure Notice"), within 7 days after Buyer delivers written notice of any Objections, which (if any) of the Objections Seller is willing to cure (the "Cure Items"). Seller's failure to deliver a Cure Notice will be deemed Seller's election not to undertake any Cure Items. Seller will have until the date that is five (5) days before the Closing (the "Cure Period") to use commercially reasonable efforts to attempt to cure the Cure Items, if any, in Seller's sole discretion; provided, however, that Seller may pay monetary liens described in Section 8(e) out of proceeds from Closing on the Closing Date if they are not satisfied prior thereto or assumed by Buyer in accordance with this Agreement, and Seller shall otherwise have no obligation to cure any Objections except as provided in said Section 8(e). If Seller elects (or is deemed to have elected) not to undertake any Cure Items or the Cure Items are not cured within the Cure Period, Buyer may elect any of the following options by providing written notice thereof to Seller and to the Title Company:

(i) Terminate this Agreement within five (5) business days after the expiration of the Cure Period by written notice of such termination to Seller and upon receipt of such notice from Buyer, this Agreement shall automatically terminate and neither Seller nor Buyer shall have any further rights or obligations under this Agreement (except for any obligations that expressly survive the termination of this Agreement), and, if applicable, the Title Company shall promptly return the Earnest Money to Buyer; or

(ii) Waive the Objections and close the transaction contemplated by this Agreement as if such Objections had not been made, and the title matters related to such Objections will be deemed Permitted Encumbrances.

(d) New Title Matters. If any matters affecting title to the Property are discovered by or reported to Buyer on or prior to the corresponding Closing Date which are not shown on the Title Commitment or the Survey, or which were created or came into existence on or after the date of delivery of the Title Commitment, Buyer shall notify Seller in writing of any additional Objections to such title matters as soon as reasonably possible. Any such new Objection shall be addressed in the manner set forth in Section 7(c).

(e) Satisfaction of Seller Liens. Notwithstanding anything in this Agreement to the contrary, any monetary liens of a definite and ascertainable amount, whether voluntary or involuntary (such as judgments, mechanic or mortgage liens) created, assumed or otherwise caused

by Seller will be paid or otherwise satisfied by Seller on or before the Closing and such items shall not be Permitted Encumbrances hereunder.

8. Operation Prior to Closing. From the Effective Date until the Closing or earlier termination of this Agreement, Seller shall conduct the business of the Property in the ordinary course, and will not: (a) transfer or convey any fee interest to the Property, or enter into any agreement to do so; (b) create or agree to any lease, easements, liens, mortgages, encumbrances or other interests that would affect Seller's ability to comply with this Agreement; and/or (c) fail to maintain and repair the Property in at least the manner that Seller has done previously in all material respects.

9. Representations and Warranties.

(a) Seller's Representations and Warranties.

(i) Organization. Seller is a Texas limited liability company, validly existing and in good standing under the laws of the state of Texas.

(ii) Authority. Seller has the full power and authority to execute and deliver and fully perform its obligations under this Agreement, and this Agreement constitutes a valid and legally binding obligation of Seller, enforceable in accordance with its terms.

(iii) Insolvency. Seller has not either filed or been the subject of any filing of a petition under the federal bankruptcy law or any federal or state insolvency laws or laws for composition of indebtedness or for the reorganization of debtors.

(iv) Litigation. There is no current litigation against Seller relating to the Property or otherwise involving Seller's interest in the Property and, to Seller's knowledge, Seller has not received written notice of any pending or threatened litigation against Seller relating to the Property or otherwise involving Seller's interest in the Property.

(v) Contracts. Except this Agreement and except as may be shown in the real estate records of the Property as of the Effective Date, there are no purchase agreements, rights of first refusal, options to purchase, leases, occupancy or operating agreements in effect with respect to the Property.

(vi) Anti-Terrorism Laws. Seller is not (A) listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury, or (B) a person or entity with whom Buyer is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law, or (C) a person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined or used in the Anti-Terrorism Laws. The "Anti-Terrorism Laws" are Executive Order No. 13224, 66 Fed. Reg. 49079 (published September 25, 2001) and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended.

(vii) FIRPTA. Seller is not a "foreign person" as that term is defined in the Federal Foreign Investment in Real Property Tax Act of 1980 or the 1984 Tax Reform Act, as amended.

All of the representations or warranties in this Section 9(a) shall be remade as of the Closing. If, after the Effective Date but on or prior to the Closing, a material and adverse change occurs to any

of the above representations or warranties so that such is no longer accurate or true, the party obtaining knowledge of such change shall promptly notify the other party in writing of the change. Under said circumstances, Seller shall have 10 business days to cure after notice from Buyer, then Buyer may terminate this Agreement without further liability by giving written notice to Seller, in which event the Earnest Money, if any, shall be returned to Buyer, and, if such material and adverse change to any of the above representations or warranties is the result of Seller's actions or failure to act, Buyer shall have the remedies described in Section 14(b). Notwithstanding anything to the contrary contained in this Agreement, Seller shall have no liability for any change caused by Buyer to any of the above representations or warranties, and Buyer shall have no right to terminate this Agreement or otherwise exercise any remedies hereunder because of such change.

(b) Buyer's Representations and Warranties.

(i) Organization. Buyer is a non-profit limited liability company, duly organized, validly existing and in good standing under the laws of the state of Arizona.

(ii) Authority. Buyer has the power and authority to execute this Agreement; that the execution, delivery, and performance by Buyer hereunder do not conflict with or violate Buyer's organizational documents or any judgment, order or decree of any court or arbiter or any agreement by which Buyer is bound.

(iii) Insolvency. Buyer has not either filed or been the subject to any filing of a petition under the Federal Bankruptcy Law or any federal or state insolvency laws or laws for composition of indebtedness or for the reorganization of debtors.

(iv) Anti-Terrorism Laws. Neither Buyer nor any of its affiliated entities is in violation of any Anti-Terrorism Laws, including the Executive Order, and the PATRIOT Act. Neither Buyer, nor, to the knowledge of Buyer, any of its brokers or other agents acting in any capacity in connection with the purchase of the Premises: (i) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order; or (ii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

The representations and warranties of Buyer contained within this Section 9(b) shall survive for a period of twelve (12) months after the date of the Closing and delivery of the Deed.

(c) Sale "As Is"; No Representations or Warranties. EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES MADE IN THIS AGREEMENT, THE SALE OF THE PROPERTY FROM SELLER TO BUYER IS IN ITS "AS IS", "WHERE IS" AND "WITH ALL FAULTS" CONDITION, WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED OR OTHERWISE, WRITTEN OR ORAL, BY THE SELLER, ANY AGENT OR BROKER OF SELLER, OR THEIR RESPECTIVE OFFICERS, EMPLOYEES OR AGENTS, INCLUDING WITHOUT LIMITATION ITS MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. FURTHER, WITHOUT LIMITATION, SELLER MAKES NO AND DISCLAIMS ANY REPRESENTATION OR WARRANTY AS TO (A) ITS MERCHANTABILITY, (B) ITS FITNESS FOR A PARTICULAR PURPOSE, (C) ITS COMPLIANCE WITH THE AMERICAN WITH DISABILITIES ACT, ZONING OR USE LAWS, OR OTHER LAWS OR ORDINANCES; (D) ITS PAST, CURRENT, OR FUTURE VALUE OR FINANCIAL PERFORMANCE; (E) ITS PHYSICAL CONDITION OR STATE OF REPAIR; (F) ITS SOIL OR WHETHER ANYTHING

CAN BE BUILT ON IT; (G) AVAILABILITY OF PERMITS, APPROVALS, OR RESOURCES TO DEVELOP.

(d) Assumption of Risk. Buyer has had an opportunity to inspect and investigate the Property, and Buyer knowingly assumes all risks of and responsibilities from any defects to and conditions of the Property, including any defects and conditions that cannot be observed by casual inspection.

10. Damage. If, prior to either Closing Date, all or any part of the applicable portion of the Property is damaged by fire, other casualty, the elements or any other cause, Seller shall give Buyer notice to Buyer of such fact, and Seller shall, at Seller's option and sole cost and expense, either: (a) cause such improvements to be repaired, reconstructed, and restored to the extent elected by Seller; or (b) raze the remainder of such building and improvements, remove all debris from the Property, and leave the Property with a reasonably level surface in the area of such removal, in either case, in accordance with applicable law. Neither party shall have the right to terminate this Agreement nor delay Closing in the event of such damage or destruction, and any such damage or destruction shall not cause or be deemed to cause a reduction in the Purchase Price. For avoidance of doubt, in no event shall Seller be obligated to remove any stock piles of material existing on the Property as of the Effective Date.

11. Condemnation. If, prior to the either Closing Date, any governmental entity commences any eminent domain proceedings ("Proceedings") against all or any part of the corresponding Property, Seller shall immediately give notice to Buyer of such fact, and, at Buyer's option (to be exercised by notice to Seller and the Title Company within 10 days after Seller's notice), this Agreement shall terminate. Upon Buyer's election and notice to terminate pursuant to this Section 11, neither Seller nor Buyer shall have any further rights or obligations under this Agreement, except for covenants and obligations that expressly survive the termination of this Agreement. If Buyer does not give such notice, then there shall be no reduction in the Purchase Price, and Seller shall assign to Buyer at such Closing all of Seller's right, title, and interest in and to any award made or to be made in the Proceedings. Prior to such Closing Date, Seller shall not designate counsel, appear in, or otherwise act with respect to the Proceedings without Buyer's prior written consent.

12. Assignment. Buyer shall not assign this Agreement without the prior written consent of Seller, which consent shall not be unreasonably denied, conditioned, or delayed. Notwithstanding the forgoing, Buyer may assign this Agreement without Seller's prior written consent if (a) the proposed assignee is an entity controlling, controlled by, or under common control with Buyer; (b) such entity assumes Buyer's obligations hereunder; (c) notwithstanding such assumption, Buyer is not released from its obligations under this Agreement, and (d) Seller is provided with a copy of the fully-executed assignment and assumption agreement.

13. Notices. All notices, requests, demands and other communications with respect to this Agreement shall be in writing, shall be delivered personally, sent by registered or certified mail, return receipt requested, or nationally recognized overnight courier (e.g., FedEx), or delivered via email, in each case, at the following address or email address:

If to Seller: Heritage Development Partners LLC
c/o Richard Jelsma, M.D.
204 Medical Drive, Suite 100
Sherman, TX 75092

and

Hunter Richmond, M.D.
204 Medical Drive, Suite 200
Sherman, TX 75092

With copy to: William J. Harkinson
Harkinson Investment Corporation
4560 Belt Line Road, Suite 400
Addison, Texas 75001
jharkinson@harkcorp.com
972-934-8414

And a copy to: Addison Wilson III
3838 Oak Lawn Ave., Suite 810
Dallas, Texas 75219
214-521-1122
awilson@dfwlawoffice.org

If to Buyer: CFP Sherman Hospital, LLC
601 Carlson Parkway, Suite 1050
Minnetonka, Minnesota 55305

With copy to: Dorsey & Whitney LLP
300 Crescent Court, Suite 400
Dallas, TX 75201
Attn: Steven R. Smith

and

Best & Flanagan LLP
60 South Sixth Street, Suite 2708
Minneapolis, Minnesota 55402
Attn: Daniel R. Nelson

If to Title Company: Chicago Title Company, 3100 Monticello, Suite 800, Dallas, TX 75205, Attn: Kristi Covey

Notice shall be effective, and the time for response to any notice by the other party shall commence to run, one business day after any such deposit if by overnight courier, or three days if by U.S. mail, or upon receipt by the recipient if delivered by hand or by email. Notices may be given by and/or to counsel for the parties. Either Seller or Buyer may change its address for the service of notice by giving notice of such change to the other party, in any manner above specified and such change shall be effective upon receipt of such notice.

14. Remedies.

(a) If Buyer defaults in performance of its obligations under this Agreement, Seller shall have the right to terminate this Agreement by written notice to Buyer. Such termination of this Agreement will be the only remedy available to Seller for such default by Buyer, and Buyer will not be liable for damages or specific performance. Seller and Buyer acknowledge the difficulty and inconvenience of ascertaining Seller's actual damages in the event of Buyer's default and agree

that the Earnest Money, if any, is a fair and reasonable estimate of such damages. Notwithstanding anything in this Section to the contrary, Seller and Buyer agree that this liquidated damages provision is not intended and should not be deemed or construed to limit in any way Buyer's indemnity obligations under this Agreement.

(b) If Seller fails to perform any of the material covenants and agreements contained herein to be performed by Seller within the time for performance as specified herein and such failure continues for a period of 10 days after written notice from Buyer, or if such failure reasonably requires more than 10 days to cure, such additional period of time Seller reasonably requires to cure such failure, provided Seller promptly commences its cure upon receipt of Seller notice and with due diligence is thereafter continuously prosecuting such cure to completion, then Buyer may elect either to: (i) terminate this Agreement by giving 10 days written notice to Seller with a copy to the Title Company, and if Seller has not cured such default within such 10 day period, shall be returned immediately to Buyer by the Title Company pursuant to this Agreement; or (ii) bring an action against Seller for specific performance provided that such action is commenced within 60 days of the event or condition giving rise to such action. The remedies herein for a breach prior to a Closing shall be the only remedies available to Buyer.

(c) Neither party to this Agreement is liable to the other for any consequential, special or punitive damages under this Agreement, including, without limitation, lost profits.

(d) The provisions of this Section 14 shall survive any termination of this Agreement and each Closing.

15. Broker's Commission. Seller has retained Harkinson Investment Corporation as its broker ("Broker"). Seller and Buyer consent to Broker serving as an Intermediary in this transaction and Buyer and Seller agree that the Broker shall be paid a real estate sales commission equal to four percent (4%) of the Purchase Price upon the closing and funding of the sale which will be paid by Buyer in Series B Project Bonds in such amount issued on the Closing Date. Any uneven amount may be paid in cash. Buyer and Seller hereby warrant that no other broker or finder has been involved in this transaction nor is owed a real estate commission or fee, and each agrees to indemnify the other against such claims or assertions.

16. Miscellaneous.

(a) Confidentiality. Buyer and Seller agree that all of the terms, conditions and provisions of this Agreement, as well as the existence of this Agreement and the information provided to Buyer in the Property Documents, shall be held in strict confidence; provided, however, Buyer and Seller shall each have the right to disclose such information on a need-to-know basis to Buyer's or Seller's officers, directors, managers, lenders, investors, attorneys, consultants and agents which have been engaged by Buyer or Seller to assist with the evaluations of the terms, conditions and provisions contemplated under this Agreement or to any governmental or other persons as may be required by law. Further, Seller agrees that it will not make a public announcement of any transaction contemplated hereby or the terms hereof without the prior written consent of Buyer. The provisions of this Section shall survive the termination of this Agreement and shall survive each Closing.

(b) Amendment. This Agreement cannot be modified except by a written instrument signed by the parties.

(c) Severability. If any provisions of this Agreement shall be determined to be illegal or unenforceable, such determination shall not affect any other provisions of this Agreement, and all other provisions shall remain in full force and effect.

(d) Waivers. A waiver by any party of a performance obligation or default under any provision of this Agreement shall not be deemed (i) a waiver of a further obligation or default under the same provision or (ii) a waiver of an obligation or default under any other provision.

(e) Entire Agreement. This Agreement and the exhibits attached hereto sets forth fully and completely the agreement between the parties in connection with this transaction, there are no written or oral agreements between the parties relating to this transaction that are not expressly set forth herein and this Agreement supersedes all prior oral or written agreements relating to this transaction.

(f) Further Instruments. Each party, promptly upon the request of the other, shall execute and have acknowledged and delivered to the other or to Title Company, as may be appropriate, any and all further instruments reasonably requested or appropriate to evidence or give effect to the provisions of this Agreement and which are consistent with the provisions of this Agreement. In the event this Agreement is terminated for any reason whatsoever without the consummation of the transaction contemplated hereby, Buyer shall execute and deliver to Seller, in recordable form, a quit claim deed conveying Buyer's equitable interest, if any, in the Property to Seller, which quit claim deed shall be executed and delivered within three (3) days after termination of this Agreement.

(g) Beneficiaries. This Agreement shall be binding upon and shall inure to the benefit of Seller and Buyer and their respective heirs, personal representatives, successors, assigns and transferees. This Agreement confers no rights or remedies on any third party.

(h) Construction. Any list of examples set forth in this Agreement shall be deemed to be illustrative, not exhaustive, unless explicitly specified otherwise. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa. The use of the neuter singular pronoun to refer to any party shall be a proper reference even though that party may be an individual, a business entity, or a group of two or more individuals or business entities. All attachments, exhibits, and schedules referenced within the Agreement shall be deemed incorporated in the Agreement by such reference.

(i) Time of Essence. Time is of the essence of this Agreement.

(j) Calculation of Time Periods. Except as specifically set forth in this Agreement, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is on a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next business day; provided, however, in all events each Closing Date shall be extended such that it is the second business day after a non-business day. As used herein, the term "business day" means any day which is not a Saturday, Sunday or legal holiday. As used herein, the term "legal holiday" means any state or federal holiday for which financial institutions or post offices are generally closed in the state where the Property is located. Unless specifically stated otherwise, all references to durations stated in "days" shall mean calendar days.

(k) Governing Law. This Agreement shall be governed and construed in accordance with the substantive and procedural laws of the state of Texas without regard to conflict of law principles. Any suit arising from or relating to this Agreement must be brought in the federal court in the Eastern District of Texas and Buyer and Seller hereby waive the right to bring suit elsewhere.

(l) WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HEREBY AGREES TO, AND DOES, WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, ANY DOCUMENT OR ANY INSTRUMENT RELATING TO SAID TRANSACTIONS, THE PROPERTY OR ANY DEALINGS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT.

(m) Attorneys' Fees. If either Seller or Buyer files any action or brings any proceeding against the other arising out of this Agreement, or is made a party to any action or proceeding brought by a third party arising out of this Agreement without fault of the defending party, then as between Seller and Buyer, the prevailing party shall be entitled to recover from the non-prevailing party all costs incurred in connection therewith including, without limitation, reasonable attorneys' fees and all costs of appeal including, without limitation, reasonable attorneys' fees incurred on appeal. This provision shall survive each Closing or termination hereof.

(n) Equal Participation. Seller and Buyer have participated equally in the preparation of this Agreement, and, therefore, this Agreement shall not be construed in favor of or against any party to this Agreement.

(o) Headings. The titles and headings in this Agreement are provided as a matter of convenience only and shall not be understood to define, limit, construe, or describe the scope or intent of any provision of this Agreement.

(p) Recording. Neither party shall record this Agreement without the prior written consent of the other party.

(q) Counterparts; Electronic Execution and/or Delivery. This Agreement may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same instrument. Executed copies of this Agreement may be delivered between the parties via electronic means including facsimile and/or electronic mail. The parties intend that this Agreement may be executed by either or both of the parties by means of the affixing of a digital signature or by other electronic means, in accordance with the Uniform Electronic Transactions Act, as the same may have been adopted by the State in which the Property is located. Seller and Buyer: (i) intend to be bound by the signatures (whether original or electronic) on any document sent by electronic mail, (ii) are aware that the other party will rely on such signatures, and (iii) hereby waive any defenses to the enforcement of the terms of this Agreement based on the foregoing forms of signature.

(r) Non-recourse Obligations of Buyer. Seller acknowledges and agrees that Buyer is a limited liability company formed for the sole purpose of assisting in the design, development, and financing of the Project for the benefit of the City of Sherman, Texas and that Buyer will have no funds or assets other than its interests in the Project. Notwithstanding anything to the contrary stated herein, Seller agrees that, for the payment or performance of the Buyer's obligations and duties under this Agreement, the Seller will look solely to (i) the Earnest Money, if any, pursuant to Section 14(a) of this Agreement; and, (ii) Buyer's interests in the Project, and no other assets of

the Buyer, its sole member, or any other person or entity shall be subject to levy, execution or other enforcement remedies of the Seller, or for the performance or payment of any amounts due or payable under this Agreement.

[Remainder of Page Intentionally Left Blank. Signature Pages Follows]

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

SELLER:

HERITAGE DEVELOPMENT PARTNERS LLC,
a Texas limited liability company

By: _____

Name: Hunter Richmond

Its: _____

Date: March 3, 2022

BUYER:

CFP SHERMAN HOSPITAL, LLC,
an Arizona limited liability company

By: _____

Name: STEVE COLLINS

Its: PRESIDENT

Date: 3/4, 2022

BROKER:

HARKINSON INVESTMENT CORPORATION, a Texas Corporation

By: _____

Name: William J. Harkinson, President

Date: March 2, 2022

[Signature Page to Real Estate Purchase Agreement]

4859-0025-2685\4

Exhibit A

Legal Description of the Parcel

4859-0025-2685\4

[Exhibit A to Real Estate Purchase Agreement]

Exhibit B

Property Documents

Seller shall provide the following documents to the extent existing and in Seller's possession:

1. Seller's existing title insurance commitment or policy with respect to the Property.
2. Seller's existing survey of the Property.
3. Any environmental reports for the Property.
4. Current tax statements/bills for the Property.

Exhibit B-1

Predevelopment Budget

October 1, 2020 - May 31, 2022			
Design Fees	**CASH**	**IN-KIND**	**TOTAL**
Architect Pricing Package	$100,000	$925,000	1,025,000
General Contractor Fee	$0	$250,000	250,000
Soils Enginnering	$0	$0	-
Enviromental	$0	$0	-
Geotech, etc.	$50,000	$0	50,000
Seismic	$0	$0	-
Design Fee Contingency	$70,000	$0	70,000
Other Soft Costs	**CASH**	**IN-KIND**	**TOTAL**
Operator Design Review	$0	$100,000	100,000
Feasibility Study	$250,000	$0	250,000
Economic Impact Study	$25,000	$0	25,000
Legal, Accounting and Tax	$250,000	$0	250,000
Construction Monitor	$50,000	$0	50,000
City Fees/Taps	$0	$0	-
Insurance	$30,000	$0	30,000
Owner Rep / Project Manager	$450,000	$540,000	990,000
Project Coordinator	$0	$100,000	100,000
Soft Costs Contingency (10%)	$200,000	$0	200,000
Totals	**$1,475,000**	**$1,915,000**	**$3,390,000**

Exhibit B-2

Estimated Predevelopment In-Kind and Cash Contributions

October 1, 2020 - May 31, 2022	
Pre-Development Loan - Cash Contributors	**Amount**
City of Sherman	737,500
Adolfson & Peterson	245,833
Sherman Hospital Management Company, LLC	100,000
Crossroads	245,833
Ivy Hotel Group	145,833
Totals	**$1,475,000**

October 1, 2020 - May 31, 2022	
Pre-Development Loan - In-Kind Contributors	**Amount**
Architect	925,000
General Contractor	250,000
Operator	100,000
Owner Rep / Project Manager	540,000
Development Consultant	100,000
Totals	**$1,915,000**

Exhibit C

RESERVED

Proposed as of 07/07/2022

SECOND AMENDED AND RESTATED MASTER DEVELOPMENT AGREEMENT

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This Second Amended and Restated Master Development Agreement (hereinafter referred to as the "Agreement") by and among the **CITY OF SHERMAN, TEXAS**, a Texas municipality (hereinafter referred to as the "City"), **CROSSROADS HOSPITAL DEVELOPMENT LLC** a Texas limited liability company (hereinafter referred to as "Crossroads," and as the "Development Consultant" as the term "Development Consultant" is further described and defined below), **IVY P3 GROUP f/k/a IVY HOTEL GROUP, LLC**, a Texas limited liability company (hereinafter referred to as "Ivy," and as the "Project Manager" (as the term "Project Manager" is defined below), and **CFP SHERMAN HOSPITAL, LLC**, an Arizona ~~nonprofit~~ limited liability company whose sole member is Community Facility Public Private Partnerships, a Minnesota nonprofit corporation and a tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code, together with its successors and assigns (hereinafter referred to as the "Nonprofit" (as the term "Nonprofit" is defined below), is made and entered into as of the Executive Date (as defined below) and executed on the following recitals, terms, and conditions.

RECITALS:

WHEREAS, Project Manager desires to facilitate the development, design, and construction of an estimated 80-bed acute care hospital and appropriate site amenities supporting the same within the City of Sherman, Texas in close proximity to the "Crossroads" development area therein, which such hospital and amenities will benefit the City through service to its residents (the "Project");

WHEREAS, the City, Development Consultant, and the Nonprofit desire to participate with Project Manager in the development, design, and construction of the Project in the manner set forth in this Agreement;

WHEREAS, the City, CFP Sherman, LLC, Development Consultant and Ivy had entered into a Master Development Agreement, approved by the City on or about January 4, 2021, with respect to the Project (the "Original Master Development Agreement");

WHEREAS, ~~on or about [DATE], CFP Sherman, LLC has~~contemporaneous with the amendment and restatement of the Original Master Development Agreement as described below, CFP Sherman, LLC assigned its interests and obligations under the Original Master Development Agreement to the Nonprofit, and the Nonprofit has assumed the interests and obligations of CFP Sherman, LLC under the Original Master Development Agreement, per and pursuant to that certain Assignment and Assumption Agreement, dated ~~[DATE],~~contemporaneous with the Amended and Restated Master Development Agreement referenced below, by and between CFP Sherman, LLC, as assignor, to CFP Sherman Hospital, LLC, as assignee;

WHEREAS, the parties to the Original Master Development Agreement amended and restated such Original Master Development Agreement pursuant to the terms and conditions as set forth in the Amended and Restated Master Development Agreement as approved by the City on March 21, 2022;

WHEREAS, the parties to the Amended and Restated Master Development Agreement now desire to amend and restate such ~~Original~~Amended and Restated Master Development Agreement pursuant to the terms and conditions as set forth herein this Agreement;

WHEREAS, the Nonprofit is a qualified nonprofit corporation that is exempt from the payment of federal income tax under Section 501(a) of the Internal Revenue Code as an entity created under Section 501(c)(3) of the Internal Revenue Code that the City has selected to assist the City in fulfilling its governmental burdens by developing, owning, financing, and operating the Project;

WHEREAS, one of the charitable purposes of the Nonprofit is to **lessen the burdens of government**, which charitable purpose may be accomplished through various means, including without limitation, the development, construction, acquisition, ownership, management, maintenance, operation and disposition of public health facilities, public health buildings, public works and infrastructure projects of various types including, but not limited to, the Project, as well as the provision of services and financial assistance and the performance of activities that enable state and local government to proficiently carry out its functions and responsibilities to its citizens;

WHEREAS, the Nonprofit shall hereby engage Project Manager to assist the Nonprofit with respect to the development, design, and construction within the City of Sherman, Texas, the Project, and to provide certain financial assistance to Project Manager as set forth herein;

WHEREAS, the Nonprofit and Project Manager shall hereby engage the Development Consultant to provide its expertise and experience in consulting on projects similar in size, type, nature, and complexity as the Project,

WHEREAS, the City has concluded and finds that this Agreement and the Project described herein will be in the best interests of the residents of the City;

WHEREAS, Project Manager, the Nonprofit and the City acknowledge that, at the time of this Agreement, the specific details of the Project are under review and will be decided and agreed upon by the parties hereto, to be memorialized in an amendment or amendments to this Agreement prior to commencing construction; and

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, Development Consultant ~~and,~~ Project Manager and the Nonprofit, amend, restate and agree as follows:

Section 1. Findings Incorporated.

The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the parties.

Section 2. Term.

(a) **Term.** This Agreement shall be effective as of the Effective Date, as defined herein, and shall continue thereafter until a period of 6 months from the date the final Certificate of

Occupancy (the "CO") is issued for the Project, unless terminated sooner under the provisions hereof. Any payment due Project Manager beyond the term outlined above shall survive the Term of this Agreement.

Section 3. Definitions.

The following words shall have the following meanings when used in this Agreement:

(a) **Agreement.** The word "Agreement" means this Second Amended and Restated Master Development Agreement, together with all exhibits and schedules attached to this Second Amended and Restated Master Development Agreement, from time to time, if any, as the same may be amended from time to time.

(b) **City.** The word "City" means the City of Sherman, Texas, a Texas municipality, whose address for purposes of this Agreement is 220 W. Mulberry Street, Sherman, Texas 75090.

(c) **City Council.** The words "City Council" means the council of the City of Sherman, Texas.

(d) **City Manager**. The words "City Manager" means the Office of the City Manager of the City of Sherman, Texas.

(e) **Development Consultant.** The word "Development Consultant" initially means Crossroads who will provide development consulting services on behalf of the Project.

(f) **Effective Date.** The words "Effective Date" mean the date of the latter to execute this Agreement by and between the Development Consultant, Project Manager and the City.

(g) **Eligible Costs.** The words "Eligible Costs" mean cost incurred by the Development Consultant and Project Manager with regard to the Project eligible for advancement by the City under the Predevelopment Loan.

(h) **Event of Default.** The words "Event of Default" mean and include any of the Events of Default set forth below in the section entitled "Events of Default."

(i) **Nonprofit.** The words "Nonprofit" mean CFP Sherman Hospital, LLC, an Arizona ~~nonprofit~~ limited liability company whose sole member is Community Facility Public Private Partnerships, a Minnesota nonprofit corporation and a tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code, together with its successors and assigns, selected by the City to assist the City by lessening its burdens of government.

(j) **Predevelopment Loan.** The words "Predevelopment Loan" mean a temporary loan from the participants thereto and other service providers to the Project identified therein of up to Three Million Three Hundred Ninety Thousand Dollars

($3,390,000.00) plus interest calculated at the loan closing for the Project to cover the anticipated expenses set forth in the predevelopment budget set forth in ***Exhibit B-1***, attached hereto, to be incurred by Development Consultant and Project Manager, as well as the sums and forms of cash and in-kind contributions set forth in ***Exhibit B-2***, attached hereto, and containing the terms set forth therein.

(k) **Project.** The word "Project" has the meaning given to it in the Preamble of this Agreement and refers to the design, development, construction and operation of an estimated 80-bed acute care hospital and appropriate site amenities servicing the hospital, located in the "Crossroads" development area of the City of Sherman, Texas, as such description of the Project may be further described and defined by Project Manager and the City by amendment to this Agreement.

(l) **Project Bonds.** The words "Project Bonds" have the meaning given to them in Section 8 of this Agreement.

(m) **Project Manager.** The words "Project Manager" initially means Ivy, who will provide project management services on behalf of the Project.

(n) **Property.** The word "Property" means that approximately sixteen and seventy-nine ~~hundreths~~hundredths (16.79) acre tract of land located in the City of Sherman, Texas, as depicted in that certain land survey completed on or about ~~[DATE]~~January 4, 2022 as further described in that certain form of Purchase and Sale Agreement set forth in ***Exhibit A*** of this Agreement, which is attached hereto and is incorporated herein for all purposes.

(o) **State Comptroller.** The words "State Comptroller" mean the Office of the Texas Comptroller of Public Accounts, or any successor agency.

(p) **Term.** The word "Term" means the term of this Agreement as specified in Section 2 of this Agreement.

Section 4. Obligations of the Development Consultant.

During the Term of this Agreement, the Development Consultant covenants and agrees to comply with the terms and conditions set forth in that certain Development Consultant Agreement, by and between the Nonprofit and the Development Consultant, annexed hereto and made a part hereof by reference of which the parties hereto (i) acknowledge is a part of the underlying transaction but currently under development, (ii) agree that the City reserves the right to further review and to provide comment upon its completion, and (iii) agree to use reasonable efforts to timely resolve any concerns raised by the City from its aforesaid review and comment.

Section 5. Obligations of Project Manager

During the Term of this Agreement, Project Manager covenants and agrees to comply with the following terms and conditions:

(a) **Property Acquisition.** Project Manager shall cause the acquisition by the Nonprofit of a fee interest in the Property ~~between~~from the owner of the Property contemporaneous with the closing of the Project Financing as further described and ~~the Nonprofit by no later than **[DATE],**~~set forth in Section 8(a), below**,** in substantial form to the Purchase and Sale Agreement set forth in ***Exhibit A*** to this Agreement.

(b) **Appointment of Project Manager.** The Nonprofit hereby engages Project Manager to be the project manager of the Project to perform project management services as described in this Agreement and that certain Project Management Agreement between Project Manager and the Nonprofit, annexed hereto and made a part hereof by reference ~~of which the parties hereto (i) acknowledge~~, as well as such other project management services typically provided by project managers for projects similar in size, nature, complexity and cost. The parties hereto (i) acknowledge that the Project Management Agreement is a part of the underlying transaction but currently under development, (ii) agree that the City reserves the right to further review and to provide ~~comment upon its completion~~comments to the Project Management Agreement, and (iii) agree to use reasonable efforts to timely resolve any concerns raised by the City arising from its aforesaid review and comments to the Project Management Agreement~~, as well as project management services typically provided by project managers for projects similar in size, nature, complexity and cost.~~. Project Manager hereby accepts such engagement and will use commercially reasonable efforts (but Project Manager shall not be obligated to spend its own funds) to coordinate and manage the development of the Project in an expeditious and economical manner for the ultimate benefit of the City.

(c) **Project Management Services**. Project Manager, in consultation with the City, the Nonprofit, and the Development Consultant, shall initiate, coordinate and administer all planning, development, design and construction activities in connection with the acquisition of the Property, development of the Project and construction of the Project, subject to the terms and conditions of this Agreement. Project Manager's services hereunder shall be rendered in a manner consistent with the level of skill and care ordinarily exercised by project managers developing projects similar in size, nature, complexity and cost in municipal areas similar to where the Property is located. The parties hereto acknowledge that the services and work product provided by consultants, design professionals, and construction professionals retained by the Development Consultant, Project Manager and/or the Nonprofit with respect to the Project as contemplated hereby are the responsibility of such consultants, design professionals and construction professionals, and Project Manager does not warrant or guarantee their respective performances.

(d) **Independent Contractor; Approval and Execution of Contracts**. Project Manager is an independent contractor and not an agent of the City or Development Consultant, and Project Manager shall have no authority to make commitments on behalf of, or to legally bind, the City or the Development Consultant unless expressly authorized or agreed to in writing by the City or the Development Consultant. Except as otherwise expressly provided herein, all contracts relating to

the development, design, engineering and construction of the Project shall be subject to the City's approval and entered into by the Nonprofit or the Development Consultant, and not Project Manager.

(e) **Certificate of Occupancy and Permits for the Project.** Project Manager shall ensure a Certificate of Occupancy is obtained for the Project from the City together will all certifications and permits from applicable state and/or federal agencies to enable the Project to operate as an 80 bed acute care hospital on or about thirty (30) calendar months after the commencement of construction**,** subject to delays due to force majeure as set forth below and herein.

(f) **Operation of the Project.** An operator approved by the City to operate the Project will, within a maximum of sixty (60) calendar days after the aforesaid Certificate of Occupancy for the Project is issued**,** subject to delays due to force majeure as set forth below and herein, open and operate the Project at a level and to the standard commensurate with an acute medical care facility as required by the rules and regulations of the State of Texas.

(g) **Submission of Eligible Costs, Schedule of Work, Activities and Programs.** Project Manager and Development Consultant will submit to the City monthly written draw requests of its Eligible Costs that are advanceable under the Predevelopment Loan~~,~~ Agreement (hereinafter mentioned), accompanied by a schedule of work, activities, programs performed, and task list as applicable. The first written draw request has been submitted to the City on January 31, 2021 for Eligible Costs, and subsequent draw requests have been, and shall continue to be throughout the Term of this Agreement, submitted monthly thereafter. Each request has and shall be submitted by the last day of the month for each month. The City shall have three (3) business days from the last day of the preceding month to review each draw request subject to the procedure set forth in Section 6(a) below. Once the City has approved the draw request, the City and/or the participants to the Predevelopment Loan will advance the approved funds to the CPA (defined below) within ten (10) days of approval thereof; provided, however, any advancement set forth above shall be limited to the funds available under the Predevelopment Loan at the time such draw request is submitted, and the City shall not assume any liability for payment or reimbursement of any Eligible Costs set forth in the draw request that exceeds the funds committed to by the City in the Predevelopment Loan.

(h) **Performance.** Project Manager will perform and comply with all terms, conditions, and provisions set forth in this Agreement and in all other instruments and agreements by and between Project Manager, the Nonprofit, Project Manager and the City.

Section 6. Obligations of the City.

During the Term of this Agreement, the City covenants and agrees to comply with the following terms and conditions:

(a) **Determination of Eligible Costs.** The City and Project Manager shall determine whether the written draw requests and Eligible Costs set forth therein as submitted by Project Manager pursuant to Section ~~4(e~~5(g) of this Agreement are advanceable for disbursement under the Predevelopment Loan Agreement. If Project Manager submits a draw request for advancement of Eligible Costs in any given month, the City shall have ten (10) business days following the end of the preceding month that the draw requests corresponds with to review and approve said draw request. Should the City and/or Project Manager determine an item is not an Eligible Cost under the Predevelopment Loan, this item will be held for appeal with such determination to be made by the City Manager. The City Manager's determination on the matter shall be final. Upon approval of any portion of a draw request, the City Manager, in coordination with Project Manager, shall cause its responsible share of the approved amount of each advance request to be paid to a Certified Public Accountant selected by the City for the Project pursuant to the terms and conditions of the Predevelopment Loan (the "CPA") within ten (10) days after approval thereof~~.~~; provided, however, any such advance shall be limited to the funds available under the Predevelopment Loan Agreement at the time such draw request is submitted, and the City shall not assume any liability for payment or reimbursement of any Eligible Costs set forth in a draw request that exceeds the funds committed to by the City in the Predevelopment Loan.

(b) **Record-Keeping.** If an item is an Eligible Cost under the Predevelopment Loan, then the City Manager, Project Manager and the CPA shall maintain records of each scheduled disbursement or advance.

(c) **Performance.** Provided the Development Consultant and/or Project Manager are not in default hereunder, the City shall perform and comply with all terms, conditions, and provisions set forth in this Agreement and in all other instruments and agreements by and between the Development Consultant, Project Manager, and/or the City.

(d) **Financing Confirmation.** The City will take all reasonable actions that may be required by Project Manager and the Development Consultant in order to complete the financing of the Project, as contemplated among the City, Project Manager and the Development Consultant; including amending this Agreement or entering into other mutually acceptable agreements that may be required by Project Manager and the Development Consultant to complete the financing and ownership contemplated by this Agreement; provided, however, the City shall not incur any liability or any cost in association with funding the Project other than those obligations expressly assumed by the City in the Predevelopment Loan pursuant to the terms and conditions set forth therein.

Section 7. Obligations of the Nonprofit.

During the Term of this Agreement, the Nonprofit, in addition to those obligations set forth herein assigned to the Nonprofit in accordance with the terms hereof, covenants and agrees to comply with the following terms and conditions:

(a) **Financing Confirmation.** The Nonprofit will take all reasonable actions that may be required by Project Manager and the Development Consultant in order to complete the financing of the Project, as contemplated among the City, Project Manager and the Development Consultant; including amending this Agreement or entering into other mutually acceptable agreements that may be required by Project Manager and the Development Consultant to complete the financing and ownership contemplated by this Agreement; provided, however, the Nonprofit shall not be required to take any actions that will cause the City to incur any liability or any cost in association with funding the Project other than those obligations expressly assumed by the City in the Predevelopment Loan pursuant to the terms and conditions set forth therein.

(b) **Performance.** The Nonprofit will perform and comply with all terms, conditions, and provisions set forth in this Agreement and in all other instruments and agreements by and between the Nonprofit, the Development Consultant, Project Manager and the City.

(c) **Assistance with City Obligations.** In conformance with the terms set forth herein, the Nonprofit shall assume certain of the City's obligations set forth herein upon the prior approval of the City, and shall otherwise assist the City in lessening its burdens of government by acting for the benefit of the City. The foregoing shall include, without limitation, the Nonprofit's oversight of the Project on the City's behalf as set forth in Section 8(b) below.

Section 8. Project Financing Conditions.

(a) **Project Financing**. The Nonprofit, being treated as a qualified tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, will cause the issuance of revenue bonds by the Phoenix Industrial Development Authority in one or more series from time to time, in an aggregate principal amount currently estimated not to exceed $260,000,000 (the "Project Bonds"), the proceeds of which will be used to make a loan to the Nonprofit to (a) finance or refinance the costs of acquiring, developing, designing, constructing and equipping the Project, (b) finance or refinance reserves, initial operating costs and other required amounts in connection therewith, and (c) finance or refinance costs of issuance of the Project Bonds. Proceeds of the Project Bonds shall be used first to repay the Predevelopment Loan in full including the City's portion of the Predevelopment Loan and all accrued and unpaid interest~~, upon issuance of the Project Bonds~~ thereon.

(b) **Disposition of the Project**. The Nonprofit will oversee the operation, construction, management and disposition of the Project for the exclusive benefit of the City, under the purview and the direction of the City and/or its designated representatives, as appropriate. ~~At the City's election,~~ Provided that the Project Bonds are paid in full and further provided that there is no uncured default under the Master Trust Indenture (the "Master Trust Indenture") between the Nonprofit and UMB Bank, N.A., as Master Trustee, and a sale, foreclosure, transfer or deed

in lieu of foreclosure of the Project resulting from such uncured default has not occurred, then the City shall, in its sole discretion and election, direct the Nonprofit in writing to take one of the following actions ~~on or before the completion of the Project~~:

i) Transfer the Project to the City or to a governmental agency designated by the City;

ii) Direct the transfer of the Project to a third party and direct the donation of the proceeds derived from the sale to the City or to a governmental agency designated by the City; or

iii) ~~Only in the case where the Project Bonds are paid in full, direct~~Direct the Nonprofit to continue to operate the Project for the benefit of the City, and direct that the Nonprofit grant or donate to the City all surplus cash flow derived from the continued operation of the Project.

~~The foregoing provisions shall be covenants running with the Property, and~~Subject to the terms and conditions set forth above, including but not limited to that no uncured default under the Master Trust Indenture then exists and a sale, foreclosure, transfer or deed in lieu of foreclosure of the Project resulting from such uncured default has not occurred, if the Nonprofit is directed to take one of the above described actions, then it shall take such action, subject to the terms and conditions above, within ten (10) days of its receipt of such written direction from the City. Subject to the foregoing, if the Nonprofit is directed to take one of the actions described above in part (i) or (ii), the Nonprofit shall deliver to the City an executed and notarized special warranty deed conveying fee simple title to the Project to the grantee designated by the City in its notice, such deed to be delivered within such ten (10) day period.

~~iv)~~ Subject to the terms and conditions set forth above, the foregoing provisions shall (i) survive the expiration of the Term or termination of this Agreement and shall not expire or otherwise terminate unless and until the City has directed the Nonprofit to take one of the above actions, and (ii) may not be deleted or amended by the Nonprofit or any other person or entity, including without limitation the trustee for the benefit of the Bond holders, ~~or any person or entity acquiring the Property or the Project following a foreclosure or deed in lieu of foreclosure,~~ without the City's prior written consent, which may be granted or withheld in its sole discretion~~.~~, provided that no uncured default under the Master Trust Indenture then exists and a sale, foreclosure, transfer or deed in lieu of foreclosure of the Project resulting from such uncured default has not occurred. The City shall have the right but not the obligation to consent. ~~The Nonprofit will record an instrument approved by the City encumbering the Property with the restrictions and covenants set forth in this Section 8, which restrictions and covenants shall be covenants running with the land and binding on the Nonprofit, and its successors and assigns~~

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(c) **Tax-Exempt Financing**. The Parties acknowledge that repayment of the Predevelopment Loan and the obligations, covenants and agreements of the Nonprofit under this Agreement are expressly contingent upon the issuance of the Project Bonds in an amount sufficient to cover all costs of the Project, including, without limitation, the repayment of the Predevelopment Loan. If the Project Bonds in an amount sufficient to cover all costs of the Project, including, without limitation, the repayment of the Predevelopment Loan, has not been issued on or before the Expiration Date set forth and defined in the agreement for the Predevelopment Loan dated even with the date hereof, as may be amended from time to time (the "Predevelopment Loan Agreement"), this Agreement shall be null and void and the Predevelopment Loan shall be deemed to have been forgiven and the Nonprofit shall have no further obligations hereunder.

Section 9. Events of Default.

Each of the following shall constitute an Event of Default under this Agreement:

(a) **General Event of Default.** Failure of any party to comply with or to perform any term, obligation, covenant or condition contained in this Agreement, or failure of any party to comply with or to perform any term, obligation, covenant or condition contained in any other agreement by and ~~between~~among the parties or any of them is an Event of Default.

(b) **False Statements.** Any warranty, representation, or statement made or furnished to the City by or on behalf of the Development Consultant ~~or~~, Project Manager or Nonprofit under this Agreement that is false or misleading in any material respect, either now or at the time made or furnished is an Event of Default.

(c) **Insolvency.** The Development ~~Consultant's~~Consultant, Project Manager or Nonprofit's insolvency, appointment of receiver for any part of the Development ~~Consultant's~~Consultant, Project Manager or Nonprofit's property, any assignment for the benefit of creditors of the Development Consultant, Project Manager or Nonprofit, any type of creditor workout for the Development Consultant, Project Manager or Nonprofit, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against the Development Consultant, Project Manager or Nonprofit is an Event of Default.

(d) **Ad Valorem Taxes.** The Development Consultant, Project Manager or Nonprofit allows its ad valorem taxes owed to the City to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes and to cure such failure within thirty (30) days after written notice thereof from the City is an Event of Default.

Section 10. Effect of an Event of Default.

Failure of any party to comply with or perform any term, obligation or condition of this Agreement shall constitute an Event of Default. The non-defaulting party shall give written notice to the other part(ies) of any default, and the defaulting part(ies) shall have sixty (60) days to cure

said default. Should said default remain uncured after the 60 day cure period, the non-defaulting part(ies) shall have the right to either cure such default, terminate this Agreement, enforce specific performance as appropriate, or maintain a cause of action for damages caused by the event(s) of default.

Section 11. Indemnification.

To the extent allowed by law, each party agrees to release, defend, indemnify, and hold harmless the other (and its officers, agents, and employees) from and against all claims or causes of action for injuries (including death), property damages (including loss of use), and any other losses, demand, suits, judgments and costs, including reasonable attorneys' fees and expenses, in any way arising out of, related to or resulting from its performance under this Agreement, or caused by its negligent acts or omissions (or those of its respective officers, agents, employees, or any other third parties for whom it is legally responsible) in connection with performing this Agreement.

Section 12. Miscellaneous Provisions.

The following miscellaneous provisions are a part of this Agreement:

(a) **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. The City, the Nonprofit, Project Manager and the Development Consultant understand that this Agreement (i) may be amended from time to time throughout the design and funding period subject to lender's review and other advisor's approval, and (ii) shall be amended from time to time as may be required to conform to the tax-exempt charitable purposes served by the Nonprofit or as may be required for the issuance of the Project Bonds in an amount sufficient to cover all of the costs of the Project. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the City as beneficiary hereunder and by the party or parties sought to be charged or bound by the alteration or amendment.

(b) **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Grayson County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of Grayson County, Texas. ~~Any right to trial by jury in any action, proceeding, or counterclaim (whether based upon contract, tort or otherwise) in connection with any dispute arising out of this Agreement or any conduct in connection with, or matters contemplated by, this Agreement is hereby waived by the parties hereto.~~

(c) **Assumption by Nonprofit.** As set forth in Section 12(a) above, no party may cause this Agreement to be amended, assigned, assumed, sold or otherwise transferred, or the real property interests in the Property assigned or otherwise transferred without the prior written consent of all of the other parties, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that the Parties hereto hereby agrees that the City, the Development Consultant and/or

Project Manager shall have the right to assign in whole or in part, without further consent or approval by any party hereto, each of their respective rights, title, obligations, interests and liabilities under this Agreement to the Nonprofit, and the Nonprofit will so assume all or a portion of the respective rights, title, obligations, interests and liabilities of the City, the Development Consultant and/or Project Manager under this Agreement as so assigned, all for the beneficial interest of the City. The parties agree that, on the date any party hereto assigns all or a portion of their respective rights, title, obligations, interests and liabilities in this Agreement to the Nonprofit and the Nonprofit assumes all or a portion of the respective rights, title, obligations, interests and liabilities of such assigning party under this Agreement, the parties hereto shall be deemed to have released the assigning party from those rights, title, obligations, interests and liabilities under this Agreement assigned to and assumed by the Nonprofit. The assignment and assumption described above will be documented by an amendment or amendments to this Agreement as approved by the City Council.

(d) **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. The City warrants and represents that the individual executing this Agreement on behalf of the City has full authority to execute this Agreement and bind the City to the same. The Development Consultant warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same. Project Manager warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same. The Nonprofit warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same.

(e) **Caption Headings.** Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of the Agreement.

(f) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.

(g) **Enforcement.** The City may enforce the terms of this Agreement, and the City Attorney or his or her designee may enforce all legal rights, benefits inuring to the City and obligations provided under this Agreement, in each case without further authorization. The Development Consultant shall provide to the to-be-selected Nonprofit or City Attorney, as applicable, all documents and records that the City Attorney requests to assist in determining the Development Consultant's compliance with this Agreement.

(h) **Force Majeure.** It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations by Development Consultant or Project Manager hereunder is delayed by reason of war, civil commotion, acts

of God, inclement weather, fire or other casualty, or court injunction, acts of terrorism (both domestic and international), the collapse of the financial markets, on a scale similar to that witnessed between 2008-2011, or related in any way to a pandemic, epidemic, or plague or resulting from governmental actions, restrictions, rules, regulations or laws enacted to address same, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or requirement shall be extended for a period of time equal to the period such party was delayed.

(i) **Notices.** Any notice or other communication required or permitted by this Agreement (hereinafter referred to as the "Notice") is effective when in writing and (i) personally delivered either by facsimile (with electronic information and a mailed copy to follow) or by hand or (ii) three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified with return receipt requested, and addressed as follows:

if to Crossroads:	Crossroads Hospital Development LLC c/o Republic Health Group 1437 Sussex Drive Plano, Texas 75075 Attn: Greg McGaw Phone Number: (214) 202-0340 E-mail: greg.mcgaw@republichg.com
Copy to:	Harkinson Investment Corporation 4560 Beltline Road, Suite 400 Addison, Texas 75001 Attn: Jeff Harkinson Phone Number: (214) 394-9270 E-mail: jharkinson@harkcorp.com
if to Ivy:	Ivy P3 Group LLC, f/k/a Ivy Hotel Group LLC c/o Ivy Hotel Group 4300 MacArthur Avenue, Suite 175 Dallas, Texas 75209 Attn: Robert P. Colombo Phone Number: (917) 921-6889 E-mail: rcolombo@ivyhotelgroup.com
Copy to:	Dorsey & Whitney LLP 300 Crescent Court Suite 400 Dallas, TX 75201 Attn: Gina Betts Phone Number: (214) 981-9910 E-mail: betts.gina@dorsey.com

and

Dorsey & Whitney LLP
51 West 52nd Street
New York, NY 10019
Attn: Jeffrey R. Escobar
Phone Number: (212) 415-9315
E-mail: escobar.jeffrey@dorsey.com

if to the City: City of Sherman, Texas
220 W. Mulberry Street
Sherman, TX 75090
Attn: City Manager
Phone Number: (903) 892-7201
E-mail: robbyh@cityofsherman.com

Copy to: Abernathy, Roeder, Boyd & Hullett, P.C.
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Attn: Robert H. Roeder
Phone Number: (214) 544-4000
E-mail: rroeder@abernathy-law.com

if to the Nonprofit: CFP Sherman Hospital, LLP
c/o Community Facility Public Private Partnerships
601 Carlson Parkway, Suite 1050
Minnetonka, Minnesota 55305
Attn: Steve Collins
Phone Number: (612) 735-7717
Email: steve@taxfreeP3.org

Copy to: Best & Flanagan LLP
60 South Sixth Street, Suite 2700
Minneapolis, Minnesota 55402
Attn: Daniel R. W. Nelson
Phone Number: (612) 339-7121
Email: dnelson@bestlaw.com

(j) **Ordinance Applicability.** The signatories hereto shall be subject to all ordinances of the City, whether now existing or in the future arising. This Agreement shall confer no vested rights on the Development Consultant or Project Manager unless specifically enumerated herein.

(k) **Severability.** In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, this Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.

(l) **Time is of the Essence.** Time is of the essence in the performance of this Agreement.

(m) **Undocumented Workers.** Each the Development Consultant and Project Manager certifies that neither the Development Consultant nor Project Manager willingly nor knowingly employs an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, the Development Consultant and/or Project Manager is convicted of a violation under 8 U.S.C. § 1324a(f), the Development Consultant and/or Project Manager shall repay the amount of the public subsidy provided under this Agreement plus interest, at the rate of six percent (6%), not later than the 120th day after the date the City notifies the Development Consultant and/or Project Manager of their respective violations.

(n) The Development Consultant and Project Manager each represent that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

(1) https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
(2) https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
(3) https://comptroller.texas.gov/purchasing/docs/fto-list.pdf

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Development Consultant, Project Manager and each of their respective parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Each of the undersigned understand "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Development Consultant or Project Manager and exists to make a profit.

(o) **Survival.** The rights and obligations of the respective parties in Sections 8(b) and 11 of this Agreement will survive any termination of this Agreement.

(p) **Delegated Authority.** The City hereby designates the City Manager as the representative of the City and delegates to the City Manager the authority to approve all actions that require the City's approval under this Agreement, except for those actions which are reserved to the City Council by State law or the action of the City Council.

[The Remainder of this Page Intentionally Left Blank]

THE PARTIES ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS AGREEMENT, AND THE PARTIES AGREE TO ITS TERMS. THIS AGREEMENT IS EFFECTIVE AS OF THE EFFECTIVE DATE AS DEFINED HEREIN.

CITY:

CITY OF SHERMAN, TEXAS,
a Texas municipality

By: _____
Name:
Title:
Date Signed: _____

ATTEST:

By: _____
Name:
Title:

APPROVED AS TO FORM:

_____
Name:
City Attorney

DEVELOPMENT CONSULTANT:

CROSSROADS HOSPITAL DEVELOPMENT, LLC
a Texas limited liability company

By: _____
Name: _____
Title: _____
Date Signed: _____

NONPROFIT:

CFP SHERMAN HOSPITAL, LLC
an Arizona ~~nonprofit~~ limited liability company

By: _____
Name: _____
Title: _____
Date Signed: _____

For the limited purposes stated above:

PROJECT MANAGER

IVY P3 GROUP LLC, f/k/a IVY HOTEL GROUP LLC
a Texas limited liability company

By: _____
Name: _____
Title: _____
Date Signed: _____

Proposed as of 07/07/2022

Exhibit A

Form of Purchase and Sale Agreement

Real Estate Purchase Agreement

This Real Estate Purchase Agreement (this "Agreement") is made and entered into as of the _____ day of March, 2022 (the "Effective Date") by and between Heritage Development Partners LLC, a Texas limited liability company ("Seller"), and CFP Sherman Hospital, LLC, [an Arizona limited liability company], and its permitted assigns ("Buyer").

Recitals

A. Seller is the owner of that certain real property containing approximately 16.7938 acres of land, located West of US 75 and North of Medical Drive, Sherman, Texas, and as more particularly described on the attached **Exhibit A**.

B. Upon the terms and conditions of this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Property and all easements, hereditaments, air rights, rights of way, licenses, and other rights benefiting or appurtenant to the Property ("Property").

C. Buyer plans to develop an 80 bed, 160,000 square foot acute care hospital on the Property (the "Project").

D. The Buyer will cause the issuance of revenue bonds by the Phoenix Industrial Development Authority in one or more series from time to time in the aggregate estimated amount not to exceed $260,000,000 (the "Project Financing"). As part of the Project Financing the Buyer will cause to be issued Series B Subordinated Bonds in an amount at least equal to the Purchase Price and related expenses as provided herein (the "Series B Project Bonds").

E. Seller is willing to sell the Property to Buyer, and Buyer is willing to purchase the Property, each on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the following terms and conditions, the parties agree as follows:

1. Sale and Purchase. Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller, upon the terms and conditions set forth herein, the Property.

2. Purchase Price, Earnest Money.

(a) Purchase Price. The purchase price to be paid by Buyer to Seller for the Property is **$10,975,000.00** (the "Purchase Price"). The Purchase Price shall be paid by providing Seller with Series B Project Bonds in an amount to be determined and cash in an amount to be determined. Seller agrees to take at least 50% of the Purchase Price in Series B Project Bonds but can increase that percentage, at Seller's option.

(b) Title Company. The Title Company to serve as escrow agent for this Contract is (the "Title Company"): Chicago Title Company, 3100 Monticello, Suite 800, Dallas, TX 75205, Attention: Kristi Covy, Commercial Closing Attorney; krisit.Covey@ctt.com; (972) 764-1456.

(c) Earnest Money. Within three Business Days after the effective date, Buyer shall deliver an earnest money deposit in the amount of $10,000.00 (the "Earnest Money") payable to the Title Company, in its capacity as escrow agent, to be held in escrow pursuant to the terms of this Contract. Seller's acceptance of this Contract is expressly conditioned upon Buyer's timely

deposit of the Earnest Money with the Title Company. If Buyer fails to timely deposit the Earnest Money with the Title Company, then Seller may, at Seller's option, terminate this Contract by delivering a written termination notice to Buyer at any time until Buyer deposits the Earnest Money with the Title Company.

3. Buyer's Feasibility Condition.

(a) Feasibility Period. Subject to extensions provided herein, Buyer shall have a period commencing on the Effective Date and ending at 5:00 p.m. Central Standard Time on April 20, 2022 (as may be extended as provided herein, the "Feasibility Period"), to determine, in Buyer's sole and absolute discretion, if Buyer, is satisfied (i) with its examination and analysis of the Property Documents; (ii) with the condition of the Property, including, without limitation, the results of and matters disclosed by any Inspections; (iii) with all the Project Approvals, upon terms and conditions acceptable to Buyer, subject, however, to Seller's approval rights, as set forth herein; (iv) with all the Project Financing, including issuance of the Series B Project Bonds, upon terms and conditions acceptable to Buyer; and (v) that the Property otherwise meets Buyer's requirements and that the Project is otherwise feasible. Buyer's obligation to purchase the Property hereunder is expressly conditioned upon Buyer's satisfaction with the foregoing matters on or before the expiration of the Feasibility Period, as may be extended as provided herein (collectively, "Buyer's Feasibility Condition"). Buyer may waive Buyer's Feasibility Condition or terminate this Agreement for failure of Buyer's Feasibility Condition in accordance with Section 3(c).

(b) Feasibility Period Extensions.

(i) First Extension. Buyer shall have the right to extend the Feasibility Period for a period of up to **60 days** (the "First Extension") by delivering notice to Seller of Buyer's exercise of the First Extension on or before expiration of the Feasibility Period.

(ii) Second Extension. If Buyer has properly exercised the First Extension, then Buyer shall have the right to extend the Feasibility Period for a second period of up to **60 days** (the "Second Extension") by delivering notice to Seller of Buyer's exercise of the Second Extension on or before the expiration of the Feasibility Period, as extended by the First Extension.

(c) Satisfaction of Buyer's Feasibility Condition; Buyer's Termination Right. If Buyer's Feasibility Condition has not been satisfied or waived by Buyer on or before the expiration of the Feasibility Period, then Buyer shall have the right to terminate this Agreement at any time before the expiration of the Feasibility Period for failure of Buyer's Feasibility Condition by delivering notice of such termination to Seller and the Title Company. Upon Seller's receipt of such termination notice from Buyer, this Agreement shall terminate and be of no further force or effect without the need for any further documentation or approval by Seller, and neither Seller nor Buyer shall have any further rights or obligations under this Agreement, except for those obligations provided for herein which expressly survive termination of this Agreement. If Buyer fails to provide written notice of termination of this Agreement prior to the expiration of the Feasibility Period, then Buyer shall be deemed to have elected to waive Buyer's Feasibility Condition and proceed to Closing, subject to the other terms and conditions of this Agreement.

4. Inspection of Property Documents and Property

(a) Property Documents. Seller shall deliver or make available to Buyer copies of the documents referenced in **Exhibit B** if existing, and if in Seller's possession or control (collectively,

the "Property Documents") within five (5) business days after the Effective Date. Seller makes no representations or warranties of any kind regarding the accuracy or completeness of the information included or the conclusions or statements expressed in any of the Property Documents furnished to Buyer by Seller. Buyer waives any and all claims against Seller arising out of the accuracy or completeness of the information included or the conclusions or statements expressed in the Property Documents so furnished and any and all claims arising out of any duty of Seller to provide Buyer with any updates or changes to the Property Documents. If this Agreement is terminated or cancelled for any reason, all of the Property Documents, as well as all copies made by Buyer or any of its legal counsel, lender, equity investors, consultants and agents and all notes or other tangible or intangible records relating thereto shall be returned to Seller. This Section shall survive the termination or cancellation of this Agreement.

(b) Right of Inspection. Buyer shall have a limited license to examine the Property Documents and make a physical inspection of the Property during the Feasibility Period, so long as this Agreement has not been terminated. In this regard, Buyer and its authorized employees, agents, contractors and representatives (collectively, "Buyer Representatives") shall be entitled to enter upon the Property during normal business hours and upon not less than one (1) business days' notice to Seller or its designated agents (which may be delivered via email) for the purpose of conducting such non-invasive tests, studies, audits and investigations of the Property as Buyer may reasonably desire (collectively, "Inspections"). Buyer shall pay all costs and expenses of all Inspections. Notwithstanding anything herein to the contrary, Buyer shall not perform soil tests, asbestos or lead tests, or perform tests of a similarly intrusive nature without the prior written consent of Seller, such consent not to be unreasonably withheld.

5. Project Development.

(a) Generally. Commencing the Effective Date, Buyer shall, proceeding with all reasonable diligence, use commercially reasonable efforts to obtain all governmental land use approvals and entitlements necessary to develop the Project (the "Project Approvals"). The Project Approvals shall include all land use approvals, entitlements, zoning designations, and platting, required for the development and construction of the Project.

(b) Project Plans. Buyer will keep Seller reasonably informed about Buyer's progress in obtaining the Project Approvals, including providing Seller periodic email updates and presentations, at intervals reasonably requested by Seller.

(c) Project Financing. Commencing no later than promptly following the Effective Date, Buyer shall, proceeding with all reasonable diligence, use commercially reasonable efforts to evaluate, pursue, apply for, and secure all the Project Financing necessary for the acquisition, and construction of the Project.

6. Closing.

(a) Closing Date.

(i) Closing Date. The closing of the purchase and sale of the Property contemplated by this Agreement (the "Closing") will occur on a date that is 10 days after the earlier to occur of (i) the expiration of the Feasibility Period or (ii) Buyer's earlier waiver of Buyer's Feasibility Condition. Buyer may accelerate the Closing by providing Seller at least 10 days' prior notice of Buyer's desired earlier Closing Date.

(b) Seller's Closing Deliveries. At Closing (except as expressly provided below), Seller shall execute and/or deliver to Buyer the following:

(i) Deed. A special warranty deed (a "Deed") conveying fee simple title to the Property to Buyer, free and clear of all encumbrances, except the Permitted Encumbrances.

(ii) Seller Authority Documents. A written resolution or other authorization from Seller, authorizing and approving Seller to complete the Closing.

(iii) Seller's Affidavit. An affidavit by seller indicating that on the Closing Date there are no outstanding, unsatisfied judgments, tax liens, or bankruptcies against or involving Seller or the applicable portion of the Property; that there has been no skill, labor, or material furnished to the applicable portion of the Property for which payment has not been made or for which mechanics' liens could be filed; and that there are no unrecorded interests in the applicable portion of the Property.

(iv) FIRPTA Affidavit. A non-foreign affidavit, properly executed and in recordable form, containing such information as is required by Internal Revenue Code Section 1445(b)(2) and its regulations.

(v) IRS Reporting Form. The appropriate federal income tax reporting form, if any is required.

(vi) Settlement Statement. A Closing settlement statement reflecting the financial provisions of the Closing, consistent with the provisions of this Agreement ("Settlement Statement").

(vii) Possession. Exclusive possession of the Property to Buyer, subject only to the Permitted Encumbrances.

(viii) Representations. A certificate by Seller that all representations and warranties are true and correct as of the Closing Date.

(ix) Other Documents. Such other documents as may be reasonably required to consummate the sale and purchase contemplated hereby, which are not inconsistent with this Agreement.

(c) Buyer's Closing Deliveries. At each Closing (except as expressly provided below), Buyer will execute and/or deliver to Seller the following:

(i) Purchase Price. The Series B Project Bonds and [cash] in an aggregate amount equal to the Purchase Price.

(ii) Settlement Statement. Buyer's counterpart to the Settlement Statement.

(iii) Other Documents. Such other documents as may be reasonably required to consummate the sale and purchase contemplated hereby, which are not inconsistent with this Agreement.

(d) Prorations; Expenses. Seller and Buyer shall make the following prorations and allocations of taxes, assessments, rents, costs, and other expenses at each Closing:

(i) Title Insurance and Closing Fee. Buyer will pay all reasonable and customary closing fees or charges imposed by the Title Company. Buyer shall pay all costs of the Title Commitment (as defined below) and Buyer shall pay the premium costs for any Owner's or Lender's Title Policies it desires and any endorsements thereto.

(ii) Transfer Tax. Buyer shall pay all state deed transfer taxes due on each Deed to be delivered by Seller under this Agreement. Buyer shall pay all mortgage registration, recordation costs, or similar taxes payable in connection with Buyer's financing.

(iii) Recording Costs. Buyer shall pay the cost of recording any necessary documents to place record title in Seller in the condition required by this Agreement, including without limitation, the cost of recording the satisfaction of any existing Seller mortgage and any other document necessary to cure any Cure Items, if any. Buyer will pay the cost of recording the Deed and any instruments required in connection with the Project.

(iv) Real Estate Taxes and Special Assessments. All real estate taxes (based on the most recent assessed valuation by the Grayson County Appraisal District and the current tax rates of the applicable taxing authorities) and special assessments with respect to the applicable portion of the Property shall be prorated as of the Closing Date with Seller being obligated to pay all such real estate taxes and installments of special assessments due and payable with respect to the applicable portion of the Property to the Closing Date and any period prior to the Closing Date, and Buyer being obligated to pay any such real estate taxes and installments of special assessments due and payable with respect to the applicable portion of the Property after the Closing Date and through all subsequent periods. Seller warrants that there are no Rollback taxes due on the property.

(v) Income and Expenses. All income and expenses relating to or deriving from the applicable portion of the Property, if any, shall be prorated on a daily basis as of the Closing Date, including rental income, operating expenses, and utility charges, if any.

(vi) Proration Method. Unless otherwise stated herein, Buyer's and Seller's respective proration obligations shall be determined as follows, respectively, with respect: (i) Seller pays that part of expenses that have accrued on or before the Closing Date, (ii) Buyer pays that part of expenses that accrue after the Closing Date, (iii) Seller is entitled to that part of rental and other income that has accrued on or before the Closing Date, and (iv) Buyer is entitled to that part of rental and other income that accrues after the Closing Date.

(vii) Attorneys' Fees. Each of Seller and Buyer shall pay its own attorneys' fees in connection with the preparation and negotiation of this Agreement and each Closing. Additionally, Buyer shall pay Seller's attorney's fees related to sale of the Property pursuant to this Agreement not to exceed $15,000.

(viii) Survival. The provisions of this Section 6 shall survive each Closing and shall not merge with the delivery of either Deed.

7. Title Matters. Title examination shall be conducted as follows:

(a) Seller's Title Evidence. No later than 7 business days after the Effective Date, Seller shall furnish Buyer with a commitment ("Title Commitment") for a TLTA Owner's Policy of Title Insurance ("Title Policy") committing to insure title to the Property in Buyer, subject only to the Permitted Encumbrances, in the amount of the Purchase Price and issued by the Title Company. As part of the Property Documents, Seller will deliver to Buyer a copy of Seller's most recent land survey of the Property, if any. At Buyer's sole cost, Buyer may obtain an updated land survey of the Property (the "Survey") and Seller will reasonably cooperate with the same, at no cost to Seller.

(b) Buyer's Objections. Within 5 business days after receiving the Title Commitment and the Survey, Buyer shall notify Seller in writing of any matters which render title in Seller as being unmarketable ("Objections"). Buyer's failure to make Objections within the applicable time period will constitute a waiver of Buyer's right to make Objections. Any item disclosed by the Title Commitment and/or the Survey and not objected to by Buyer shall be a "Permitted Encumbrance" hereunder.

(c) Cure Period. Seller shall advise Buyer in writing ("Cure Notice"), within 7 days after Buyer delivers written notice of any Objections, which (if any) of the Objections Seller is willing to cure (the "Cure Items"). Seller's failure to deliver a Cure Notice will be deemed Seller's election not to undertake any Cure Items. Seller will have until the date that is five (5) days before the Closing (the "Cure Period") to use commercially reasonable efforts to attempt to cure the Cure Items, if any, in Seller's sole discretion; provided, however, that Seller may pay monetary liens described in Section 8(e) out of proceeds from Closing on the Closing Date if they are not satisfied prior thereto or assumed by Buyer in accordance with this Agreement, and Seller shall otherwise have no obligation to cure any Objections except as provided in said Section 8(e). If Seller elects (or is deemed to have elected) not to undertake any Cure Items or the Cure Items are not cured within the Cure Period, Buyer may elect any of the following options by providing written notice thereof to Seller and to the Title Company:

(i) Terminate this Agreement within five (5) business days after the expiration of the Cure Period by written notice of such termination to Seller and upon receipt of such notice from Buyer, this Agreement shall automatically terminate and neither Seller nor Buyer shall have any further rights or obligations under this Agreement (except for any obligations that expressly survive the termination of this Agreement), and, if applicable, the Title Company shall promptly return the Earnest Money to Buyer; or

(ii) Waive the Objections and close the transaction contemplated by this Agreement as if such Objections had not been made, and the title matters related to such Objections will be deemed Permitted Encumbrances.

(d) New Title Matters. If any matters affecting title to the Property are discovered by or reported to Buyer on or prior to the corresponding Closing Date which are not shown on the Title Commitment or the Survey, or which were created or came into existence on or after the date of delivery of the Title Commitment, Buyer shall notify Seller in writing of any additional Objections to such title matters as soon as reasonably possible. Any such new Objection shall be addressed in the manner set forth in Section 7(c).

(e) Satisfaction of Seller Liens. Notwithstanding anything in this Agreement to the contrary, any monetary liens of a definite and ascertainable amount, whether voluntary or involuntary (such as judgments, mechanic or mortgage liens) created, assumed or otherwise caused

by Seller will be paid or otherwise satisfied by Seller on or before the Closing and such items shall not be Permitted Encumbrances hereunder.

8. Operation Prior to Closing. From the Effective Date until the Closing or earlier termination of this Agreement, Seller shall conduct the business of the Property in the ordinary course, and will not: (a) transfer or convey any fee interest to the Property, or enter into any agreement to do so; (b) create or agree to any lease, easements, liens, mortgages, encumbrances or other interests that would affect Seller's ability to comply with this Agreement; and/or (c) fail to maintain and repair the Property in at least the manner that Seller has done previously in all material respects.

9. Representations and Warranties.

(a) Seller's Representations and Warranties.

(i) Organization. Seller is a Texas limited liability company, validly existing and in good standing under the laws of the state of Texas.

(ii) Authority. Seller has the full power and authority to execute and deliver and fully perform its obligations under this Agreement, and this Agreement constitutes a valid and legally binding obligation of Seller, enforceable in accordance with its terms.

(iii) Insolvency. Seller has not either filed or been the subject of any filing of a petition under the federal bankruptcy law or any federal or state insolvency laws or laws for composition of indebtedness or for the reorganization of debtors.

(iv) Litigation. There is no current litigation against Seller relating to the Property or otherwise involving Seller's interest in the Property and, to Seller's knowledge, Seller has not received written notice of any pending or threatened litigation against Seller relating to the Property or otherwise involving Seller's interest in the Property.

(v) Contracts. Except this Agreement and except as may be shown in the real estate records of the Property as of the Effective Date, there are no purchase agreements, rights of first refusal, options to purchase, leases, occupancy or operating agreements in effect with respect to the Property.

(vi) Anti-Terrorism Laws. Seller is not (A) listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury, or (B) a person or entity with whom Buyer is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law, or (C) a person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined or used in the Anti-Terrorism Laws. The "Anti-Terrorism Laws" are Executive Order No. 13224, 66 Fed. Reg. 49079 (published September 25, 2001) and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended.

(vii) FIRPTA. Seller is not a "foreign person" as that term is defined in the Federal Foreign Investment in Real Property Tax Act of 1980 or the 1984 Tax Reform Act, as amended.

All of the representations or warranties in this Section 9(a) shall be remade as of the Closing. If, after the Effective Date but on or prior to the Closing, a material and adverse change occurs to any

of the above representations or warranties so that such is no longer accurate or true, the party obtaining knowledge of such change shall promptly notify the other party in writing of the change. Under said circumstances, Seller shall have 10 business days to cure after notice from Buyer, then Buyer may terminate this Agreement without further liability by giving written notice to Seller, in which event the Earnest Money, if any, shall be returned to Buyer, and, if such material and adverse change to any of the above representations or warranties is the result of Seller's actions or failure to act, Buyer shall have the remedies described in Section 14(b). Notwithstanding anything to the contrary contained in this Agreement, Seller shall have no liability for any change caused by Buyer to any of the above representations or warranties, and Buyer shall have no right to terminate this Agreement or otherwise exercise any remedies hereunder because of such change.

(b) Buyer's Representations and Warranties.

(i) Organization. Buyer is a non-profit limited liability company, duly organized, validly existing and in good standing under the laws of the state of Arizona.

(ii) Authority. Buyer has the power and authority to execute this Agreement; that the execution, delivery, and performance by Buyer hereunder do not conflict with or violate Buyer's organizational documents or any judgment, order or decree of any court or arbiter or any agreement by which Buyer is bound.

(iii) Insolvency. Buyer has not either filed or been the subject to any filing of a petition under the Federal Bankruptcy Law or any federal or state insolvency laws or laws for composition of indebtedness or for the reorganization of debtors.

(iv) Anti-Terrorism Laws. Neither Buyer nor any of its affiliated entities is in violation of any Anti-Terrorism Laws, including the Executive Order, and the PATRIOT Act. Neither Buyer, nor, to the knowledge of Buyer, any of its brokers or other agents acting in any capacity in connection with the purchase of the Premises: (i) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order; or (ii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

The representations and warranties of Buyer contained within this Section 9(b) shall survive for a period of twelve (12) months after the date of the Closing and delivery of the Deed.

(c) Sale "As Is"; No Representations or Warranties. EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES MADE IN THIS AGREEMENT, THE SALE OF THE PROPERTY FROM SELLER TO BUYER IS IN ITS "AS IS", "WHERE IS" AND "WITH ALL FAULTS" CONDITION, WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED OR OTHERWISE, WRITTEN OR ORAL, BY THE SELLER, ANY AGENT OR BROKER OF SELLER, OR THEIR RESPECTIVE OFFICERS, EMPLOYEES OR AGENTS, INCLUDING WITHOUT LIMITATION ITS MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. FURTHER, WITHOUT LIMITATION, SELLER MAKES NO AND DISCLAIMS ANY REPRESENTATION OR WARRANTY AS TO (A) ITS MERCHANTABILITY, (B) ITS FITNESS FOR A PARTICULAR PURPOSE, (C) ITS COMPLIANCE WITH THE AMERICAN WITH DISABILITIES ACT, ZONING OR USE LAWS, OR OTHER LAWS OR ORDINANCES; (D) ITS PAST, CURRENT, OR FUTURE VALUE OR FINANCIAL PERFORMANCE; (E) ITS PHYSICAL CONDITION OR STATE OF REPAIR; (F) ITS SOIL OR WHETHER ANYTHING

CAN BE BUILT ON IT; (G) AVAILABILITY OF PERMITS, APPROVALS, OR RESOURCES TO DEVELOP.

(d) Assumption of Risk. Buyer has had an opportunity to inspect and investigate the Property, and Buyer knowingly assumes all risks of and responsibilities from any defects to and conditions of the Property, including any defects and conditions that cannot be observed by casual inspection.

10. Damage. If, prior to either Closing Date, all or any part of the applicable portion of the Property is damaged by fire, other casualty, the elements or any other cause, Seller shall give Buyer notice to Buyer of such fact, and Seller shall, at Seller's option and sole cost and expense, either: (a) cause such improvements to be repaired, reconstructed, and restored to the extent elected by Seller; or (b) raze the remainder of such building and improvements, remove all debris from the Property, and leave the Property with a reasonably level surface in the area of such removal, in either case, in accordance with applicable law. Neither party shall have the right to terminate this Agreement nor delay Closing in the event of such damage or destruction, and any such damage or destruction shall not cause or be deemed to cause a reduction in the Purchase Price. For avoidance of doubt, in no event shall Seller be obligated to remove any stock piles of material existing on the Property as of the Effective Date.

11. Condemnation. If, prior to the either Closing Date, any governmental entity commences any eminent domain proceedings ("Proceedings") against all or any part of the corresponding Property, Seller shall immediately give notice to Buyer of such fact, and, at Buyer's option (to be exercised by notice to Seller and the Title Company within 10 days after Seller's notice), this Agreement shall terminate. Upon Buyer's election and notice to terminate pursuant to this Section 11, neither Seller nor Buyer shall have any further rights or obligations under this Agreement, except for covenants and obligations that expressly survive the termination of this Agreement. If Buyer does not give such notice, then there shall be no reduction in the Purchase Price, and Seller shall assign to Buyer at such Closing all of Seller's right, title, and interest in and to any award made or to be made in the Proceedings. Prior to such Closing Date, Seller shall not designate counsel, appear in, or otherwise act with respect to the Proceedings without Buyer's prior written consent.

12. Assignment. Buyer shall not assign this Agreement without the prior written consent of Seller, which consent shall not be unreasonably denied, conditioned, or delayed. Notwithstanding the forgoing, Buyer may assign this Agreement without Seller's prior written consent if (a) the proposed assignee is an entity controlling, controlled by, or under common control with Buyer; (b) such entity assumes Buyer's obligations hereunder; (c) notwithstanding such assumption, Buyer is not released from its obligations under this Agreement, and (d) Seller is provided with a copy of the fully-executed assignment and assumption agreement.

13. Notices. All notices, requests, demands and other communications with respect to this Agreement shall be in writing, shall be delivered personally, sent by registered or certified mail, return receipt requested, or nationally recognized overnight courier (e.g., FedEx), or delivered via email, in each case, at the following address or email address:

If to Seller: Heritage Development Partners LLC
c/o Richard Jelsma, M.D.
204 Medical Drive, Suite 100
Sherman, TX 75092

and

Hunter Richmond, M.D.
204 Medical Drive, Suite 200
Sherman, TX 75092

With copy to:
William J. Harkinson
Harkinson Investment Corporation
4560 Belt Line Road, Suite 400
Addison, Texas 75001
jharkinson@harkcorp.com
972-934-8414

And a copy to:
Addison Wilson III
3838 Oak Lawn Ave., Suite 810
Dallas, Texas 75219
214-521-1122
awilson@dfwlawoffice.org

If to Buyer:
CFP Sherman Hospital, LLC
601 Carlson Parkway, Suite 1050
Minnetonka, Minnesota 55305

With copy to:
Dorsey & Whitney LLP
300 Crescent Court, Suite 400
Dallas, TX 75201
Attn: Steven R. Smith

and

Best & Flanagan LLP
60 South Sixth Street, Suite 2708
Minneapolis, Minnesota 55402
Attn: Daniel R. Nelson

If to Title Company:
Chicago Title Company, 3100 Monticello, Suite 800, Dallas, TX 75205, Attn: Kristi Covey

Notice shall be effective, and the time for response to any notice by the other party shall commence to run, one business day after any such deposit if by overnight courier, or three days if by U.S. mail, or upon receipt by the recipient if delivered by hand or by email. Notices may be given by and/or to counsel for the parties. Either Seller or Buyer may change its address for the service of notice by giving notice of such change to the other party, in any manner above specified and such change shall be effective upon receipt of such notice.

14. Remedies.

(a) If Buyer defaults in performance of its obligations under this Agreement, Seller shall have the right to terminate this Agreement by written notice to Buyer. Such termination of this Agreement will be the only remedy available to Seller for such default by Buyer, and Buyer will not be liable for damages or specific performance. Seller and Buyer acknowledge the difficulty and inconvenience of ascertaining Seller's actual damages in the event of Buyer's default and agree

that the Earnest Money, if any, is a fair and reasonable estimate of such damages. Notwithstanding anything in this Section to the contrary, Seller and Buyer agree that this liquidated damages provision is not intended and should not be deemed or construed to limit in any way Buyer's indemnity obligations under this Agreement.

(b) If Seller fails to perform any of the material covenants and agreements contained herein to be performed by Seller within the time for performance as specified herein and such failure continues for a period of 10 days after written notice from Buyer, or if such failure reasonably requires more than 10 days to cure, such additional period of time Seller reasonably requires to cure such failure, provided Seller promptly commences its cure upon receipt of Seller notice and with due diligence is thereafter continuously prosecuting such cure to completion, then Buyer may elect either to: (i) terminate this Agreement by giving 10 days written notice to Seller with a copy to the Title Company, and if Seller has not cured such default within such 10 day period, shall be returned immediately to Buyer by the Title Company pursuant to this Agreement; or (ii) bring an action against Seller for specific performance provided that such action is commenced within 60 days of the event or condition giving rise to such action. The remedies herein for a breach prior to a Closing shall be the only remedies available to Buyer.

(c) Neither party to this Agreement is liable to the other for any consequential, special or punitive damages under this Agreement, including, without limitation, lost profits.

(d) The provisions of this Section 14 shall survive any termination of this Agreement and each Closing.

15. Broker's Commission. Seller has retained Harkinson Investment Corporation as its broker ("Broker"). Seller and Buyer consent to Broker serving as an Intermediary in this transaction and Buyer and Seller agree that the Broker shall be paid a real estate sales commission equal to four percent (4%) of the Purchase Price upon the closing and funding of the sale which will be paid by Buyer in Series B Project Bonds in such amount issued on the Closing Date. Any uneven amount may be paid in cash. Buyer and Seller hereby warrant that no other broker or finder has been involved in this transaction nor is owed a real estate commission or fee, and each agrees to indemnify the other against such claims or assertions.

16. Miscellaneous.

(a) Confidentiality. Buyer and Seller agree that all of the terms, conditions and provisions of this Agreement, as well as the existence of this Agreement and the information provided to Buyer in the Property Documents, shall be held in strict confidence; provided, however, Buyer and Seller shall each have the right to disclose such information on a need-to-know basis to Buyer's or Seller's officers, directors, managers, lenders, investors, attorneys, consultants and agents which have been engaged by Buyer or Seller to assist with the evaluations of the terms, conditions and provisions contemplated under this Agreement or to any governmental or other persons as may be required by law. Further, Seller agrees that it will not make a public announcement of any transaction contemplated hereby or the terms hereof without the prior written consent of Buyer. The provisions of this Section shall survive the termination of this Agreement and shall survive each Closing.

(b) Amendment. This Agreement cannot be modified except by a written instrument signed by the parties.

(c) Severability. If any provisions of this Agreement shall be determined to be illegal or unenforceable, such determination shall not affect any other provisions of this Agreement, and all other provisions shall remain in full force and effect.

(d) Waivers. A waiver by any party of a performance obligation or default under any provision of this Agreement shall not be deemed (i) a waiver of a further obligation or default under the same provision or (ii) a waiver of an obligation or default under any other provision.

(e) Entire Agreement. This Agreement and the exhibits attached hereto sets forth fully and completely the agreement between the parties in connection with this transaction, there are no written or oral agreements between the parties relating to this transaction that are not expressly set forth herein and this Agreement supersedes all prior oral or written agreements relating to this transaction.

(f) Further Instruments. Each party, promptly upon the request of the other, shall execute and have acknowledged and delivered to the other or to Title Company, as may be appropriate, any and all further instruments reasonably requested or appropriate to evidence or give effect to the provisions of this Agreement and which are consistent with the provisions of this Agreement. In the event this Agreement is terminated for any reason whatsoever without the consummation of the transaction contemplated hereby, Buyer shall execute and deliver to Seller, in recordable form, a quit claim deed conveying Buyer's equitable interest, if any, in the Property to Seller, which quit claim deed shall be executed and delivered within three (3) days after termination of this Agreement.

(g) Beneficiaries. This Agreement shall be binding upon and shall inure to the benefit of Seller and Buyer and their respective heirs, personal representatives, successors, assigns and transferees. This Agreement confers no rights or remedies on any third party.

(h) Construction. Any list of examples set forth in this Agreement shall be deemed to be illustrative, not exhaustive, unless explicitly specified otherwise. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa. The use of the neuter singular pronoun to refer to any party shall be a proper reference even though that party may be an individual, a business entity, or a group of two or more individuals or business entities. All attachments, exhibits, and schedules referenced within the Agreement shall be deemed incorporated in the Agreement by such reference.

(i) Time of Essence. Time is of the essence of this Agreement.

(j) Calculation of Time Periods. Except as specifically set forth in this Agreement, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is on a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next business day; provided, however, in all events each Closing Date shall be extended such that it is the second business day after a non-business day. As used herein, the term "business day" means any day which is not a Saturday, Sunday or legal holiday. As used herein, the term "legal holiday" means any state or federal holiday for which financial institutions or post offices are generally closed in the state where the Property is located. Unless specifically stated otherwise, all references to durations stated in "days" shall mean calendar days.

(k) Governing Law. This Agreement shall be governed and construed in accordance with the substantive and procedural laws of the state of Texas without regard to conflict of law principles. Any suit arising from or relating to this Agreement must be brought in the federal court in the Eastern District of Texas and Buyer and Seller hereby waive the right to bring suit elsewhere.

(l) WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HEREBY AGREES TO, AND DOES, WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, ANY DOCUMENT OR ANY INSTRUMENT RELATING TO SAID TRANSACTIONS, THE PROPERTY OR ANY DEALINGS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT.

(m) Attorneys' Fees. If either Seller or Buyer files any action or brings any proceeding against the other arising out of this Agreement, or is made a party to any action or proceeding brought by a third party arising out of this Agreement without fault of the defending party, then as between Seller and Buyer, the prevailing party shall be entitled to recover from the non-prevailing party all costs incurred in connection therewith including, without limitation, reasonable attorneys' fees and all costs of appeal including, without limitation, reasonable attorneys' fees incurred on appeal. This provision shall survive each Closing or termination hereof.

(n) Equal Participation. Seller and Buyer have participated equally in the preparation of this Agreement, and, therefore, this Agreement shall not be construed in favor of or against any party to this Agreement.

(o) Headings. The titles and headings in this Agreement are provided as a matter of convenience only and shall not be understood to define, limit, construe, or describe the scope or intent of any provision of this Agreement.

(p) Recording. Neither party shall record this Agreement without the prior written consent of the other party.

(q) Counterparts; Electronic Execution and/or Delivery. This Agreement may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same instrument. Executed copies of this Agreement may be delivered between the parties via electronic means including facsimile and/or electronic mail. The parties intend that this Agreement may be executed by either or both of the parties by means of the affixing of a digital signature or by other electronic means, in accordance with the Uniform Electronic Transactions Act, as the same may have been adopted by the State in which the Property is located. Seller and Buyer: (i) intend to be bound by the signatures (whether original or electronic) on any document sent by electronic mail, (ii) are aware that the other party will rely on such signatures, and (iii) hereby waive any defenses to the enforcement of the terms of this Agreement based on the foregoing forms of signature.

(r) Non-recourse Obligations of Buyer. Seller acknowledges and agrees that Buyer is a limited liability company formed for the sole purpose of assisting in the design, development, and financing of the Project for the benefit of the City of Sherman, Texas and that Buyer will have no funds or assets other than its interests in the Project. Notwithstanding anything to the contrary stated herein, Seller agrees that, for the payment or performance of the Buyer's obligations and duties under this Agreement, the Seller will look solely to (i) the Earnest Money, if any, pursuant to Section 14(a) of this Agreement; and, (ii) Buyer's interests in the Project, and no other assets of

the Buyer, its sole member, or any other person or entity shall be subject to levy, execution or other enforcement remedies of the Seller, or for the performance or payment of any amounts due or payable under this Agreement.

[Remainder of Page Intentionally Left Blank. Signature Pages Follows]

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

SELLER:

HERITAGE DEVELOPMENT PARTNERS LLC,
a Texas limited liability company

By: _____
Name: Hunter Richmond
Its: _____

Date: March 3, 2022

BUYER:

CFP SHERMAN HOSPITAL, LLC,
an Arizona limited liability company

By: _____
Name: STEVE COLLINS
Its: PRESIDENT

Date: 3/4, 2022

BROKER:

HARKINSON INVESTMENT CORPORATION, a Texas Corporation

By: _____
Name: William J. Harkinson, President

Date: March 2, 2022

[Signature Page to Real Estate Purchase Agreement]

4859-0025-2685\4

Exhibit A

Legal Description of the Parcel

4859-0025-2685\4

[Exhibit A to Real Estate Purchase Agreement]

Exhibit B

Property Documents

Seller shall provide the following documents to the extent existing and in Seller's possession:

1. Seller's existing title insurance commitment or policy with respect to the Property.
2. Seller's existing survey of the Property.
3. Any environmental reports for the Property.
4. Current tax statements/bills for the Property.

Proposed as of 07/07/2022

Exhibit B-1

Predevelopment Budget

October 1, 2020 - May 31, 2022			
Design Fees	**CASH**	**IN-KIND**	**TOTAL**
Architect Pricing Package	$100,000	$925,000	1,025,000
General Contractor Fee	$0	$250,000	250,000
Soils Enginnering	$0	$0	-
Enviromental	$0	$0	-
Geotech, etc.	$50,000	$0	50,000
Seismic	$0	$0	-
Design Fee Contingency	$70,000	$0	70,000
Other Soft Costs	**CASH**	**IN-KIND**	**TOTAL**
Operator Design Review	$0	$100,000	100,000
Feasibility Study	$250,000	$0	250,000
Economic Impact Study	$25,000	$0	25,000
Legal, Accounting and Tax	$250,000	$0	250,000
Construction Monitor	$50,000	$0	50,000
City Fees/Taps	$0	$0	-
Insurance	$30,000	$0	30,000
Owner Rep / Project Manager	$450,000	$540,000	990,000
Project Coordinator	$0	$100,000	100,000
Soft Costs Contingency (10%)	$200,000	$0	200,000
Totals	**$1,475,000**	**$1,915,000**	**$3,390,000**

October 1, 2020 - May 31, 2022			
Design Fees	**CASH**	**IN-KIND**	**TOTAL**
Architect Pricing Package	$100,000	$925,000	1,025,000
General Contractor Fee	$0	$250,000	250,000
Soils Enginnering	$0	$0	-
Enviromental	$0	$0	-
Geotech, etc.	$50,000	$0	50,000
Seismic	$0	$0	-
Design Fee Contingency	$70,000	$0	70,000
Other Soft Costs	**CASH**	**IN-KIND**	**TOTAL**
Operator Design Review	$0	$100,000	100,000
Feasibility Study	$250,000	$0	250,000
Economic Impact Study	$25,000	$0	25,000
Legal, Accounting and Tax	$250,000	$0	250,000
Construction Monitor	$50,000	$0	50,000
City Fees/Taps	$0	$0	-
Insurance	$30,000	$0	30,000
Owner Rep / Project Manager	$450,000	$540,000	990,000
Project Coordinator	$0	$100,000	100,000
Soft Costs Contingency (10%)	$200,000	$0	200,000
Totals	**$1,475,000**	**$1,915,000**	**$3,390,000**

Proposed as of 07/07/2022

Exhibit B-2

Estimated Predevelopment In-Kind and Cash Contributions

October 1, 2020 - May 31, 2022	
Pre-Development Loan - Cash Contributors	**Amount**
City of Sherman	737,500
Adolfson & Peterson	245,833
Sherman Hospital Management Company, LLC	100,000
Crossroads	245,833
Ivy Hotel Group	145,833
Totals	**$1,475,000**

October 1, 2020 - May 31, 2022	
Pre-Development Loan - In-Kind Contributors	**Amount**
Architect	925,000
General Contractor	250,000
Operator	100,000
Owner Rep / Project Manager	540,000
Development Consultant	100,000
Totals	**$1,915,000**

October 1, 2020 - May 31, 2022	
Pre-Development Loan - Cash Contributors	**Amount**
City of Sherman	737,500
Adolfson & Peterson	245,833
Sherman Hospital Management Company, LLC	100,000
Crossroads	245,833
Ivy Hotel Group	145,833
Totals	**$1,475,000**

October 1, 2020 - May 31, 2022	
Pre-Development Loan - In-Kind Contributors	**Amount**
Architect	925,000
General Contractor	250,000
Operator	100,000
Owner Rep / Project Manager	540,000
Development Consultant	100,000
Totals	**$1,915,000**

Exhibit C

RESERVED

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 3.**

Meeting Date: 07/18/2022

Prepared By: Teri Fine, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6925

Approving and Authorizing Execution of an Amended and Restated Public Private Partnership Agreement By and Between the City of Sherman, Texas and CFP Sherman Hospital, LLC and Community Hospital Corporation

Issue:

An amended and restated Public Private Partnership Agreement by and among the City of Sherman, Texas and CFP Sherman Hospital, LLC and Community Hospital Corporation

Background:

In cooperation with IVY P3 GROUP, LLC (IVY), a Texas limited liability company, CFP SHERMAN HOSPITAL, LLC (CFP), an Arizona nonprofit limited liability company, proposes to develop, design and construct an estimated 80-bed acute care hospital and site amenities in the Crossroads Development area north of West Travis Street and west of U.S. Highway 75. This hospital will serve Sherman and the surrounding communities.

The primary changes of this Amended and Restated P3 Agreement is in Section 3.3, which refers to changes being proposed to the related Master Development Agreement, which is a separate agenda item on this agenda. The substance of those changes relates to clarifying the City's role in disposition of the hospital project after bonds are paid off in an event that does NOT arise from an event of default or foreclosure. These changes were requested by prospective bondholders and vetted by the City Attorney and the attorney's for the various stakeholders.

Origination:

City Manager's Office

Financial Consideration:

The City's participation in this project is be limited to an initial cash contribution of between $525,000 and $737,500 in the form of a non-recourse loan to CFP, repayable when the construction bonds are issued by CFP. The City's final contribution is dependent upon total final pre-development costs. There is no additional financial obligation related to this Agreement. When the hospital project is completed, it is expected to generate over $1.1 million annually in incremental revenues to the City.

Staff Recommendation:

Staff recommends approval and acceptance of the amended and restated Public Private Partnership Agreement

Alternatives:

As directed by City Council

Attachments

Resolution No. 6925

Amended Private Partnership Agreement

Amended Private Partnership Agreement - Redline

RESOLUTION NO. 6925

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND AUTHORIZING EXECUTION OF AN AMENDED AND RESTATED PUBLIC PRIVATE PARTNERSHIP AGREEMENT BY AND BETWEEN THE CITY OF SHERMAN, TEXAS, CFP SHERMAN HOSPITAL, LLC AND COMMUNITY HOSPITAL CORPORATION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Amended and Restated Public Private Partnership Agreement by and between the City of Sherman, CFP Sherman Hospital, LLC and Community Hospital, in accordance with all contract documents to be attached hereto and made a part hereof for all purposes.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Proposed as of 06/13/2022

AMENDED AND RESTATED
PUBLIC PRIVATE PARTNERSHIP AGREEMENT

By and Between

CITY OF SHERMAN, TEXAS

and

CFP SHERMAN HOSPITAL, LLC

Dated: _____, 2022

TABLE OF CONTENTS

ARTICLE I SCOPE OF SERVICES 3
Section 1.1. Services Rendered by Company 3
Section 1.2. Standard of Care 3

ARTICLE II REPRESENTATIONS AND WARRANTIES 4
Section 2.1. Representations and Warranties of the City 4
Section 2.2. Representations and Warranties of the Company 4
Section 2.3. Reliance on Representations, Warranties and Covenants 5

ARTICLE III SCOPE OF DEVELOPMENT SERVICES 5
Section 3.1. General 5
Section 3.2. Phased Development Services 5
Section 3.3. Covenants Running with the Land 8

ARTICLE IV TERM 8
Section 4.1. Term 8

ARTICLE V NON-DISCRIMINATION; EQUAL EMPLOYMENT OPPORTUNITY 8
Section 5.1. Company Shall Not Discriminate 8
Section 5.2. Equal Employment Opportunity 8
Section 5.3. Service Providers/Subcontractors 9

ARTICLE VI INDEMNIFICATION 9
Section 6.1. Duty to Indemnify the City Against Loss 9
Section 6.2. Limit on Duty to Indemnify 9

ARTICLE VII INDEPENDENT CONTRACTOR STATUS 10
Section 7.1. Independent Company Status 10
Section 7.2. Governing Law 10

ARTICLE VIII RETENTION, ACCESS AND OWNERSHIP OF RECORDS 10
Section 8.1. Retention 10

ARTICLE IX INSURANCE 10

ARTICLE X NOTICE 10
Section 10.1. Notice Addresses 10
Section 10.2. Notice Effective Dates 11
Section 10.3. Routine Communications 11

ARTICLE XI GENERAL PROVISIONS 11
Section 11.1. No Assignment Without Consent 11
Section 11.2. Conflict of Interest 11
Section 11.3. Non-Recourse Obligations of the Company 11
Section 11.4. Severability 12
Section 11.5. Schedules and Exhibits 12
Section 11.6. Rules of Construction 12
Section 11.7. Amendment 12

Section 11.8. No Third-Party Beneficiaries **12**
Section 11.9. Time is of the Essence **12**
Section 11.10. Non-Exclusive **12**
Section 11.11. Prohibition Against Financial Interest in Agreement **12**
Section 11.12. Remedies Cumulative **13**
Section 11.13. Complete Agreement **13**
Section 11.14. Representatives Not Individually Liable **13**
Section 11.16. Counterparts **13**

EXHIBIT A Real Estate Purchase Agreement
EXHIBIT B Pro Forma Financial Plan
EXHIBIT C Development Schedule
EXHIBIT D Preliminary Term Sheet

AMENDED AND RESTATED PUBLIC PRIVATE PARTNERSHIP AGREEMENT

THIS AGREEMENT, made effective as of the _____ day of _____, 2022 (the "Effective Date"), by and between the City of Sherman, Texas (hereinafter referred to as the "**City**"), and having its principal office at 220 Mulberry Street, Sherman, Texas 75090, and CFP Sherman Hospital, LLC, an Arizona limited liability company (hereinafter referred to as the "**Company**"), whose sole member is Community Facility Public Private Partnerships, a Minnesota nonprofit corporation and a qualified tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, having its principal office at 601 Carlson Parkway, Minnetonka, Minnesota 55305, together with its successors and assigns. Community Hospital Corporation, a Texas nonprofit corporation and a qualified tax-exempt charitable organization under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, having its principal office at 7950 Legacy Drive, Suite 1000, Plano, Texas 75024 ("**CHC**") is joining in this Agreement solely for purposes of Section 11.17 hereof.

WITNESSETH:

WHEREAS, the City is a home-rule municipality under the laws of the State of Texas, and has the powers and authority to transact its business and exercise its powers to provide hospital, clinic and related health care facilities for the benefit of its citizens, as provided herein pursuant to Tex. Local Gov't Code Chapter 9, *et seq.* (the "**Act**") and Texas Home Rule Charter, City of Sherman (Feb. 20, 1973, as amended from time to time, most recently November 18, 2019) (the "**Charter**"); and

WHEREAS, the Company is an Arizona limited liability company whose sole member is a tax-exempt charitable organization under Section 501(c)(3) of the Code (as hereunder defined) whose charitable purpose is to acquire, construct, develop, own, improve, operate, manage, lease, sell, convey, mortgage, encumber, finance, and refinance multi-purpose sports facilities, educational facilities, administrative facilities, and community public facilities, including hospitals, clinics and health care facilities, to be used by and for the benefit of or to lessen the burdens of governmental entities, schools and school districts, colleges and universities, and other organizations that qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code; and

WHEREAS, pursuant to and in accordance with the purposes of the Act and the Charter, the City had entered into a Master Development Agreement, dated January 4, 2021 (as amended to the date hereof, the **"Master Development Agreement"**) with Crossroads Hospital Development LLC (the **"Development Consultant"**), Ivy P3 Group f/k/a Ivy Hotel Group, LLC (the **"Project Manager"**) and the Company to participate with the Company, the Project Manager and the Development Consultant in the development, design and construction of an estimated 80-bed acute care hospital and appropriate site amenities (the **"Hospital Improvements"**) located on an approximately 16.8 acre tract of land located in the City to be acquired by the Company from the landowner (the "**Project**"); and

WHEREAS, the Company, the City, the Project Manager and the Development Consultant participated as a members of a team that entered into a Predevelopment Loan Agreement, dated January 4, 2021 (as amended to the date hereof, the "**Predevelopment Loan**

Agreement"), consisting of the Project Manager as master development manager; the Company as Development Consultant/owner/operator of the Hospital Improvements for the benefit of the City; E4H Architecture ("**E4H**") as architects and designers of the Hospital Improvements; AP Gulf States, Inc. ("**Design Builder**") as design-builder of the Hospital Improvements; and certain other professional service providers and consultants, all as more fully described in the Predevelopment Loan Agreement (all of the foregoing collectively referred to as the "**Design-Build Team**"); and

WHEREAS, the Master Development Agreement included a form of Real Estate Purchase Agreement (the **"Purchase Agreement"**), attached hereto as Exhibit A, which generally described the proposed approximately 16.8 acre tract of land located in the City as the location of the Hospital Improvements; and

WHEREAS, the City Council on January 4, 2021 approved and accepted the proposal of the Design-Build Team and authorized and directed the City's staff, attorneys and other consultants to negotiate the necessary agreements for the development of the Project; and

WHEREAS, the City Council on November 15, 2021 approved a resolution to authorize the extension of the Master Development Agreement and the Predevelopment Loan Agreement to April 30, 2022; and

WHEREAS, the City Council on March 21, 2022 approved a resolution to authorize certain amendments to the Master Development Agreement and the Preliminary Loan Agreement and the extension of the Master Development Agreement and the Preliminary Loan Agreement to July 31, 2022; and

WHEREAS, the Company and the Development Consultant propose to enter into a Development Consultant Agreement (the "**Development Consultant Agreement**") to provide the terms under which the Development Consultant will provide development services to the Project, and the Company and the Project Manager propose to enter into a Project Manager Agreement (the **"Project Manager Agreement"**) pursuant to which the Project Manager will serve as master project manager for the development of the Project; and

WHEREAS, the Company and Community Hospital Consulting, Inc., ("**CHC Consulting**"), an affiliate of CHC, have entered into a Hospital Management Agreement (Sherman Hospital) (as amended, the "**Management Agreement**") to manage the operations of the Hospital Improvements at the Project, which will further the governmental purposes of the City by providing acute care medical services to the citizens of Sherman, Texas and the surrounding areas; and

WHEREAS, the City has determined that it is in the best interests and public purposes of the City in accordance with the Act and the Charter to enter into this Agreement and work with the Company to provide the Hospital Improvements to lessen the governmental burdens of the City and to provide for the health, safety and welfare of the citizens of Sherman, Texas and the surrounding areas; and

WHEREAS, the Company proposes to proceed under the terms of this Agreement to provide specified professional services required to be furnished by the Design-Build Team with

respect to the general design and plans and specifications of and to obtain a Standard Form of Agreement between Owner and Design-Builder – Cost Plus a Fee with a Guaranteed Maximum Price, DBIA Forms 530 and 535 for the Hospital Improvements and to provide other professional service providers with respect to the legal and financing structure, the sources of funding for, and the financial feasibility of the Project; and

WHEREAS, the City is authorized to enter into this Agreement to cooperate with and assist the Company in providing for certain services described herein required for the development, financing, construction and operation of the Hospital Improvements; and

WHEREAS, the City, the Company and CHC entered into that certain Public Private Partnership Agreement, dated May 12, 2022 (the "Original Public Private Partnership Agreement"), setting forth the terms under which the Company, with the assistance of the Development Consultant, the Project Manager and CHC Consulting, will provide services related to the acquisition of the real property comprising the Project and the construction and operation of the Hospital Improvements, the sources of bond financing, underwriting and economic support for the Hospital Improvements and the general design specifications of the Hospital Improvements for the benefit of the City and its residents, all in accordance with the terms and conditions of the Preliminary Term Sheet attached hereto as Exhibit D (the "**Term Sheet**") provided by RBC Capital Markets and Stephens, Inc. (the "**Underwriters**"); and

WHEREAS, the City, the Company and CHC now desire to amend and restate the Original Public Private Partnership Agreement pursuant to the terms and conditions set forth herein this Agreement:

NOW, THEREFORE, in consideration of the mutual covenants and obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I
SCOPE OF SERVICES

Section 1.1. Services Rendered by Company. Company agrees to perform (or, to the extent the services are to be provided by the Design-Build Team to cause the appropriate member of the Design-Build Team to perform) the services set forth in Article III to this Agreement ("**Services**"). Company and the City shall cooperate with each other and with CHC Consulting and with any other attorneys, consultants or contractors providing services to the Design-Build Team as needed in the Company's performance of such Services. The parties agree that City has no obligation to perform any of the Services under this Agreement.

Section 1.2. Standard of Care. Company hereby represents and warrants that each person providing the Services, including the Company and each member of the Design-Build Team, has the requisite skills and expertise necessary to perform the Services described herein. Accordingly, Company and each such person shall be obligated to perform the Services with the same degree of care, skill and diligence as would be ordinarily exercised by a competent practitioner of the same profession in which such person is engaged in providing similar services in major United States metropolitan areas under the same or similar circumstances.

ARTICLE II
REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of the City. The City represents and warrants that:

A. the City has the legal authority to enter into this Agreement;

B. the City has the authority to execute this Agreement;

C. but for the assistance from the Company and its Design-Build Team, the City would not be able to undertake the development and operation of the Hospital Improvements for the benefit of the City and its residents, and the development and operation of the Hospital Improvements will lessen the governmental burdens of the City by providing for the health care needs of the residents of the City consistent with the provisions of the Act and the Charter; and

D. the City has read and fully understands the terms, covenants and conditions set forth in this Agreement and is executing the same willingly and voluntarily of its own volition.

Section 2.2. Representations and Warranties of the Company. The Company represents and warrants that:

A. the Company, through its duly authorized representative, has the full power and authority to enter into and execute this Agreement and, as such, this Agreement is legally binding upon and enforceable against Company in accordance with its terms;

B. the Company is not under any obligation to any other party that would be inconsistent with or in conflict with this Agreement or that would prevent, limit or impair in any way its performance of any obligations hereunder;

C. the Company and each person selected by the Company to perform Services in connection with the Development has the requisite expertise, qualifications, staff, materials and equipment in place and available to enable it to fully perform the Services and Company and such third persons, along with their respective employees, as required, and all sub-contractors, if any and as required, possess all necessary permits, licenses, consents, registrations and/or certifications required under federal, state and/or local law to perform the Services;

D. the Company is entering into this Agreement consistent with the terms of the Predevelopment Loan Agreement and the Master Development Agreement to lessen the governmental burdens of the City by undertaking the development and operation of the Hospital Improvements to provide for the health, safety and welfare needs of the residents of the City consistent with the provisions of the Act and the Charter, and consistent with the charitable purposes of the sole member of the Company as a qualified tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; and

E. the Company has read and fully understands the terms, covenants and conditions set forth in this Agreement and is executing the same willingly and voluntarily of its own volition.

Section 2.3. Reliance on Representations, Warranties and Covenants. All representations, warranties, covenants and agreements made in this Agreement are intended to be material and shall be conclusively deemed to have been relied upon by the receiving party.

ARTICLE III
SCOPE OF DEVELOPMENT SERVICES

Section 3.1. General. Company agrees to provide and cause the service providers selected by the Company, including the Development Consultant, the Project Manager and the Design-Build Team, to provide for the benefit of the City and its residents a complete, turn-key array of Services required to plan, finance, construct, equip operate and maintain the Hospital Improvements.

Section 3.2. Phased Development Services. The Services to be performed hereunder will be rendered and paid for in discrete phases, defined and designated below in this Section 3.2. The execution of this Agreement constitutes the City's authorization for the Company to perform the Services on behalf of and for the benefit of the City, and the City agrees to cooperate with and assist the Company and the Design-Build Team in the timely review of and action on the Hospital Improvements for purposes of all applicable City planning, zoning, permitting and inspections.

A. Phase 1 Services. The Phase 1 Services are sometimes referred to as the Pre-Development Services, and generally consist of Services required to be performed prior to the preparation of final plans and specifications for construction of the Hospital Improvements. Phase 1 Services consist of (i) confirming the programmatic scope of the Hospital Improvements, (ii) preparation of a Purchase and Sale Agreement to provide the site for the Hospital Improvements and a comprehensive Standard Form of Agreement Between Owner and Design-Builder – Cost Plus a Fee with a Guaranteed Maximum Price, DBIA Forms 530 and 535, to provide the cost to design, construct and equip the Hospital Improvements to full completion and ready for occupancy, (iii) describing and identifying sources of financing for the Development, (iv) determining how the Development can be financed with the proceeds of Bonds (defined below). The parties approve of and agree that the Company or the Project Manager will engage the Design-Build Team to assist in performing Phase I Services.

B. Phase 2 Services. The Phase 2 Services are sometimes referred to as Design, Pre-Construction and Financing Services, and generally consist of Services that will be performed prior to the commencement of any construction activities. As a part of Phase 2 Services the Company shall cause the appropriate member of the Design-Build Team to prepare a complete set of plans and specifications for construction of the Hospital Improvements. The Company contemplates that it will finance the expenses of construction and equipping of the Hospital Improvements with funds available from the sale of Bonds (as defined below), which will be secured by the revenues derived from the operations of the Hospital Improvements and will not constitute a debt, liability or obligation of the City. As part of its Services, the Company

will identify, source, manage and coordinate the full financing of the Hospital Improvements with the assistance of the Underwriter and the Issuer, as described below.

The Company, with the assistance of the Project Manager, has proposed a Pro Forma Financial Plan (in the form attached hereto as Exhibit B) and a Development Schedule (in the form attached hereto as Exhibit C) for the projected sources of funding available to pay the costs of the Hospital Improvements and the schedule for the construction of the Hospital Improvements. The City agrees to cooperate with and assist the Company in obtaining such funding sources as may reasonably be available to pay the costs of the Hospital Improvements. It is currently anticipated that these sources of funding may include, but are not limited to, Hospital Revenue Bonds (the "Bonds") to be issued by the Phoenix Industrial Development Authority (the "Issuer") in one or more tax-exempt or taxable series, such Bonds to be payable from the revenues generated by the operations of the Hospital Improvements by the Company and any amounts payable by the City pursuant to the terms of the Replenishment Agreement with respect to the Series 2022C Bonds from the City to the Trustee for the Series 2022C Bonds. Notwithstanding any statement to the contrary in this Agreement, the parties agree that City has no obligation to provide funding, financing or other financial assistance of any kind in connection with the Project other than as set forth in the Replenishment Agreement.

a. Bond Financing. In coordination with the completion of the Phase 2 Services, Company, with the assistance of the Project Manager and consistent with the provisions of the Term Sheet from the Underwriters, negotiate the final terms of the Bonds, the master indenture of trust, the first supplemental indenture of trust, the loan agreement, ground lease agreement, ground lease deed of trust, disbursing agreement, security agreement, pledge agreement and other documents as may be required in connection with the issuance of the Bonds (collectively, the "**Bond Financing Documents**") under which the Bonds will be issued, subject in all events to the prior written approval of the City.

b. In furtherance of its duties to assist in obtaining the financing for the Development, the Company, with the assistance of the Project Manager, shall: (i) make all necessary applications to the Issuer to request the issuance of the Bonds; (ii) cooperate with and assist the firm of nationally recognized Bond Counsel, selected by the Company and approved by the Issuer, to prepare the necessary Bond Financing Documents and give the approving opinion of Bond Counsel as to the tax-exempt status of the applicable Bonds; (iii) submit the Bonds and the Development for approval by the Issuer in accordance with applicable law; (iv) have its representatives attend any public hearings, committee meetings, and conferences with staff as may be necessary and appropriate to obtain the

passage of the resolutions or other official actions of the Issuer required for the issuance of the Bonds; and (v) engage all necessary third party professionals including, but not limited to, title insurance providers, surveyors, environmental assessment companies, inspectors, appraisers, attorneys, accountants and others as may be required for the issuance of the Bonds.

C. Phase 3 Services. The Phase 3 Services are sometimes referred to as Construction Management Services, to include construction management and oversight services by the Company with the assistance of the Project Manager. Upon the completion of the Phase 1 Services the Company will have provided one or more forms of Guaranteed Maximum Price Construction Contracts to provide for the construction of the Hospital Improvements. Upon the completion of the Phase 2 Services the Company will have entered into the Bond Financing Documents, the Guaranteed Maximum Price Construction Contract, the Purchase Agreement for the site of the Hospital Improvements, and such other contracts, agreements and engagements as may be required for the construction of the Hospital Improvements. The Construction Management Services provided by the Company (with the assistance of the Project Manager) in connection with the Phase 3 Services will be as set forth in the agreements entered into at the time of issuance of the Bonds and will include the following:

1. Management and oversight of the Guaranteed Maximum Price Construction Contract;

2. Value engineering during the course of construction;

3. Submission and application of construction draw requests in accordance with the Bond Financing Documents;

4. Negotiation and processing of change orders;

5. Compliance with all City building codes and inspection and health-safety requirements;

6. Application, with the assistance of CHC Consulting as the Company's health care planning and operations consultant, for and obtaining all permits, certificates, or approvals required for occupancy and operation of the Hospital Improvements; and

7. Upon completion of the Hospital Improvements and the receipt of the approvals of all regulatory bodies necessary for the operations of the Hospital Improvements, the Company shall own the Hospital Improvements and CHC Consulting shall manage and operate the Hospital Improvements pursuant to the terms of the Management Agreement for the benefit of the City and its residents and the residents of the surrounding areas.

Section 3.3. Disposition of the Project. With respect to the disposition of the Project, if and when directed by the City, the Company shall take the actions set forth in Section 8(b) of the Master Development Agreement subject to the restrictions and covenants set forth therein.

ARTICLE IV TERM

Section 4.1. Term. This Agreement shall commence on the Effective Date and shall continue until the earlier of: (i) the acquisition of the Hospital Improvements by the City in accordance with Sections 8(b) of the Master Development Agreement and the payment of all amounts due with respect to the Bonds, or (ii) the termination of this Agreement by either party as provided herein or by law.

ARTICLE V
NON-DISCRIMINATION; EQUAL EMPLOYMENT OPPORTUNITY

Section 5.1. Company Shall Not Discriminate. In the performance of this Agreement, Company agrees not to discriminate on the basis, whether in fact or perception, of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, physical or mental disability or AIDS- or HIV-status against:

A. Any employee of the City or any Company employee working with Company in any of Company's operations involving the Development, or;

B. Any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Company. Company agrees to comply with and abide by all applicable federal, state and local laws relating to non-discrimination, including, without limitation, Title VI of the Civil Rights Act of 1964, Section V of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, and Texas Labor Code, Chapter 21.

Section 5.2. Equal Employment Opportunity. Company further agrees not to discriminate on the basis, whether in fact or perception, of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, physical or mental disability or AIDS- or HIV-status against any applicant for employment with Company. Further, Company agrees to take affirmative action to ensure that that the applicants are considered for employment and that employees are treated during employment without unlawful regard to such person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, physical or mental disability or AIDS- or HIV-status. Such action shall include, without limitation, the following areas: employment, promotion, demotion, transfer or layoff; recruitment or recruitment compensation; and selection for training. Company agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause. Further, Company agrees all solicitations or advertisements for employees placed by or on behalf of Company shall state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex or national origin.

Section 5.3. Service Providers/Subcontractors. Company shall incorporate by reference in all subcontracts and other agreements with persons engaged to provide services in connection with the Development the provisions of this Article and shall require all such subcontractors and service providers to comply with such provisions. Company's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

Section 5.4. Certifications Required by Texas Law. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), the Company certifies that it does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), the Company certifies that it does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), the Company certifies that it does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms in this Section have the meanings ascribed to them in the referenced statutes if defined therein.

ARTICLE VI
INDEMNIFICATION

Section 6.1. Duty to Indemnify the City Against Loss. To the fullest extent permitted by law, Company shall protect, defend, indemnify and hold harmless the City, its elected officials and employees (collectively, the "**Indemnified Parties**") from and against all claims, actions, liabilities, losses (including, without limitation, economic losses) and costs, arising out of or related to a breach or default by Company of its obligations under this Agreement or the negligent, grossly negligent, unlawful or intentionally wrongful act or omission of Company or its officers, directors, employees, agents or contractors in connection with the development, financing, construction and operation of the Hospital Improvements, the Services or the Project. In its sole discretion, City shall have the right to approve or select defense counsel to be retained by Company in fulfilling its obligation hereunder to defend and indemnify City, unless such right is expressly waived by City in writing. City reserves the right to provide a portion or all of its own defense; however, City is under no obligation to do so. Any such action by City is not to be construed as a waiver of Company's obligation to defend City or as a waiver of owner's obligation to indemnify City pursuant to this Agreement. Company shall retain City-approved defense counsel within seven (7) business days of City's written notice that City is invoking its right to indemnification under this agreement. If Company fails to retain counsel within such time period, City shall have the right to retain defense counsel on its own behalf, and Company shall be liable for all costs incurred by City. The rights and obligations created by this section shall survive the termination or expiration of this Agreement.

Section 6.2. Limit on Duty to Indemnify. Notwithstanding anything to the contrary herein, Company shall not be required to indemnify the Indemnified Parties to the extent of their fault for any loss that results from the negligence or breach of contract under this Agreement of any of the Indemnified Parties.

ARTICLE VII
INDEPENDENT CONTRACTOR STATUS

Section 7.1. Independent Company Status. Company shall not be deemed an employee, servant, agent, partner or joint venturer of the City. The Company agrees that it shall not hold itself or any of its employees, subcontractors or agents to be an employee, partner or agent of the City. Further, the Company acknowledges and agrees that, as an independent contractor, neither the Company nor any of its employees shall be entitled to receive any benefits that employees of the City are entitled to receive, including, without limitation, workers' compensation coverage, unemployment compensation coverage, medical insurance, life insurance, paid vacations, paid holidays, sick leave, pension, or Social Security for any services rendered to the City under this Agreement.

Section 7.2. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, without regard to conflict of law principles. This Agreement is performable in Grayson County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.

ARTICLE VIII
RETENTION, ACCESS AND OWNERSHIP OF RECORDS

Section 8.1. Retention. Company agrees to keep all business records related to, or arising out of, this Agreement as would be kept by a reasonably prudent practitioner of Company's profession for a period of either at least two (2) years after the termination of this Agreement or for the duration required under Tex. Loc. Gov't Code § 84.902 or other applicable record retention requirements under Texas law, whichever is longer. Company agrees to maintain all accounting records in accordance with generally accepted principles and practices and will ensure that all confidential data entrusted to or obtained by Company in the performance of the Services will remain secure. Company further agrees to notify the City or its successor prior to the destruction of any such records by Company and to provide the City or its successor with copies of any such records as may be requested by the City or its successor.

ARTICLE IX
INSURANCE

During Phase 3 of this Agreement and thereafter, the Company shall, at all times, maintain insurance in accordance with the requirements of the Bond Financing Documents.

ARTICLE X
NOTICE

Section 10.1. Notice Addresses. Any notice, demand, communication or request required or permitted hereunder shall be in writing and delivered in person or by certified mail, return receipt requested as follows:

A. in the case of the City, addressed to or delivered personally to the City of Sherman, 220 W. Mulberry Street, Sherman, TX 75090, Attention: City Manager; with a copy

to Abernathy, Roeder, Boyd & Hullett, P.C., Attention: Ryan D. Pittman, 1700 Redbud Blvd., Suite 300, McKinney, Texas 75069; and

B. in the case of the Company, addressed to or delivered personally to the Company at CFP Sherman Hospital, LLC, c/o Community Facility Public Private Partnerships, 601 Carlson Parkway, Suite 1050, Minnetonka Minnesota 55305; with a copy to Ivy P3 Group, LLC, 4300 MacArthur Avenue, Suite 175, Dallas, Texas 75209 Attention Robert Colombo; and with a copy to Daniel R. Nelson, Best & Flanagan LLP, 60 South Sixth Street, Suite 2700, Minneapolis, Minnesota 55402.

C. In the case of CHC, addressed to or delivered personally to CHC at Community Hospital Corporation, 7950 Legacy Drive, Suite 1000, Plano, Texas 75024, Attention: President.

Section 10.2. Notice Effective Dates. Notices shall be effective when received by each of the above-referenced individuals at the addresses specified above. Each party shall be responsible for notifying the other in writing of any changes in the respective addresses set forth above.

Section 10.3. Routine Communications. Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of the City and the Company.

ARTICLE XI
GENERAL PROVISIONS

Section 11.1. No Assignment Without Consent. This Agreement is personal to each of the parties hereto, and neither party may assign or delegate any rights or obligations hereunder without first obtaining the written consent of the other party.

Section 11.2. Conflict of Interest. Company agrees to decline any offer of work, whether as an independent contractor or employee, if such work would:

A. Affect Company's independent professional judgment with respect to its performance of the Services; or

B. In any way interfere with Company's ability to discharge any of its obligations under this Agreement. The initial determination of whether any offer of work would present such a conflict of interest shall rest with Company. However, Company shall be obligated to notify the City and provide full disclosure as to any possible adverse effects of such work as it relates to Company's independent professional judgment or the discharge of any of its obligations under this Agreement. Final decision as to whether any such work proposes a prohibited conflict of interest shall rest with the City.

Section 11.3. Non-Recourse Obligations of the Company. The City acknowledges and agrees that the Company is a limited liability company formed for the sole purpose of assisting in the design, construction and financing of the Project for the benefit of and to lessen the governmental burdens of the City, and that the Company will have no funds or assets other

than its interests in the Hospital Improvements for the payment or performance of the Company's obligations and duties under this Agreement or with respect to the Project.

Section 11.4. Severability. The parties hereto intend all provisions of this Agreement to be enforced to the fullest extent permitted by law. Accordingly, if a court of competent jurisdiction finds any provision to be unenforceable as written, the parties intend and desire that the court will reform the provision so that it is enforceable to the maximum extent permitted by law. If, however, the court finds such provision to be illegal and not subject to reformation, such provision shall be fully severable. In such event, this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision was never a part hereof, and the remaining provisions of this Agreement shall remain in full force and effect.

Section 11.5. Schedules and Exhibits. All Schedules and Exhibits attached hereto shall be and hereby are incorporated into this Agreement as if fully rewritten herein.

Section 11.6. Rules of Construction. The headings and captions of this Agreement are provided for convenience only and are not intended to have effect in the construction or interpretation of this Agreement. Whenever herein the singular number is used, the same shall include the plural, where appropriate, and neutral words and words of any gender shall include the neutral and other gender, where appropriate. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved in favor of or against the City or Company on the basis of which party drafted the uncertain or ambiguous language. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto.

Section 11.7. Amendment. No amendment of or modification to this Agreement shall be valid unless and until executed in writing by the duly authorized representatives of both parties to this Agreement.

Section 11.8. No Third-Party Beneficiaries. This Agreement is entered into for the exclusive benefit of the Company, CHC, the Project Manager and the City, and the Company, CHC and the City expressly disclaim any intent to benefit anyone not a party hereto, other than the Project Manager.

Section 11.9. Time is of the Essence. The City, CHC and the Company each acknowledge and agree that time is of the essence in the performance of this Agreement.

Section 11.10. Non-Exclusive. This Agreement shall be non-exclusive. Accordingly, subject to Section 11.2, Company and CHC shall be free to provide services to other clients, and City shall be free to engage the services of other contractors unrelated to the Project.

Section 11.11. Prohibition Against Financial Interest in Agreement. No elected official or employee of City shall have a financial interest, direct or indirect, in this Agreement. For purposes of this Section, a financial interest held by the spouse, child or parent of any elected official or employee of City shall be deemed to be a financial interest of such elected official or employee of City.

Section 11.12. Remedies Cumulative. No remedy set forth in this Agreement or otherwise conferred upon or reserved to any party shall be considered exclusive of any other remedy available to a party. Rather, each remedy shall be deemed distinct, separate and cumulative and each may be exercised from time to time as often as the occasion may arise or as may be deemed expedient.

Section 11.13. Complete Agreement. Company specifically acknowledges that in entering into and accepting this Agreement, Company relies solely upon the representations and agreements contained in this Agreement and no others. This Agreement supersedes and replaces any and all prior agreements, negotiations and discussions between the parties hereto with regard to the terms, obligations and conditions herein.

Section 11.14. Representatives Not Individually Liable. No member, official, or employee of either party shall be personally liable to the other party, or any successor in interest, in the event of any default or breach or on any obligations under the terms of the Agreement.

Section 11.16. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 11.17. Representation on Company Board of Governors. The affairs, policies and practices of the Company shall be governed by a Board of Governors as its governing body. In order to provide for the efficient and cooperative operation and management of the Hospital Improvements, subject to the general provisions of the Company's Operating Agreement, the Company agrees that, upon the completion of the construction and equipping of the Hospital Improvements and thereafter at all times while the Bonds to finance the Project remain outstanding, the City shall have the right to designate the greater of one voting Governor/board member or the amount of Governors/board members constituting twenty (20) percent of the total number of voting Governors/board members for appointment to the minimum five person Board of Governors of the Company, and at all times while the Management Agreement is in force and effect CHC shall have the right to designate one Governor for appointment to the minimum five person Board of Governors of the Company; provided that the Management Agreement and the Operating Agreement of the Company shall at all times comply with the requirements of Revenue Procedure 2017-13 and at no time shall CHC have control over more than twenty percent (20%) of the voting power of the Board of Governors of the Company.

IN WITNESS WHEREOF, the City and the Company have each caused this Agreement to be duly executed in its name and behalf on the dates set forth below to be effective as of the Effective Date.

CITY OF SHERMAN, TEXAS

By_____
Robby Hefton, City Manager
Date_____

ATTEST:

By_____
Linda Ashby, City Clerk

APPROVED AS TO FORM:

By_____
Abernathy Roeder Boyd Hullett, P.C.
Ryan D. Pittman, City Attorney

Signature page of the City of Sherman, Texas to
Public Private Partnership Agreement

CFP SHERMAN HOSPITAL, LLC

By_____

Name_____

Its_____

Date:

Signature page of the CFP Sherman Hospital, LLC to
Public Private Partnership Agreement

JOINDER OF COMMUNITY HOSPITAL CORPORATION

Community Hospital Corporation has joined in this Agreement and caused it to be duly executed in its own behalf solely for purposes of Section 11.17 hereof.

COMMUNITY HOSPITAL CORPORATION

By_____

Name_____

Its_____

Date:

#6444226_6

Signature page of the Community Hospital Corporation to
Public Private Partnership Agreement

EXHIBIT A

Real Estate Purchase Agreement

Real Estate Purchase Agreement

This Real Estate Purchase Agreement (this "Agreement") is made and entered into as of the _____ day of March, 2022 (the "Effective Date") by and between Heritage Development Partners LLC, a Texas limited liability company ("Seller"), and CFP Sherman Hospital, LLC, [an Arizona limited liability company], and its permitted assigns ("Buyer").

Recitals

A. Seller is the owner of that certain real property containing approximately 16.7938 acres of land, located West of US 75 and North of Medical Drive, Sherman, Texas, and as more particularly described on the attached **Exhibit A**.

B. Upon the terms and conditions of this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Property and all easements, hereditaments, air rights, rights of way, licenses, and other rights benefiting or appurtenant to the Property ("Property").

C. Buyer plans to develop an 80 bed, 160,000 square foot acute care hospital on the Property (the "Project").

D. The Buyer will cause the issuance of revenue bonds by the Phoenix Industrial Development Authority in one or more series from time to time in the aggregate estimated amount not to exceed $260,000,000 (the "Project Financing"). As part of the Project Financing the Buyer will cause to be issued Series B Subordinated Bonds in an amount at least equal to the Purchase Price and related expenses as provided herein (the "Series B Project Bonds").

E. Seller is willing to sell the Property to Buyer, and Buyer is willing to purchase the Property, each on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the following terms and conditions, the parties agree as follows:

1. Sale and Purchase. Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller, upon the terms and conditions set forth herein, the Property.

2. Purchase Price, Earnest Money.

(a) Purchase Price. The purchase price to be paid by Buyer to Seller for the Property is **$10,975,000.00** (the "Purchase Price"). The Purchase Price shall be paid by providing Seller with Series B Project Bonds in an amount to be determined and cash in an amount to be determined. Seller agrees to take at least 50% of the Purchase Price in Series B Project Bonds but can increase that percentage, at Seller's option.

(b) Title Company. The Title Company to serve as escrow agent for this Contract is (the "Title Company"): Chicago Title Company, 3100 Monticello, Suite 800, Dallas, TX 75205, Attention: Kristi Covy, Commercial Closing Attorney; krisit.Covey@ctt.com; (972) 764-1456.

(c) Earnest Money. Within three Business Days after the effective date, Buyer shall deliver an earnest money deposit in the amount of $10,000.00 (the "Earnest Money") payable to the Title Company, in its capacity as escrow agent, to be held in escrow pursuant to the terms of this Contract. Seller's acceptance of this Contract is expressly conditioned upon Buyer's timely

deposit of the Earnest Money with the Title Company. If Buyer fails to timely deposit the Earnest Money with the Title Company, then Seller may, at Seller's option, terminate this Contract by delivering a written termination notice to Buyer at any time until Buyer deposits the Earnest Money with the Title Company.

3. Buyer's Feasibility Condition.

(a) Feasibility Period. Subject to extensions provided herein, Buyer shall have a period commencing on the Effective Date and ending at 5:00 p.m. Central Standard Time on April 20, 2022 (as may be extended as provided herein, the "Feasibility Period"), to determine, in Buyer's sole and absolute discretion, if Buyer, is satisfied (i) with its examination and analysis of the Property Documents; (ii) with the condition of the Property, including, without limitation, the results of and matters disclosed by any Inspections; (iii) with all the Project Approvals, upon terms and conditions acceptable to Buyer, subject, however, to Seller's approval rights, as set forth herein; (iv) with all the Project Financing, including issuance of the Series B Project Bonds, upon terms and conditions acceptable to Buyer; and (v) that the Property otherwise meets Buyer's requirements and that the Project is otherwise feasible. Buyer's obligation to purchase the Property hereunder is expressly conditioned upon Buyer's satisfaction with the foregoing matters on or before the expiration of the Feasibility Period, as may be extended as provided herein (collectively, "Buyer's Feasibility Condition"). Buyer may waive Buyer's Feasibility Condition or terminate this Agreement for failure of Buyer's Feasibility Condition in accordance with Section 3(c).

(b) Feasibility Period Extensions.

(i) First Extension. Buyer shall have the right to extend the Feasibility Period for a period of up to **60 days** (the "First Extension") by delivering notice to Seller of Buyer's exercise of the First Extension on or before expiration of the Feasibility Period.

(ii) Second Extension. If Buyer has properly exercised the First Extension, then Buyer shall have the right to extend the Feasibility Period for a second period of up to **60 days** (the "Second Extension") by delivering notice to Seller of Buyer's exercise of the Second Extension on or before the expiration of the Feasibility Period, as extended by the First Extension.

(c) Satisfaction of Buyer's Feasibility Condition; Buyer's Termination Right. If Buyer's Feasibility Condition has not been satisfied or waived by Buyer on or before the expiration of the Feasibility Period, then Buyer shall have the right to terminate this Agreement at any time before the expiration of the Feasibility Period for failure of Buyer's Feasibility Condition by delivering notice of such termination to Seller and the Title Company. Upon Seller's receipt of such termination notice from Buyer, this Agreement shall terminate and be of no further force or effect without the need for any further documentation or approval by Seller, and neither Seller nor Buyer shall have any further rights or obligations under this Agreement, except for those obligations provided for herein which expressly survive termination of this Agreement. If Buyer fails to provide written notice of termination of this Agreement prior to the expiration of the Feasibility Period, then Buyer shall be deemed to have elected to waive Buyer's Feasibility Condition and proceed to Closing, subject to the other terms and conditions of this Agreement.

4. Inspection of Property Documents and Property

(a) Property Documents. Seller shall deliver or make available to Buyer copies of the documents referenced in **Exhibit B** if existing, and if in Seller's possession or control (collectively,

the "Property Documents") within five (5) business days after the Effective Date. Seller makes no representations or warranties of any kind regarding the accuracy or completeness of the information included or the conclusions or statements expressed in any of the Property Documents furnished to Buyer by Seller. Buyer waives any and all claims against Seller arising out of the accuracy or completeness of the information included or the conclusions or statements expressed in the Property Documents so furnished and any and all claims arising out of any duty of Seller to provide Buyer with any updates or changes to the Property Documents. If this Agreement is terminated or cancelled for any reason, all of the Property Documents, as well as all copies made by Buyer or any of its legal counsel, lender, equity investors, consultants and agents and all notes or other tangible or intangible records relating thereto shall be returned to Seller. This Section shall survive the termination or cancellation of this Agreement.

(b) Right of Inspection. Buyer shall have a limited license to examine the Property Documents and make a physical inspection of the Property during the Feasibility Period, so long as this Agreement has not been terminated. In this regard, Buyer and its authorized employees, agents, contractors and representatives (collectively, "Buyer Representatives") shall be entitled to enter upon the Property during normal business hours and upon not less than one (1) business days' notice to Seller or its designated agents (which may be delivered via email) for the purpose of conducting such non-invasive tests, studies, audits and investigations of the Property as Buyer may reasonably desire (collectively, "Inspections"). Buyer shall pay all costs and expenses of all Inspections. Notwithstanding anything herein to the contrary, Buyer shall not perform soil tests, asbestos or lead tests, or perform tests of a similarly intrusive nature without the prior written consent of Seller, such consent not to be unreasonably withheld.

5. Project Development.

(a) Generally. Commencing the Effective Date, Buyer shall, proceeding with all reasonable diligence, use commercially reasonable efforts to obtain all governmental land use approvals and entitlements necessary to develop the Project (the "Project Approvals"). The Project Approvals shall include all land use approvals, entitlements, zoning designations, and platting, required for the development and construction of the Project.

(b) Project Plans. Buyer will keep Seller reasonably informed about Buyer's progress in obtaining the Project Approvals, including providing Seller periodic email updates and presentations, at intervals reasonably requested by Seller.

(c) Project Financing. Commencing no later than promptly following the Effective Date, Buyer shall, proceeding with all reasonable diligence, use commercially reasonable efforts to evaluate, pursue, apply for, and secure all the Project Financing necessary for the acquisition, and construction of the Project.

6. Closing.

(a) Closing Date.

(i) Closing Date. The closing of the purchase and sale of the Property contemplated by this Agreement (the "Closing") will occur on a date that is 10 days after the earlier to occur of (i) the expiration of the Feasibility Period or (ii) Buyer's earlier waiver of Buyer's Feasibility Condition. Buyer may accelerate the Closing by providing Seller at least 10 days' prior notice of Buyer's desired earlier Closing Date.

(b) Seller's Closing Deliveries. At Closing (except as expressly provided below), Seller shall execute and/or deliver to Buyer the following:

(i) Deed. A special warranty deed (a "Deed") conveying fee simple title to the Property to Buyer, free and clear of all encumbrances, except the Permitted Encumbrances.

(ii) Seller Authority Documents. A written resolution or other authorization from Seller, authorizing and approving Seller to complete the Closing.

(iii) Seller's Affidavit. An affidavit by seller indicating that on the Closing Date there are no outstanding, unsatisfied judgments, tax liens, or bankruptcies against or involving Seller or the applicable portion of the Property; that there has been no skill, labor, or material furnished to the applicable portion of the Property for which payment has not been made or for which mechanics' liens could be filed; and that there are no unrecorded interests in the applicable portion of the Property.

(iv) FIRPTA Affidavit. A non-foreign affidavit, properly executed and in recordable form, containing such information as is required by Internal Revenue Code Section 1445(b)(2) and its regulations.

(v) IRS Reporting Form. The appropriate federal income tax reporting form, if any is required.

(vi) Settlement Statement. A Closing settlement statement reflecting the financial provisions of the Closing, consistent with the provisions of this Agreement ("Settlement Statement").

(vii) Possession. Exclusive possession of the Property to Buyer, subject only to the Permitted Encumbrances.

(viii) Representations. A certificate by Seller that all representations and warranties are true and correct as of the Closing Date.

(ix) Other Documents. Such other documents as may be reasonably required to consummate the sale and purchase contemplated hereby, which are not inconsistent with this Agreement.

(c) Buyer's Closing Deliveries. At each Closing (except as expressly provided below), Buyer will execute and/or deliver to Seller the following:

(i) Purchase Price. The Series B Project Bonds and [cash] in an aggregate amount equal to the Purchase Price.

(ii) Settlement Statement. Buyer's counterpart to the Settlement Statement.

(iii) Other Documents. Such other documents as may be reasonably required to consummate the sale and purchase contemplated hereby, which are not inconsistent with this Agreement.

(d) Prorations; Expenses. Seller and Buyer shall make the following prorations and allocations of taxes, assessments, rents, costs, and other expenses at each Closing:

(i) Title Insurance and Closing Fee. Buyer will pay all reasonable and customary closing fees or charges imposed by the Title Company. Buyer shall pay all costs of the Title Commitment (as defined below) and Buyer shall pay the premium costs for any Owner's or Lender's Title Policies it desires and any endorsements thereto.

(ii) Transfer Tax. Buyer shall pay all state deed transfer taxes due on each Deed to be delivered by Seller under this Agreement. Buyer shall pay all mortgage registration, recordation costs, or similar taxes payable in connection with Buyer's financing.

(iii) Recording Costs. Buyer shall pay the cost of recording any necessary documents to place record title in Seller in the condition required by this Agreement, including without limitation, the cost of recording the satisfaction of any existing Seller mortgage and any other document necessary to cure any Cure Items, if any. Buyer will pay the cost of recording the Deed and any instruments required in connection with the Project.

(iv) Real Estate Taxes and Special Assessments. All real estate taxes (based on the most recent assessed valuation by the Grayson County Appraisal District and the current tax rates of the applicable taxing authorities) and special assessments with respect to the applicable portion of the Property shall be prorated as of the Closing Date with Seller being obligated to pay all such real estate taxes and installments of special assessments due and payable with respect to the applicable portion of the Property to the Closing Date and any period prior to the Closing Date, and Buyer being obligated to pay any such real estate taxes and installments of special assessments due and payable with respect to the applicable portion of the Property after the Closing Date and through all subsequent periods. Seller warrants that there are no Rollback taxes due on the property.

(v) Income and Expenses. All income and expenses relating to or deriving from the applicable portion of the Property, if any, shall be prorated on a daily basis as of the Closing Date, including rental income, operating expenses, and utility charges, if any.

(vi) Proration Method. Unless otherwise stated herein, Buyer's and Seller's respective proration obligations shall be determined as follows, respectively, with respect: (i) Seller pays that part of expenses that have accrued on or before the Closing Date, (ii) Buyer pays that part of expenses that accrue after the Closing Date, (iii) Seller is entitled to that part of rental and other income that has accrued on or before the Closing Date, and (iv) Buyer is entitled to that part of rental and other income that accrues after the Closing Date.

(vii) Attorneys' Fees. Each of Seller and Buyer shall pay its own attorneys' fees in connection with the preparation and negotiation of this Agreement and each Closing. Additionally, Buyer shall pay Seller's attorney's fees related to sale of the Property pursuant to this Agreement not to exceed $15,000.

(viii) Survival. The provisions of this Section 6 shall survive each Closing and shall not merge with the delivery of either Deed.

7. Title Matters. Title examination shall be conducted as follows:

(a) Seller's Title Evidence. No later than 7 business days after the Effective Date, Seller shall furnish Buyer with a commitment ("Title Commitment") for a TLTA Owner's Policy of Title Insurance ("Title Policy") committing to insure title to the Property in Buyer, subject only to the Permitted Encumbrances, in the amount of the Purchase Price and issued by the Title Company. As part of the Property Documents, Seller will deliver to Buyer a copy of Seller's most recent land survey of the Property, if any. At Buyer's sole cost, Buyer may obtain an updated land survey of the Property (the "Survey") and Seller will reasonably cooperate with the same, at no cost to Seller.

(b) Buyer's Objections. Within 5 business days after receiving the Title Commitment and the Survey, Buyer shall notify Seller in writing of any matters which render title in Seller as being unmarketable ("Objections"). Buyer's failure to make Objections within the applicable time period will constitute a waiver of Buyer's right to make Objections. Any item disclosed by the Title Commitment and/or the Survey and not objected to by Buyer shall be a "Permitted Encumbrance" hereunder.

(c) Cure Period. Seller shall advise Buyer in writing ("Cure Notice"), within 7 days after Buyer delivers written notice of any Objections, which (if any) of the Objections Seller is willing to cure (the "Cure Items"). Seller's failure to deliver a Cure Notice will be deemed Seller's election not to undertake any Cure Items. Seller will have until the date that is five (5) days before the Closing (the "Cure Period") to use commercially reasonable efforts to attempt to cure the Cure Items, if any, in Seller's sole discretion; provided, however, that Seller may pay monetary liens described in Section 8(e) out of proceeds from Closing on the Closing Date if they are not satisfied prior thereto or assumed by Buyer in accordance with this Agreement, and Seller shall otherwise have no obligation to cure any Objections except as provided in said Section 8(e). If Seller elects (or is deemed to have elected) not to undertake any Cure Items or the Cure Items are not cured within the Cure Period, Buyer may elect any of the following options by providing written notice thereof to Seller and to the Title Company:

(i) Terminate this Agreement within five (5) business days after the expiration of the Cure Period by written notice of such termination to Seller and upon receipt of such notice from Buyer, this Agreement shall automatically terminate and neither Seller nor Buyer shall have any further rights or obligations under this Agreement (except for any obligations that expressly survive the termination of this Agreement), and, if applicable, the Title Company shall promptly return the Earnest Money to Buyer; or

(ii) Waive the Objections and close the transaction contemplated by this Agreement as if such Objections had not been made, and the title matters related to such Objections will be deemed Permitted Encumbrances.

(d) New Title Matters. If any matters affecting title to the Property are discovered by or reported to Buyer on or prior to the corresponding Closing Date which are not shown on the Title Commitment or the Survey, or which were created or came into existence on or after the date of delivery of the Title Commitment, Buyer shall notify Seller in writing of any additional Objections to such title matters as soon as reasonably possible. Any such new Objection shall be addressed in the manner set forth in Section 7(c).

(e) Satisfaction of Seller Liens. Notwithstanding anything in this Agreement to the contrary, any monetary liens of a definite and ascertainable amount, whether voluntary or involuntary (such as judgments, mechanic or mortgage liens) created, assumed or otherwise caused

by Seller will be paid or otherwise satisfied by Seller on or before the Closing and such items shall not be Permitted Encumbrances hereunder.

8. Operation Prior to Closing. From the Effective Date until the Closing or earlier termination of this Agreement, Seller shall conduct the business of the Property in the ordinary course, and will not: (a) transfer or convey any fee interest to the Property, or enter into any agreement to do so; (b) create or agree to any lease, easements, liens, mortgages, encumbrances or other interests that would affect Seller's ability to comply with this Agreement; and/or (c) fail to maintain and repair the Property in at least the manner that Seller has done previously in all material respects.

9. Representations and Warranties.

(a) Seller's Representations and Warranties.

(i) Organization. Seller is a Texas limited liability company, validly existing and in good standing under the laws of the state of Texas.

(ii) Authority. Seller has the full power and authority to execute and deliver and fully perform its obligations under this Agreement, and this Agreement constitutes a valid and legally binding obligation of Seller, enforceable in accordance with its terms.

(iii) Insolvency. Seller has not either filed or been the subject of any filing of a petition under the federal bankruptcy law or any federal or state insolvency laws or laws for composition of indebtedness or for the reorganization of debtors.

(iv) Litigation. There is no current litigation against Seller relating to the Property or otherwise involving Seller's interest in the Property and, to Seller's knowledge, Seller has not received written notice of any pending or threatened litigation against Seller relating to the Property or otherwise involving Seller's interest in the Property.

(v) Contracts. Except this Agreement and except as may be shown in the real estate records of the Property as of the Effective Date, there are no purchase agreements, rights of first refusal, options to purchase, leases, occupancy or operating agreements in effect with respect to the Property.

(vi) Anti-Terrorism Laws. Seller is not (A) listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury, or (B) a person or entity with whom Buyer is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law, or (C) a person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined or used in the Anti-Terrorism Laws. The "Anti-Terrorism Laws" are Executive Order No. 13224, 66 Fed. Reg. 49079 (published September 25, 2001) and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended.

(vii) FIRPTA. Seller is not a "foreign person" as that term is defined in the Federal Foreign Investment in Real Property Tax Act of 1980 or the 1984 Tax Reform Act, as amended.

All of the representations or warranties in this Section 9(a) shall be remade as of the Closing. If, after the Effective Date but on or prior to the Closing, a material and adverse change occurs to any

of the above representations or warranties so that such is no longer accurate or true, the party obtaining knowledge of such change shall promptly notify the other party in writing of the change. Under said circumstances, Seller shall have 10 business days to cure after notice from Buyer, then Buyer may terminate this Agreement without further liability by giving written notice to Seller, in which event the Earnest Money, if any, shall be returned to Buyer, and, if such material and adverse change to any of the above representations or warranties is the result of Seller's actions or failure to act, Buyer shall have the remedies described in Section 14(b). Notwithstanding anything to the contrary contained in this Agreement, Seller shall have no liability for any change caused by Buyer to any of the above representations or warranties, and Buyer shall have no right to terminate this Agreement or otherwise exercise any remedies hereunder because of such change.

(b) Buyer's Representations and Warranties.

(i) Organization. Buyer is a non-profit limited liability company, duly organized, validly existing and in good standing under the laws of the state of Arizona.

(ii) Authority. Buyer has the power and authority to execute this Agreement; that the execution, delivery, and performance by Buyer hereunder do not conflict with or violate Buyer's organizational documents or any judgment, order or decree of any court or arbiter or any agreement by which Buyer is bound.

(iii) Insolvency. Buyer has not either filed or been the subject to any filing of a petition under the Federal Bankruptcy Law or any federal or state insolvency laws or laws for composition of indebtedness or for the reorganization of debtors.

(iv) Anti-Terrorism Laws. Neither Buyer nor any of its affiliated entities is in violation of any Anti-Terrorism Laws, including the Executive Order, and the PATRIOT Act. Neither Buyer, nor, to the knowledge of Buyer, any of its brokers or other agents acting in any capacity in connection with the purchase of the Premises: (i) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order; or (ii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

The representations and warranties of Buyer contained within this Section 9(b) shall survive for a period of twelve (12) months after the date of the Closing and delivery of the Deed.

(c) Sale "As Is"; No Representations or Warranties. EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES MADE IN THIS AGREEMENT, THE SALE OF THE PROPERTY FROM SELLER TO BUYER IS IN ITS "AS IS", "WHERE IS" AND "WITH ALL FAULTS" CONDITION, WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED OR OTHERWISE, WRITTEN OR ORAL, BY THE SELLER, ANY AGENT OR BROKER OF SELLER, OR THEIR RESPECTIVE OFFICERS, EMPLOYEES OR AGENTS, INCLUDING WITHOUT LIMITATION ITS MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. FURTHER, WITHOUT LIMITATION, SELLER MAKES NO AND DISCLAIMS ANY REPRESENTATION OR WARRANTY AS TO (A) ITS MERCHANTABILITY, (B) ITS FITNESS FOR A PARTICULAR PURPOSE, (C) ITS COMPLIANCE WITH THE AMERICAN WITH DISABILITIES ACT, ZONING OR USE LAWS, OR OTHER LAWS OR ORDINANCES; (D) ITS PAST, CURRENT, OR FUTURE VALUE OR FINANCIAL PERFORMANCE; (E) ITS PHYSICAL CONDITION OR STATE OF REPAIR; (F) ITS SOIL OR WHETHER ANYTHING

CAN BE BUILT ON IT; (G) AVAILABILITY OF PERMITS, APPROVALS, OR RESOURCES TO DEVELOP.

(d) Assumption of Risk. Buyer has had an opportunity to inspect and investigate the Property, and Buyer knowingly assumes all risks of and responsibilities from any defects to and conditions of the Property, including any defects and conditions that cannot be observed by casual inspection.

10. Damage. If, prior to either Closing Date, all or any part of the applicable portion of the Property is damaged by fire, other casualty, the elements or any other cause, Seller shall give Buyer notice to Buyer of such fact, and Seller shall, at Seller's option and sole cost and expense, either: (a) cause such improvements to be repaired, reconstructed, and restored to the extent elected by Seller; or (b) raze the remainder of such building and improvements, remove all debris from the Property, and leave the Property with a reasonably level surface in the area of such removal, in either case, in accordance with applicable law. Neither party shall have the right to terminate this Agreement nor delay Closing in the event of such damage or destruction, and any such damage or destruction shall not cause or be deemed to cause a reduction in the Purchase Price. For avoidance of doubt, in no event shall Seller be obligated to remove any stock piles of material existing on the Property as of the Effective Date.

11. Condemnation. If, prior to the either Closing Date, any governmental entity commences any eminent domain proceedings ("Proceedings") against all or any part of the corresponding Property, Seller shall immediately give notice to Buyer of such fact, and, at Buyer's option (to be exercised by notice to Seller and the Title Company within 10 days after Seller's notice), this Agreement shall terminate. Upon Buyer's election and notice to terminate pursuant to this Section 11, neither Seller nor Buyer shall have any further rights or obligations under this Agreement, except for covenants and obligations that expressly survive the termination of this Agreement. If Buyer does not give such notice, then there shall be no reduction in the Purchase Price, and Seller shall assign to Buyer at such Closing all of Seller's right, title, and interest in and to any award made or to be made in the Proceedings. Prior to such Closing Date, Seller shall not designate counsel, appear in, or otherwise act with respect to the Proceedings without Buyer's prior written consent.

12. Assignment. Buyer shall not assign this Agreement without the prior written consent of Seller, which consent shall not be unreasonably denied, conditioned, or delayed. Notwithstanding the forgoing, Buyer may assign this Agreement without Seller's prior written consent if (a) the proposed assignee is an entity controlling, controlled by, or under common control with Buyer; (b) such entity assumes Buyer's obligations hereunder; (c) notwithstanding such assumption, Buyer is not released from its obligations under this Agreement, and (d) Seller is provided with a copy of the fully-executed assignment and assumption agreement.

13. Notices. All notices, requests, demands and other communications with respect to this Agreement shall be in writing, shall be delivered personally, sent by registered or certified mail, return receipt requested, or nationally recognized overnight courier (e.g., FedEx), or delivered via email, in each case, at the following address or email address:

If to Seller: Heritage Development Partners LLC
c/o Richard Jelsma, M.D.
204 Medical Drive, Suite 100
Sherman, TX 75092

and

	Hunter Richmond, M.D. 204 Medical Drive, Suite 200 Sherman, TX 75092
With copy to:	William J. Harkinson Harkinson Investment Corporation 4560 Belt Line Road, Suite 400 Addison, Texas 75001 jharkinson@harkcorp.com 972-934-8414
And a copy to:	Addison Wilson III 3838 Oak Lawn Ave., Suite 810 Dallas, Texas 75219 214-521-1122 awilson@dfwlawoffice.org
If to Buyer:	CFP Sherman Hospital, LLC 601 Carlson Parkway, Suite 1050 Minnetonka, Minnesota 55305
With copy to:	Dorsey & Whitney LLP 300 Crescent Court, Suite 400 Dallas, TX 75201 Attn: Steven R. Smith and Best & Flanagan LLP 60 South Sixth Street, Suite 2708 Minneapolis, Minnesota 55402 Attn: Daniel R. Nelson
If to Title Company:	Chicago Title Company, 3100 Monticello, Suite 800, Dallas, TX 75205, Attn: Kristi Covey

Notice shall be effective, and the time for response to any notice by the other party shall commence to run, one business day after any such deposit if by overnight courier, or three days if by U.S. mail, or upon receipt by the recipient if delivered by hand or by email. Notices may be given by and/or to counsel for the parties. Either Seller or Buyer may change its address for the service of notice by giving notice of such change to the other party, in any manner above specified and such change shall be effective upon receipt of such notice.

14. Remedies.

(a) If Buyer defaults in performance of its obligations under this Agreement, Seller shall have the right to terminate this Agreement by written notice to Buyer. Such termination of this Agreement will be the only remedy available to Seller for such default by Buyer, and Buyer will not be liable for damages or specific performance. Seller and Buyer acknowledge the difficulty and inconvenience of ascertaining Seller's actual damages in the event of Buyer's default and agree

that the Earnest Money, if any, is a fair and reasonable estimate of such damages. Notwithstanding anything in this Section to the contrary, Seller and Buyer agree that this liquidated damages provision is not intended and should not be deemed or construed to limit in any way Buyer's indemnity obligations under this Agreement.

(b) If Seller fails to perform any of the material covenants and agreements contained herein to be performed by Seller within the time for performance as specified herein and such failure continues for a period of 10 days after written notice from Buyer, or if such failure reasonably requires more than 10 days to cure, such additional period of time Seller reasonably requires to cure such failure, provided Seller promptly commences its cure upon receipt of Seller notice and with due diligence is thereafter continuously prosecuting such cure to completion, then Buyer may elect either to: (i) terminate this Agreement by giving 10 days written notice to Seller with a copy to the Title Company, and if Seller has not cured such default within such 10 day period, shall be returned immediately to Buyer by the Title Company pursuant to this Agreement; or (ii) bring an action against Seller for specific performance provided that such action is commenced within 60 days of the event or condition giving rise to such action. The remedies herein for a breach prior to a Closing shall be the only remedies available to Buyer.

(c) Neither party to this Agreement is liable to the other for any consequential, special or punitive damages under this Agreement, including, without limitation, lost profits.

(d) The provisions of this Section 14 shall survive any termination of this Agreement and each Closing.

15. Broker's Commission. Seller has retained Harkinson Investment Corporation as its broker ("Broker"). Seller and Buyer consent to Broker serving as an Intermediary in this transaction and Buyer and Seller agree that the Broker shall be paid a real estate sales commission equal to four percent (4%) of the Purchase Price upon the closing and funding of the sale which will be paid by Buyer in Series B Project Bonds in such amount issued on the Closing Date. Any uneven amount may be paid in cash. Buyer and Seller hereby warrant that no other broker or finder has been involved in this transaction nor is owed a real estate commission or fee, and each agrees to indemnify the other against such claims or assertions.

16. Miscellaneous.

(a) Confidentiality. Buyer and Seller agree that all of the terms, conditions and provisions of this Agreement, as well as the existence of this Agreement and the information provided to Buyer in the Property Documents, shall be held in strict confidence; provided, however, Buyer and Seller shall each have the right to disclose such information on a need-to-know basis to Buyer's or Seller's officers, directors, managers, lenders, investors, attorneys, consultants and agents which have been engaged by Buyer or Seller to assist with the evaluations of the terms, conditions and provisions contemplated under this Agreement or to any governmental or other persons as may be required by law. Further, Seller agrees that it will not make a public announcement of any transaction contemplated hereby or the terms hereof without the prior written consent of Buyer. The provisions of this Section shall survive the termination of this Agreement and shall survive each Closing.

(b) Amendment. This Agreement cannot be modified except by a written instrument signed by the parties.

(c) Severability. If any provisions of this Agreement shall be determined to be illegal or unenforceable, such determination shall not affect any other provisions of this Agreement, and all other provisions shall remain in full force and effect.

(d) Waivers. A waiver by any party of a performance obligation or default under any provision of this Agreement shall not be deemed (i) a waiver of a further obligation or default under the same provision or (ii) a waiver of an obligation or default under any other provision.

(e) Entire Agreement. This Agreement and the exhibits attached hereto sets forth fully and completely the agreement between the parties in connection with this transaction, there are no written or oral agreements between the parties relating to this transaction that are not expressly set forth herein and this Agreement supersedes all prior oral or written agreements relating to this transaction.

(f) Further Instruments. Each party, promptly upon the request of the other, shall execute and have acknowledged and delivered to the other or to Title Company, as may be appropriate, any and all further instruments reasonably requested or appropriate to evidence or give effect to the provisions of this Agreement and which are consistent with the provisions of this Agreement. In the event this Agreement is terminated for any reason whatsoever without the consummation of the transaction contemplated hereby, Buyer shall execute and deliver to Seller, in recordable form, a quit claim deed conveying Buyer's equitable interest, if any, in the Property to Seller, which quit claim deed shall be executed and delivered within three (3) days after termination of this Agreement.

(g) Beneficiaries. This Agreement shall be binding upon and shall inure to the benefit of Seller and Buyer and their respective heirs, personal representatives, successors, assigns and transferees. This Agreement confers no rights or remedies on any third party.

(h) Construction. Any list of examples set forth in this Agreement shall be deemed to be illustrative, not exhaustive, unless explicitly specified otherwise. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa. The use of the neuter singular pronoun to refer to any party shall be a proper reference even though that party may be an individual, a business entity, or a group of two or more individuals or business entities. All attachments, exhibits, and schedules referenced within the Agreement shall be deemed incorporated in the Agreement by such reference.

(i) Time of Essence. Time is of the essence of this Agreement.

(j) Calculation of Time Periods. Except as specifically set forth in this Agreement, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is on a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next business day; provided, however, in all events each Closing Date shall be extended such that it is the second business day after a non-business day. As used herein, the term "business day" means any day which is not a Saturday, Sunday or legal holiday. As used herein, the term "legal holiday" means any state or federal holiday for which financial institutions or post offices are generally closed in the state where the Property is located. Unless specifically stated otherwise, all references to durations stated in "days" shall mean calendar days.

(k) Governing Law. This Agreement shall be governed and construed in accordance with the substantive and procedural laws of the state of Texas without regard to conflict of law principles. Any suit arising from or relating to this Agreement must be brought in the federal court in the Eastern District of Texas and Buyer and Seller hereby waive the right to bring suit elsewhere.

(l) WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HEREBY AGREES TO, AND DOES, WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, ANY DOCUMENT OR ANY INSTRUMENT RELATING TO SAID TRANSACTIONS, THE PROPERTY OR ANY DEALINGS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT.

(m) Attorneys' Fees. If either Seller or Buyer files any action or brings any proceeding against the other arising out of this Agreement, or is made a party to any action or proceeding brought by a third party arising out of this Agreement without fault of the defending party, then as between Seller and Buyer, the prevailing party shall be entitled to recover from the non-prevailing party all costs incurred in connection therewith including, without limitation, reasonable attorneys' fees and all costs of appeal including, without limitation, reasonable attorneys' fees incurred on appeal. This provision shall survive each Closing or termination hereof.

(n) Equal Participation. Seller and Buyer have participated equally in the preparation of this Agreement, and, therefore, this Agreement shall not be construed in favor of or against any party to this Agreement.

(o) Headings. The titles and headings in this Agreement are provided as a matter of convenience only and shall not be understood to define, limit, construe, or describe the scope or intent of any provision of this Agreement.

(p) Recording. Neither party shall record this Agreement without the prior written consent of the other party.

(q) Counterparts; Electronic Execution and/or Delivery. This Agreement may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same instrument. Executed copies of this Agreement may be delivered between the parties via electronic means including facsimile and/or electronic mail. The parties intend that this Agreement may be executed by either or both of the parties by means of the affixing of a digital signature or by other electronic means, in accordance with the Uniform Electronic Transactions Act, as the same may have been adopted by the State in which the Property is located. Seller and Buyer: (i) intend to be bound by the signatures (whether original or electronic) on any document sent by electronic mail, (ii) are aware that the other party will rely on such signatures, and (iii) hereby waive any defenses to the enforcement of the terms of this Agreement based on the foregoing forms of signature.

(r) Non-recourse Obligations of Buyer. Seller acknowledges and agrees that Buyer is a limited liability company formed for the sole purpose of assisting in the design, development, and financing of the Project for the benefit of the City of Sherman, Texas and that Buyer will have no funds or assets other than its interests in the Project. Notwithstanding anything to the contrary stated herein, Seller agrees that, for the payment or performance of the Buyer's obligations and duties under this Agreement, the Seller will look solely to (i) the Earnest Money, if any, pursuant to Section 14(a) of this Agreement; and, (ii) Buyer's interests in the Project, and no other assets of

the Buyer, its sole member, or any other person or entity shall be subject to levy, execution or other enforcement remedies of the Seller, or for the performance or payment of any amounts due or payable under this Agreement.

[Remainder of Page Intentionally Left Blank. Signature Pages Follows]

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

SELLER:

HERITAGE DEVELOPMENT PARTNERS LLC,
a Texas limited liability company

By: _____
Name: Hunter Richmond
Its: _____

Date: March 3, 2022

BUYER:

CFP SHERMAN HOSPITAL, LLC,
an Arizona limited liability company

By: _____
Name: STEVE COLLINS
Its: PRESIDENT

Date: 3/4, 2022

BROKER:

HARKINSON INVESTMENT CORPORATION, a Texas Corporation

By: _____
Name: William J. Harkinson, President

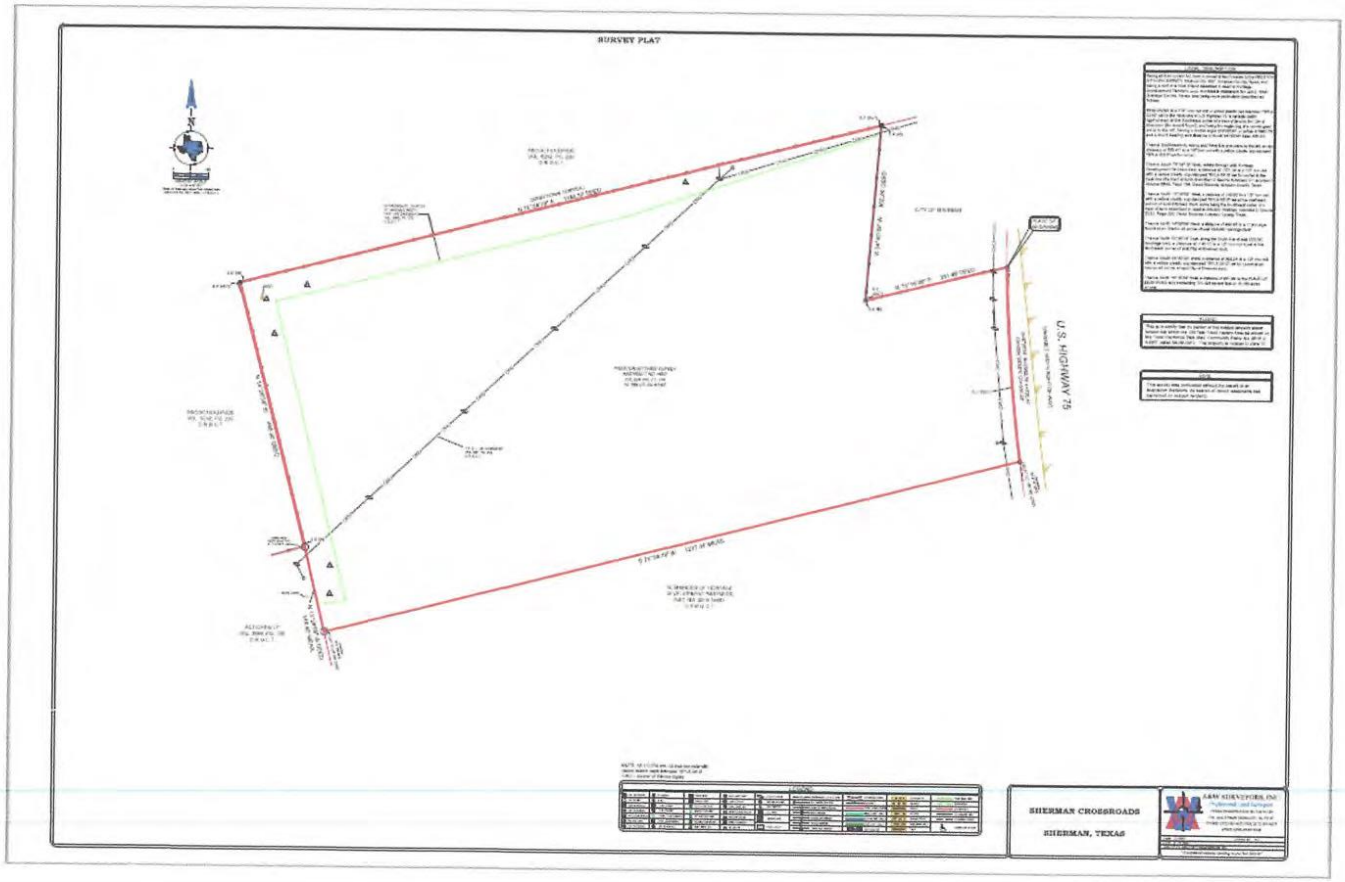
Date: March 2, 2022

[Signature Page to Real Estate Purchase Agreement]

4859-0025-2685\4

Exhibit A

Legal Description of the Parcel



[Exhibit A to Real Estate Purchase Agreement]

4859-0025-2685\4

Exhibit B

Property Documents

Seller shall provide the following documents to the extent existing and in Seller's possession:

1. Seller's existing title insurance commitment or policy with respect to the Property.
2. Seller's existing survey of the Property.
3. Any environmental reports for the Property.
4. Current tax statements/bills for the Property.

EXHIBIT B

Pro Forma Financial Plan

Financing is being underwritten by RBC Capital Markets, LLC and Stephens Inc. (the "Underwriters"). The primary source of funding will be Revenue Bonds issued by The Industrial Development Authority of the City of Phoenix, Arizona (the "Series 2022 Bonds") and will consist of the Series 2022A-1 Senior Revenue Bonds (the "Series 2022A-1 Bonds"), the Series 2022A-2 Senior Taxable Revenue Bonds (the "Series 2022A-2 Bonds"), the Series 2022B Subordinate Revenue Bonds (the "Series 2022B Bonds"), and the Series 2022C Subordinate Revenue Bonds (the "Series 2022C Bonds").
The Series 2022A-1 Bonds of $178,290,000 is forecasted to have fixed coupon rates of 6.00% per annum. This series will be used to fund a portion of the Project, a capitalized interest fund, a debt service reserve fund, and bond issuance costs. Principal amounts on the Series 2022A-1 Bonds are payable annually on December 1, commencing on December 1, 2025, with final maturity on December 1, 2053.

The Series 2022A-2 Bonds of $14,945,000 is forecasted to have fixed coupon rates of 5.00% per annum. This series will be used to fund a portion of the Project, a capitalized interest fund, and bond issuance costs. Principal amounts on the Series 2022A-2 Bonds are payable annually on December 1, commencing on December 1, 2025, with final maturity on December 1, 2030.

The Series 2022B Bonds of $15,515,000 is forecasted to have fixed coupon rates of 8.00% per annum. This series will be used to fund the land purchase portion of the Project, a capitalized interest fund, a debt service reserve fund, and bond issuance costs. Principal amounts on the Series 2022B Bonds are payable annually on December 1, commencing on December 1, 2026, with final maturity on December 1, 2053.

The Series 2022C Bonds of $30,000,000 is forecasted to have fixed coupon rates of 4.00% per annum. This series will be used to fund a portion of the Project, a capitalized interest fund, a debt service reserve fund, and bond issuance costs. Principal amounts on the Series 2022C Bonds are payable annually on December 1, commencing on December 1, 2025, with final maturity on December 1, 2053. This series will also be backed by the City of Sherman through a financing and pledge agreement.

Sources and uses of related funds are outlined in the following table. These figures and all related assumptions are based upon a forecast provided by the Underwriters as follows (in thousands).

Sources		
Series 2022 Bonds[(a)]	$	238,750
Total Series 2022 Bonds Proceeds	$	238,750
Uses		
Project fund deposits		
Project budget guaranteed maximum price[(b)]	$	88,567
Equipment[(c)]		35,792
Working capital[(d)]		15,000
Pre-opening expenses[(e)]		12,118
Other soft costs[(f)]		9,955
Predevelopment reimbursement[(g)]		3,500
Owner's contingency[(h)]		2,500
Land acquisition cost[(i)]		10,975
Total Project Fund deposits		178,407
Capitalized interest fund deposit[(j)]		31,382
Debt service reserve fund deposit[(k)]		17,601
Costs of issuance[(l)]		11,360
Total Series 2022 Bonds Proceeds	$	238,750

Notes:

(a) The following Series 2022 bonds consist of:
- $178,290,000 of Series 2022A-1 Bonds
- $14,945,000 of Series 2022A-2 Bonds
- $15,515,000 of Series 2022B Bonds
- $30,000,000 of Series 2022C Bonds

(b) Construction costs of approximately $91,000,000 are projected based on an executed guaranteed maximum price with Adolfson & Peterson Construction. Approximately $88,567,000 of proceeds will be used to net fund these costs. The interest earned on the project fund will fund the remainder of the cost.

(c) Furniture, fixtures, and equipment costs of approximately $37,500,000 are projected based on an executed guaranteed maximum price with Adolfson & Peterson Construction. Approximately $35,792,000 of proceeds will be used to net fund these costs. The interest earned on the project fund will fund the remainder of the cost.

(d) There will be $15,000,000 provided by the financing to fund the Medical Center's initial working capital requirements.

(e) The financing will provide approximately $12,117,000 towards funding of the pre-opening expenses that will be incurred by the Medical Center between the funding date of the Series 2022 Bonds and the beginning of operations of the Medical Center.

Sources and uses of related funds are outlined in the following table. These figures and all related assumptions are based upon a forecast provided by the Underwriters as follows (in thousands).

Sources	
Series 2022 Bonds[(a)]	$ 238,750
Total Series 2022 Bonds Proceeds	$ 238,750
Uses	
Project fund deposits	
Project budget guaranteed maximum price[(b)]	$ 88,567
Equipment[(c)]	35,792
Working capital[(d)]	15,000
Pre-opening expenses[(e)]	12,118
Other soft costs[(f)]	9,955
Predevelopment reimbursement[(g)]	3,500
Owner's contingency[(h)]	2,500
Land acquisition cost[(i)]	10,975
Total Project Fund deposits	178,407
Capitalized interest fund deposit[(j)]	31,382
Debt service reserve fund deposit[(k)]	17,601
Costs of issuance[(l)]	11,360
Total Series 2022 Bonds Proceeds	$ 238,750

Notes:

(a) The following Series 2022 bonds consist of:

- $178,290,000 of Series 2022A-1 Bonds
- $14,945,000 of Series 2022A-2 Bonds
- $15,515,000 of Series 2022B Bonds
- $30,000,000 of Series 2022C Bonds

(b) Construction costs of approximately $91,000,000 are projected based on an executed guaranteed maximum price with Adolfson & Peterson Construction. Approximately $88,567,000 of proceeds will be used to net fund these costs. The interest earned on the project fund will fund the remainder of the cost.

(c) Furniture, fixtures, and equipment costs of approximately $37,500,000 are projected based on an executed guaranteed maximum price with Adolfson & Peterson Construction. Approximately $35,792,000 of proceeds will be used to net fund these costs. The interest earned on the project fund will fund the remainder of the cost.

(d) There will be $15,000,000 provided by the financing to fund the Medical Center's initial working capital requirements.

(e) The financing will provide approximately $12,117,000 towards funding of the pre-opening expenses that will be incurred by the Medical Center between the funding date of the Series 2022 Bonds and the beginning of operations of the Medical Center.

(f) Approximately $9,955,000 of soft costs will be paid out in conjunction with the financing.

(g) Approximately $3,500,000 of proceeds will be used to pay costs incurred prior to the funding of the 2022 Series Bonds, which have been funded through a pre-development loan.

(h) In addition to contingencies built into the guaranteed maximum price for the construction of the facility, the equipment, pre-opening expenses, and other soft cost contingencies, an additional $2,500,000 has been built into the overall project costs.

(i) The cost of the land upon which the facility will be constructed is estimated to cost $10,975,000 based on an executed purchase agreement and certified appraisal with the current owners of the land and will be funded by the Series 2022B Bonds, which will be purchased by the current landowners.

(j) The Underwriters have estimated approximately $31,382,000 will be used to fund interest for approximately the first 30 months of the Series 2022 Bonds.

(k) Approximately $17,601,000 will be used for the funding of a debt service reserve fund related to the Series 2022 Bonds

(l) The Underwriters and Management have estimated $11,361,000 for the costs of issuance related to the Series 2022 Bonds.

CFP Sherman Hospital, LLC
Forecasted Balance Sheets
(In Thousands)

	FORECASTED PERIOD AS OF DECEMBER 31,				
	2022	2023	2024	2025	2026
CURRENT ASSETS					
Cash and cash equivalents	$ 25,957	$ 21,548	$ 4,564	$ 12,929	$ 23,356
Assets whose use is limited, current portion	1,144	1,138	-	-	-
Patient accounts receivable	-	-	10,737	10,032	12,043
Inventories	-	-	1,377	1,946	2,383
Other current assets	-	-	400	450	500
Total current assets	27,101	22,686	17,078	25,357	38,282
PROPERTY AND EQUIPMENT					
Land	10,975	10,975	10,975	10,975	10,975
Buildings	-	-	106,883	106,883	106,883
Equipment	-	-	35,498	35,871	36,480
Furniture	-	-	2,148	2,170	2,207
Construction in progress	19,936	104,523	-	-	-
Less: accumulated depreciation	-	-	(4,845)	(13,183)	(21,597)
Total property and equipment, net	30,911	115,498	150,659	142,716	134,948
ASSETS WHOSE USE IS LIMITED					
Debt service reserve fund	17,601	17,601	17,601	17,601	17,601
Capitalized interest fund	25,645	12,982	-	-	-
Project fund	116,983	45,419	2,500	2,500	2,500
Less: current portion	(1,144)	(1,138)	-	-	-
	159,085	74,864	20,101	20,101	20,101
Total assets	$ 217,097	$ 213,048	$ 187,838	$ 188,174	$ 193,331
CURRENT LIABILITIES					
Accounts payable	$ 280	$ 340	$ 4,238	$ 4,666	$ 5,227
Construction payables	4,605	7,599	-	-	-
Accrued expenses	21	143	1,171	1,379	1,566
Accrued interest	1,144	1,138	1,144	1,144	1,129
Current portion of long-term debt	-	-	-	3,705	3,885
Total current liabilities	6,050	9,220	6,553	10,894	11,807
LONG-TERM DEBT, NET	227,910	228,865	229,822	227,072	224,142
Total liabilities	233,960	238,085	236,375	237,966	235,949
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS	(16,863)	(25,037)	(48,537)	(49,792)	(42,618)
Total liabilities and net assets (deficit) without donor restrictions	$ 217,097	$ 213,048	$ 187,838	$ 188,174	$ 193,331

See Summary of Significant Forecast Assumptions and Accounting Policies and Examination Report of Independent Accountants

CFP Sherman Hospital, LLC
Historic and Forecasted Statements of Operations and Changes in Net Assets
(In Thousands)

	FORECASTED PERIOD FOR THE YEARS ENDING DECEMBER 31,				
	2022	2023	2024	2025	2026
OPERATING REVENUES					
Net patient service revenue	$ -	$ -	$ 22,852	$ 79,384	$ 96,534
Interest income	359	586	985	785	925
Other operating revenue	-	-	14	45	60
Total operating revenues	359	586	23,851	80,214	97,519
OPERATING EXPENSES					
Salaries, wages, and benefits	131	1,560	21,323	34,747	39,114
Professional fees	-	-	1,126	1,720	1,570
Supplies	-	-	2,273	8,645	10,801
Purchased services	14,923	2,965	3,678	3,625	3,524
Insurance	70	120	488	776	823
Utilities	-	35	515	852	874
Interest	1,948	3,581	10,141	14,841	14,825
Property taxes	128	232	100	-	1,610
Other	22	267	2,641	7,357	8,162
Depreciation	-	-	4,845	8,338	8,415
Total operating expenses	17,222	8,760	47,130	80,901	89,718
OPERATING (LOSS) INCOME	(16,863)	(8,174)	(23,279)	(687)	7,801
NONOPERATING EXPENSES					
Subordinated fees	-	-	221	568	627
CHANGE IN NET ASSETS	(16,863)	(8,174)	(23,500)	(1,255)	7,174
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS, BEGINNING	-	(16,863)	(25,037)	(48,537)	(49,792)
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS, ENDING	$ (16,863)	$ (25,037)	$ (48,537)	$ (49,792)	$ (42,618)

See Summary of Significant Forecast Assumptions and Accounting Policies and Examination Report of Independent Accountants

CFP Sherman Hospital, LLC
Forecasted Statement of Cash Flows
(In Thousands, Except for Ratios)

	FORECASTED PERIOD FOR THE YEARS ENDING DECEMBER 31,				
	2022	2023	2024	2025	2026
CASH FLOWS FROM OPERATING ACTIVITIES					
Change in net deficit	$ (16,863)	$ (8,174)	$ (23,500)	$ (1,255)	$ 7,174
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:					
Depreciation	-	-	4,845	8,338	8,415
Amortization of debt issuance cost	126	231	653	955	955
Changes in operating assets and liabilities					
Accounts receivable	-	-	(10,737)	705	(2,011)
Inventories	-	-	(1,377)	(569)	(437)
Other current assets	-	-	(400)	(50)	(50)
Accounts payable	280	60	3,898	428	561
Accrued expenses	21	122	1,028	208	187
Accrued interest	1,144	(6)	6	-	(15)
Net cash (used in) provided by operating activities	(15,292)	(7,767)	(25,584)	8,760	14,779
CASH FLOWS FROM INVESTMENT ACTIVITIES					
Net proceeds (purchases) from assets limited as to use:					
Debt service reserve fund	(17,601)	-	-	-	-
Capitalized interest fund	(25,645)	12,663	12,982	-	-
Project fund	(116,983)	71,564	42,919	-	-
Purchases of property and equipment	(25,911)	(80,869)	(47,301)	(395)	(647)
Net cash (used in) provided by investing activities	(186,140)	3,358	8,600	(395)	(647)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from issuance of bonds	238,750	-	-	-	-
Bond issuance costs paid	(11,361)	-	-	-	-
Principal payments on bonds	-	-	-	-	(3,705)
Net cash provided by (used in) financing activities	227,389	-	-	-	(3,705)
NET CHANGE IN CASH AND CASH EQUIVALENTS	25,957	(4,409)	(16,984)	8,365	10,427
CASH AND CASH EQUIVALENTS, beginning	-	25,957	21,548	4,564	12,929
CASH AND CASH EQUIVALENTS, ending	$ 25,957	$ 21,548	$ 4,564	$ 12,929	$ 23,356
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION					
Cash paid for interest	$ 6,403	$ 13,886	$ 13,886	$ 13,886	$ 13,886

See Summary of Significant Forecast Assumptions and Accounting Policies and Examination Report of Independent Accountants

CFP Sherman Hospital, LLC
Forecasted Financial Ratios
(In Thousands)

	FORECASTED PERIOD FOR THE YEARS ENDING DECEMBER 31,				
	2022	2023	2024	2025	2026
DEBT SERVICE COVERAGE RATIO					
Cash flow available for debt service					
Operating (loss) income				$ (687)	$ 7,801
Adjustments					
Interest				14,841	14,825
Depreciation				8,338	8,415
				$ 22,492	$ 31,041
Forecasted annual debt service					
Series 2022A-1 and 2022A-2 Senior Bonds				$ 11,445	$ 14,385
Series 2022B Subordinate Bonds				1,241	1,406
Series 2022C Subordinate Bonds				1,200	1,800
Forecasted annual debt service coverage ratio					
Series 2022A-1 and 2022A-2 Senior Bonds				1.97	2.16
Series 2022B Subordinate Bonds				1.77	1.97
Series 2022C Subordinate Bonds				1.62	1.76
Forecasted maximum annual debt service					
Series 2022A-1 and 2022A-2 Senior Bonds					$ 14,386
Series 2022B Subordinate Bonds					1,402
Series 2022C Subordinate Bonds					1,803
Forecasted maximum annual debt service coverage ratio					
Series 2022A-1 and 2022A-2 Senior Bonds					2.16
Series 2022B Subordinate Bonds					1.97
Series 2022C Subordinate Bonds					1.76
DAYS CASH ON HAND					
Cash and cash equivalents			$ 4,564	$ 12,929	$ 23,356
Total Operating Expenses			$ 47,130	$ 80,901	$ 89,718
Adjustments					
Depreciation			(4,845)	(8,338)	(8,415)
Amortization of debt issuance cost			(653)	(955)	(955)
Adjusted expenses			$ 41,632	$ 71,608	$ 80,348
Daily cash expenses			$ 114	$ 196	$ 220
Days cash on hand			40	66	106

Note: As described in the Summary of Significant Forecast Assumptions and Accounting Policies, operations are forecasted to begin in June 2024. As a result, the year ended December 31, 2024 represents the first seven months of operations. The ratios above have been calculated based on CFP Sherman, LLC's fiscal year-end. Calculations of these ratios based on full operating years (June through May) will result in different ratio amounts.

EXHIBIT C

Development Schedule

Executive Project Summary

Sherman Hospital
Sherman, TX
A&P Project #8036

The Sherman Hospital project will be three story freestanding acute care facility in Sherman, TX. The building will be at roughly 167,000 SF and will consist of eighty (80) patient beds. Other key components will be emergency, ICU, outpatient, telemetry, operating rooms, catherization, endoscopy, imaging, lab / pathology, pharmacy, and dietary suites.

Project Construction Milestone Dates:

Notice to Proceed w/ Precon	June 27, 2022
Notice to Proceed w/ Construction	September 14, 2022
AP Pulls BP #1 Permit	September 21, 2022
Start Piers	December 2, 2022
Start Slab	January 11, 2023
Start Steel	January 27, 2023
AP Pulls BP #3 Permit	February 1, 2023
Start Overhead MEP	March 10, 2023
Start Exterior Skin	March 15, 2023
Start Roofing	May 10, 2023
Top Out Structure	May 12, 2023
Air On	July 26, 2023
95% Dried In	October 19, 2023
Project Substantial Completion	July 29, 2024
Project Final Completion	August 26, 2024
Project Float	40 Workdays

EXHIBIT D

Preliminary Term Sheet

EXPLORATORY TERM SHEET

Preliminary, subject to change. This is not an offer, solicitation, commitment or recommendation to buy or sell any security, commodity, derivative or other instrument or to provide any advisory or management service. Any such offer, solicitation, commitment, recommendation or service will be made only through definitive agreements or offering documents. All terms described within this document are provided for general information purposes only. This document should not be used to make an investment decision.

THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX
(CFP Sherman Hospital, LLC)
[$178,290,000] Series 2022A-1 Tax-Exempt Senior Hospital Revenue Bonds
[$14,945,000] Series 2022A-2 Taxable Senior Hospital Revenue Bonds
[$15,515,000] Series 2022B Tax-Exempt Subordinate Hospital Revenue Bonds
[$30,000,000] Series 2022C Tax-Exempt City-Backed Subordinate Hospital Revenue Bonds

The following is a summary of potential terms and structural considerations for a long-term, fixed rate, tax-exempt and taxable bond financing that will provide funds for new money for development of an 80-bed general acute care hospital located in the southern area of Sherman, Texas.

Banker Name & Phone:

Jon Moellenberg (303-595-1210), Jeff Appel (617-725-1753),
Jenn Ewing (212-301-1435), & Sara Russell (410-625-6119)

The Project:

As described further in Appendix A, the general acute care hospital (Project) is a greenfield hospital project within Sherman Crossroads in Sherman, Texas. Sherman, Texas is growing rapidly in terms of population and economic growth, so there is a need for a new hospital and proven physician support for the facility. The Project is expected to open August 2024.

The Project will be a three story building consisting of approximately 165,665 square feet. The Hospital will include 80 beds, of which 50 will be medical/surgery providing care and individualized attention to all patients who are hospitalized for illness, surgery or testing and observation, 14 will be telemetry providing extensive care to patients with cardiac-related issues, and the remaining 16 beds will be Intensive Care Unit providing constant monitoring for patients dealing with life-threatening issues.

Use of Proceeds:

Together with a Pre-Development Loan used to pay approximately $3,500,000 of costs incurred prior to the funding of the bonds, the financing will be used to (i) fund construction costs for the Project, (ii) provide funds towards equipment costs, (iii) fund initial working capital requirements, and (iv) fund pre-opening expenses that will be incurred by the Borrower between the funding date of the Series 2022 bonds and the beginning of operations of the Project.

Security:

Pledged Revenue is generally defined in the Loan Agreement and Indenture as:

a. First mortgage on land and the Project.

b. A gross pledge of Project revenues.

c. Deposit Account Control Agreement.

d. Collateral assignment and subordination of key contracts, including, but not limited to, the construction documents, the contractor documents, architect agreement, development agreements, plans and specifications,

management agreement and Project Agreements.

e. Reserves and Indenture Trust Estate, including but not limited to a Debt Service Reserve Fund (DSRF), a Working Capital Fund, a Pre-Opening Expense Fund, and liquidity reserves of approximately 90 – 100 days cash on hand.

f. Other items of security customary for transactions of this size and type.

Series A bonds will be secured by a senior lien on Pledged Revenue.

Series B bonds will be secured by a subordinate lien on Pledged Revenue. The landowner or other related parties are required to purchase an amount of the Series B bonds equal to the purchase price of the land.

Series C bonds will be secured by a third lien on Pledged Revenue and by a resolution of City of Sherman, Texas pledging to replenish the Series C debt service reserve fund in any year there is a draw on the reserve fund. The Project Agreements will include language aligned with resolution language. The City's obligation will be limited annually to amounts drawn from the Series C. The City's obligation is subject to annual appropriation and will appear in the agreement between the City and the Owner/Borrower.

Credit Ratings:

Series A-1 Tax-Exempt: Non-Rated
Series A-2 Taxable: Non-Rated
Series B Tax-Exempt: Non-Rated
Series C Tax-Exempt: A- / Stable from S&P

Distribution Restriction:

It is expected that when offered, distribution of the Bonds will be limited to institutional accredited investors and qualified institutional buyers.

Minimum Denominations:

$100,000 and any multiple of $5,000 in excess thereof with an adjustment to $5,000 denominations upon the receipt of an investment grade rating.

Expected Delivery Date:

Summer 2022

Principal Payable:

Principal payable annually on December 1 of any given year beginning with December 1, 2026

Interest Payable:

Payable semiannually on each June 1 and December 1, commencing June 1, 2022

Bond Series:

[$178,290,000] Series 2022A-1 Tax-Exempt
[$14,945,000] Series 2022A-2 Taxable
[$15,515,000] Series 2022B Tax-Exempt
[$30,000,000] Series 2022C Tax-Exempt

Maturity:

Tax-Exempt Series 2022A-1

Principal Amount	Maturity
$178,290,000	2030-2053

Taxable Series 2022A-2

Principal Amount	Maturity
$14,945,000	2026-2030

Tax-Exempt Series 2022B

Principal Amount	Maturity
$15,515,000	2026-2053

Tax-Exempt Series 2022C

Principal Amount	Maturity
$30,000,000	2026-2053

Capitalized Interest: From closing through [6] months after construction is completed.

Reserve Fund: Three-prong test; DSRF fully funded at Closing

Interest Rate Mode: Fixed Rate

Optional Redemption: The Bonds will be subject to option redemption as a whole at any time or in part on any interest payment date with a 5-year optional call at a Redemption Price equal to 103% of the principal amount thereof plus accrued interest, declining to 100% of the principal amount thereof plus accrued interest over three years.

Mandatory Redemption: The Series 2022A-1 Bonds, Series 2022A-2 Taxable Series 2022B Bonds, and Series 2022C Bonds will be subject to mandatory sinking fund redemption prior to maturity in part beginning on December 1, 2026 at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the redemption date as shown in the Bond Schedules included in Attachment B herein.

Extraordinary Redemption: The Series 2022A-1 Bonds, Series 2022A-2 Taxable Series 2022B Bonds, and Series 2022C Bonds may be subject to redemption prior to maturity as a whole at any time or in part on any interest payment date, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date set for redemption, in the event of (i) damage to or destruction of the Hospital or any part thereof if (a) the Hospital cannot be reasonably restored within a period of 12 months or (b) the Obligor is prevented from carrying on its normal operations at the Hospital for a period of 12 consecutive months or (c) the cost of reconstruction would exceed the total amount of Net Proceeds of insurance carried by more than [$], and (ii) condemnation of all or a portion of the Hospital if (a) the Hospital cannot be reasonably restored within a period of 12 months or (b) the Obligor is prevented from carrying on its normal operations at the Hospital for a period of 12 consecutive months or (c) the cost of reconstruction would exceed the total amount of Net Proceeds of insurance carried by more than [$].

The Series 2022A-1 Bonds, Series 2022A-2 Taxable Series 2022B Bonds, and Series 2022C Bonds will be called more redemption prior to maturity as a whole at and not in part at any time on any interest payment date, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date set for redemption, in the event of (i) damage to or destruction of the Hospital or any part thereof or (ii) condemnation of all or a portion of the Hospital unless the Obligor complies with the terms of the Loan Agreement requiring the Project to be rebuilt or restored / replaced.

If Bonds are called for redemption in either event described above, no Outstanding Subordinate Bonds will be called for redemption until all Outstanding Senior Bonds are no longer outstanding or have first been redeemed.

Repair and Replacement Fund: Pursuant to the Indenture, a Repair and Replacement Fund will be used to pay maintenance and repair costs related to the Project funded from bond proceeds.

Working Capital Fund: Pursuant to the Indenture, there will be a Working Capital Fund from bond proceeds in the amount specified in the Indenture.

Pre-Opening Expense Fund: Pursuant to the Indenture, there will be a Pre-Opening Expense Fund from bond proceeds which will be used solely for the purposes set forth in the Indenture.

Cash Flow Forecast: Included in Attachment C herein.

Financial Covenants: Financial, reporting, Bondholder Representative approval rights, and other covenants to be determined during credit underwriting based on standard and customary covenants for projects of this type. It is anticipated that the financial covenants will include the following requirements:

a. Maintenance of Debt Service Coverage Ratio (DSCR) (tested semi-annually), as of the end of each Fiscal Year, commencing with the first full year operations:
   i. Senior DSCR of at least [1.50x].
   ii. Subordinate DSCR of at least [1.25x]

   Failure to comply with the DSCR requirement results in a consultant call-in. Consultant to be acceptable to Bondholder Representative. A Senior DSCR of less than 1.0x is an event of default, and a Subordinate DSCR of less than 1.0x is an event of default only after no Senior bonds are outstanding,

b. Maintenance of Liquidity Covenant: The Borrower shall maintain the following Days' Cash on Hands as of the following Liquidity Testing Dates:

Liquidity Testing Dates	**Days' Cash on Hand**
[December 31, 2025]	[40]
[December 31, 2026 and thereafter]	[65]

   Days Cash on Hand will be calculated by dividing unrestricted cash and investments by operating expenses minus depreciation expense divided by 365: Days Cash on Hand = Unrestricted Cash and Investments / ((Operating Expenses – Depreciation Expense)/365)

c. A feasibility report from a reputable independent third party healthcare consulting firm,
d. A guaranteed maximum price contract from a qualified general contractor,
e. A completion guaranty agreement from a qualified general contractor or developer, and
f. Annual budgets, operating data, covenant calculations and quarterly or semi-annual investor calls and other investor outreach as defined in a Continuing Disclosure Agreement.

Conditions Precedent to Closing:

1. Closing and funding of the Bonds transaction will be subject to satisfaction of standard and customary closing and funding conditions including (i) completion of due diligence required by RBC in its sole discretion, (ii) approval of the Bonds transaction by RBC's relevant credit committee (in its sole discretion), and (iii) and delivery of required documentation such as:
2. Purchase and Sale Agreement and related documents with respect to

the Project Property

3. Management Agreement (consistent with IRS QMA rules)
4. Development Agreement (consistent with IRS QMA rules)
5. Deposit account control agreement (DACA)
6. Appraisal of the Project (as built)
7. Final Feasibility Study for the Project
8. Environmental site assessment with respect to the Project
9. Construction contracts and documentation
10. ALTA survey
11. Title Insurance
12. Required insurance documentation
13. Evidence of compliance with all licensing requirements
14. Evidence that all building permits and other approvals will be granted in the normal course of administrative review
15. Other standard and customary closing documentation

Qualified Management Agreement : The Project Agreements must comply with the qualified management agreement rules under the Internal Revenue Code, which generally require that management fees be based on gross revenues (as opposed to net profits) and limit the term of a management agreement to no more than 80% of the useful life of the underlying asset that is being managed. Bondholder Representative will have the right to terminate the Management Agreement and bring in a new manager if the Borrower is in default under the bond documents.

Construction Documentation: Delivery and review of acceptable standard and customary documentation with respect to construction financing, including, without limitation, the following, will be required at closing:

a. Guaranteed maximum price (GMP) construction contract with acceptable liquidated damages and completion guaranty
b. Construction disbursement agreement and procedures which will include Bondholder Representative approval
c. Architect agreement
d. Payment and performance bond with enhanced dispute resolution and liquidity obligations
e. Third party reports (Phase 1, geotechnical, appraisal, etc.)

Key Professionals	
Issuer:	Phoenix Industrial Development Authority
Issuer's Counsel:	Lewis Roca Rothgerber Christie LLC
Issuer's Advisor	D. A. Davidson & Co
Owner / Borrower:	CFP Sherman Hospital, LLC
Owner / Borrower's Counsel:	Best & Flanagan LLP
Project Manager:	Ivy P3 Group, Dallas, Texas
Local Partner:	City of Sherman, Texas
City's Advisor:	Stephen Mansfield
City's Counsel:	Abernathy, Roeder, Boyd & Hullett, P.C.
Bond Counsel:	Chapman and Cutler LLP
Underwriters:	RBC Capital Markets & Stephens Inc.
Underwriters' Counsel:	Norton Rose Fulbright
Trustee:	UMB Bank
Hospital Manager:	Community Hospital Corporation ("CHC")
General Contractor:	Adolfson & Peterson Construction (Dallas, Texas)
Architect:	e4H
Feasibility Consultant:	Moss Adams
Development Consultant:	Crossroads Hospital Development, LLC

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AMENDED AND RESTATED
PUBLIC PRIVATE PARTNERSHIP AGREEMENT

By and Between

CITY OF SHERMAN, TEXAS

and

CFP SHERMAN HOSPITAL, LLC

Dated: _____, 2022

TABLE OF CONTENTS

ARTICLE I SCOPE OF SERVICES 3
- **Section 1.1. Services Rendered by Company** 3
- **Section 1.2. Standard of Care** 3

ARTICLE II REPRESENTATIONS AND WARRANTIES 3
- **Section 2.1. Representations and Warranties of the City** 3
- **Section 2.2. Representations and Warranties of the Company** 4
- **Section 2.3. Reliance on Representations, Warranties and Covenants** 5

ARTICLE III SCOPE OF DEVELOPMENT SERVICES 5
- **Section 3.1. General** 5
- **Section 3.2. Phased Development Services** 5
- **Section 3.3. Covenants Running with the Land.** 7

ARTICLE IV TERM 8
- **Section 4.1. Term** 8

ARTICLE V NON-DISCRIMINATION; EQUAL EMPLOYMENT OPPORTUNITY 8
- **Section 5.1. Company Shall Not Discriminate** 8
- **Section 5.2. Equal Employment Opportunity** 8
- **Section 5.3. Service Providers/Subcontractors** 9

ARTICLE VI INDEMNIFICATION 9
- **Section 6.1. Duty to Indemnify the City Against Loss** 9
- **Section 6.2. Limit on Duty to Indemnify** 9

ARTICLE VII INDEPENDENT CONTRACTOR STATUS 10
- **Section 7.1. Independent Company Status** 10
- **Section 7.2. Governing Law** 10

ARTICLE VIII RETENTION, ACCESS AND OWNERSHIP OF RECORDS 10
- **Section 8.1. Retention** 10

ARTICLE IX INSURANCE 10

ARTICLE X NOTICE 10
- **Section 10.1. Notice Addresses** 10
- **Section 10.2. Notice Effective Dates** 11
- **Section 10.3. Routine Communications** 11

ARTICLE XI GENERAL PROVISIONS 11
- **Section 11.1. No Assignment Without Consent** 11
- **Section 11.2. Conflict of Interest** 11
- **Section 11.3. Non-Recourse Obligations of the Company** 11
- **Section 11.4. Severability** 12
- **Section 11.5. Schedules and Exhibits** 12
- **Section 11.6. Rules of Construction** 12

Section 11.7. Amendment 12
Section 11.8. No Third-Party Beneficiaries 12
Section 11.9. Time is of the Essence 12
Section 11.10. Non-Exclusive 12
Section 11.11. Prohibition Against Financial Interest in Agreement 12
Section 11.12. Remedies Cumulative 13
Section 11.13. Complete Agreement 13
Section 11.14. Representatives Not Individually Liable 13
Section 11.16. Counterparts 13

EXHIBIT A Real Estate Purchase Agreement
EXHIBIT B Pro Forma Financial Plan
EXHIBIT C Development Schedule
EXHIBIT D Preliminary Term Sheet

AMENDED AND RESTATED PUBLIC PRIVATE PARTNERSHIP AGREEMENT

THIS AGREEMENT, made effective as of the _____ day of _____, 2022 (the "Effective Date"), by and between the City of Sherman, Texas (hereinafter referred to as the "**City**"), and having its principal office at 220 Mulberry Street, Sherman, Texas 75090, and CFP Sherman Hospital, LLC, an Arizona limited liability company (hereinafter referred to as the "**Company**"), whose sole member is Community Facility Public Private Partnerships, a Minnesota nonprofit corporation and a qualified tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, having its principal office at 601 Carlson Parkway, Minnetonka, Minnesota 55305, together with its successors and assigns. Community Hospital Corporation, a Texas nonprofit corporation and a qualified tax-exempt charitable organization under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, having its principal office at 7950 Legacy Drive, Suite 1000, Plano, Texas 75024 ("**CHC**") is joining in this Agreement solely for purposes of Section 11.17 hereof.

WITNESSETH:

WHEREAS, the City is a home-rule municipality under the laws of the State of Texas, and has the powers and authority to transact its business and exercise its powers to provide hospital, clinic and related health care facilities for the benefit of its citizens, as provided herein pursuant to Tex. Local Gov't Code Chapter 9, *et seq.* (the "**Act**") and Texas Home Rule Charter, City of Sherman (Feb. 20, 1973, as amended from time to time, most recently November 18, 2019) (the "**Charter**"); and

WHEREAS, the Company is an Arizona limited liability company whose sole member is a tax-exempt charitable organization under Section 501(c)(3) of the Code (as hereunder defined) whose charitable purpose is to acquire, construct, develop, own, improve, operate, manage, lease, sell, convey, mortgage, encumber, finance, and refinance multi-purpose sports facilities, educational facilities, administrative facilities, and community public facilities, including hospitals, clinics and health care facilities, to be used by and for the benefit of or to lessen the burdens of governmental entities, schools and school districts, colleges and universities, and other organizations that qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code; and

WHEREAS, pursuant to and in accordance with the purposes of the Act and the Charter, the City had entered into a Master Development Agreement, dated January 4, 2021 (as amended to the date hereof, the **"Master Development Agreement"**) with Crossroads Hospital Development LLC (the **"Development Consultant"**), Ivy P3 Group f/k/a Ivy Hotel Group, LLC (the **"Project Manager"**) and the Company to participate with the Company, the Project Manager and the Development Consultant in the development, design and construction of an estimated 80-bed acute care hospital and appropriate site amenities (the **"Hospital Improvements"**) located on an approximately 16.8 acre tract of land located in the City to be acquired by the Company from the landowner (the "**Project**"); and

WHEREAS, the Company, the City, the Project Manager and the Development Consultant participated as a members of a team that entered into a Predevelopment Loan Agreement, dated January 4, 2021 (as amended to the date hereof, the "**Predevelopment Loan**

Agreement"), consisting of the Project Manager as master development manager; the Company as Development Consultant/owner/operator of the Hospital Improvements for the benefit of the City; E4H Architecture ("**E4H**") as architects and designers of the Hospital Improvements; AP Gulf States, Inc. ("**Design Builder**") as design-builder of the Hospital Improvements; and certain other professional service providers and consultants, all as more fully described in the Predevelopment Loan Agreement (all of the foregoing collectively referred to as the "**Design-Build Team**"); and

WHEREAS, the Master Development Agreement included a form of Real Estate Purchase Agreement (the **"Purchase Agreement"**), attached hereto as Exhibit A, which generally described the proposed approximately 16.8 acre tract of land located in the City as the location of the Hospital Improvements; and

WHEREAS, the City Council on January 4, 2021 approved and accepted the proposal of the Design-Build Team and authorized and directed the City's staff, attorneys and other consultants to negotiate the necessary agreements for the development of the Project; and

WHEREAS, the City Council on November 15, 2021 approved a resolution to authorize the extension of the Master Development Agreement and the Predevelopment Loan Agreement to April 30, 2022; and

WHEREAS, the City Council on March 21, 2022 approved a resolution to authorize certain amendments to the Master Development Agreement and the Preliminary Loan Agreement and the extension of the Master Development Agreement and the Preliminary Loan Agreement to July 31, 2022; and

WHEREAS, the Company and the Development Consultant propose to enter into a Development Consultant Agreement (the "**Development Consultant Agreement**") to provide the terms under which the Development Consultant will provide development services to the Project, and the Company and the Project Manager propose to enter into a Project Manager Agreement (the **"Project Manager Agreement"**) pursuant to which the Project Manager will serve as master project manager for the development of the Project; and

WHEREAS, the Company and Community Hospital Consulting, Inc., ("**CHC Consulting**"), an affiliate of CHC, have entered into a Hospital Management Agreement (Sherman Hospital) (as amended, the "**Management Agreement**") to manage the operations of the Hospital Improvements at the Project, which will further the governmental purposes of the City by providing acute care medical services to the citizens of Sherman, Texas and the surrounding areas; and

WHEREAS, the City has determined that it is in the best interests and public purposes of the City in accordance with the Act and the Charter to enter into this Agreement and work with the Company to provide the Hospital Improvements to lessen the governmental burdens of the City and to provide for the health, safety and welfare of the citizens of Sherman, Texas and the surrounding areas; and

WHEREAS, the Company proposes to proceed under the terms of this Agreement to provide specified professional services required to be furnished by the Design-Build Team with

respect to the general design and plans and specifications of and to obtain a Standard Form of Agreement between Owner and Design-Builder – Cost Plus a Fee with a Guaranteed Maximum Price, DBIA Forms 530 and 535 for the Hospital Improvements and to provide other professional service providers with respect to the legal and financing structure, the sources of funding for, and the financial feasibility of the Project; and

WHEREAS, the City is authorized to enter into this Agreement to cooperate with and assist the Company in providing for certain services described herein required for the development, financing, construction and operation of the Hospital Improvements; and

WHEREAS, the City, the Company and CHC ~~desire to enter~~entered into ~~this~~that certain Public Private Partnership Agreement ~~to set~~, dated May 12, 2022 (the "Original Public Private Partnership Agreement"), setting forth the terms under which the Company, with the assistance of the Development Consultant, the Project Manager and CHC Consulting, will provide services related to the acquisition of the real property comprising the Project and the construction and operation of the Hospital Improvements, the sources of bond financing, underwriting and economic support for the Hospital Improvements and the general design specifications of the Hospital Improvements for the benefit of the City and its residents, all in accordance with the terms and conditions of the Preliminary Term Sheet attached hereto as Exhibit D (the "**Term Sheet**") provided by RBC Capital Markets and Stephens, Inc. (the "**Underwriters**"); and

WHEREAS, the City, the Company and CHC now desire to amend and restate the Original Public Private Partnership Agreement pursuant to the terms and conditions set forth herein this Agreement:

NOW, THEREFORE, in consideration of the mutual covenants and obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I
SCOPE OF SERVICES

Section 1.1. Services Rendered by Company

. Company agrees to perform (or, to the extent the services are to be provided by the Design-Build Team to cause the appropriate member of the Design-Build Team to perform) the services set forth in Article III to this Agreement ("**Services**"). Company and the City shall cooperate with each other and with CHC Consulting and with any other attorneys, consultants or contractors providing services to the Design-Build Team as needed in the Company's performance of such Services. The parties agree that City has no obligation to perform any of the Services under this Agreement.

Section 1.2. Standard of Care

. Company hereby represents and warrants that each person providing the Services, including the Company and each member of the Design-Build Team, has the requisite skills and expertise necessary to perform the Services described herein. Accordingly, Company and each such person shall be obligated to perform the Services with the same degree of care, skill and diligence as would be ordinarily exercised by a competent practitioner of the same profession in

which such person is engaged in providing similar services in major United States metropolitan areas under the same or similar circumstances.

ARTICLE II
REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of the City

. The City represents and warrants that:

A. the City has the legal authority to enter into this Agreement;

B. the City has the authority to execute this Agreement;

C. but for the assistance from the Company and its Design-Build Team, the City would not be able to undertake the development and operation of the Hospital Improvements for the benefit of the City and its residents, and the development and operation of the Hospital Improvements will lessen the governmental burdens of the City by providing for the health care needs of the residents of the City consistent with the provisions of the Act and the Charter; and

D. the City has read and fully understands the terms, covenants and conditions set forth in this Agreement and is executing the same willingly and voluntarily of its own volition.

Section 2.2. Representations and Warranties of the Company

. The Company represents and warrants that:

A. the Company, through its duly authorized representative, has the full power and authority to enter into and execute this Agreement and, as such, this Agreement is legally binding upon and enforceable against Company in accordance with its terms;

B. the Company is not under any obligation to any other party that would be inconsistent with or in conflict with this Agreement or that would prevent, limit or impair in any way its performance of any obligations hereunder;

C. the Company and each person selected by the Company to perform Services in connection with the Development has the requisite expertise, qualifications, staff, materials and equipment in place and available to enable it to fully perform the Services and Company and such third persons, along with their respective employees, as required, and all sub-contractors, if any and as required, possess all necessary permits, licenses, consents, registrations and/or certifications required under federal, state and/or local law to perform the Services;

D. the Company is entering into this Agreement consistent with the terms of the Predevelopment Loan Agreement and the Master Development Agreement to lessen the governmental burdens of the City by undertaking the development and operation of the Hospital

Improvements to provide for the health, safety and welfare needs of the residents of the City consistent with the provisions of the Act and the Charter, and consistent with the charitable purposes of the sole member of the Company as a qualified tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; and

E. the Company has read and fully understands the terms, covenants and conditions set forth in this Agreement and is executing the same willingly and voluntarily of its own volition.

Section 2.3. Reliance on Representations, Warranties and Covenants

. All representations, warranties, covenants and agreements made in this Agreement are intended to be material and shall be conclusively deemed to have been relied upon by the receiving party.

ARTICLE III
SCOPE OF DEVELOPMENT SERVICES

Section 3.1. General

. Company agrees to provide and cause the service providers selected by the Company, including the Development Consultant, the Project Manager and the Design-Build Team, to provide for the benefit of the City and its residents a complete, turn-key array of Services required to plan, finance, construct, equip operate and maintain the Hospital Improvements.

Section 3.2. Phased Development Services

. The Services to be performed hereunder will be rendered and paid for in discrete phases, defined and designated below in this Section 3.2. The execution of this Agreement constitutes the City's authorization for the Company to perform the Services on behalf of and for the benefit of the City, and the City agrees to cooperate with and assist the Company and the Design-Build Team in the timely review of and action on the Hospital Improvements for purposes of all applicable City planning, zoning, permitting and inspections.

A. Phase 1 Services. The Phase 1 Services are sometimes referred to as the Pre-Development Services, and generally consist of Services required to be performed prior to the preparation of final plans and specifications for construction of the Hospital Improvements. Phase 1 Services consist of (i) confirming the programmatic scope of the Hospital Improvements, (ii) preparation of a Purchase and Sale Agreement to provide the site for the Hospital Improvements and a comprehensive Standard Form of Agreement Between Owner and Design-Builder – Cost Plus a Fee with a Guaranteed Maximum Price, DBIA Forms 530 and 535, to provide the cost to design, construct and equip the Hospital Improvements to full completion and ready for occupancy, (iii) describing and identifying sources of financing for the Development, (iv) determining how the Development can be financed with the proceeds of Bonds (defined below). The parties approve of and agree that the Company or the Project Manager will engage the Design-Build Team to assist in performing Phase I Services.

B. Phase 2 Services. The Phase 2 Services are sometimes referred to as Design, Pre-Construction and Financing Services, and generally consist of Services that will be performed prior to the commencement of any construction activities. As a part of Phase 2 Services the Company shall cause the appropriate member of the Design-Build Team to prepare a complete set of plans and specifications for construction of the Hospital Improvements. The Company contemplates that it will finance the expenses of construction and equipping of the Hospital Improvements with funds available from the sale of Bonds (as defined below), which will be secured by the revenues derived from the operations of the Hospital Improvements and will not constitute a debt, liability or obligation of the City. As part of its Services, the Company will identify, source, manage and coordinate the full financing of the Hospital Improvements with the assistance of the Underwriter and the Issuer, as described below.

The Company, with the assistance of the Project Manager, has proposed a Pro Forma Financial Plan (in the form attached hereto as Exhibit B) and a Development Schedule (in the form attached hereto as Exhibit C) for the projected sources of funding available to pay the costs of the Hospital Improvements and the schedule for the construction of the Hospital Improvements. The City agrees to cooperate with and assist the Company in obtaining such funding sources as may reasonably be available to pay the costs of the Hospital Improvements. It is currently anticipated that these sources of funding may include, but are not limited to, Hospital Revenue Bonds (the "Bonds") to be issued by the Phoenix Industrial Development Authority (the "Issuer") in one or more tax-exempt or taxable series, such Bonds to be payable from the revenues generated by the operations of the Hospital Improvements by the Company and any amounts payable by the City pursuant to the terms of the Replenishment Agreement with respect to the Series 2022C Bonds from the City to the Trustee for the Series 2022C Bonds. Notwithstanding any statement to the contrary in this Agreement, the parties agree that City has no obligation to provide funding, financing or other financial assistance of any kind in connection with the Project other than as set forth in the Replenishment Agreement.

a. Bond Financing. In coordination with the completion of the Phase 2 Services, Company, with the assistance of the Project Manager and consistent with the provisions of the Term Sheet from the Underwriters, negotiate the final terms of the Bonds, the master indenture of trust, the first supplemental indenture of trust, the loan agreement, ground lease agreement, ground lease deed of trust, disbursing agreement, security agreement, pledge agreement and other documents as may be required in connection with the issuance of the Bonds (collectively, the "**Bond Financing Documents**") under which the Bonds will be issued, subject in all events to the prior written approval of the City.

b. In furtherance of its duties to assist in obtaining the financing for the Development, the Company, with the assistance of the Project Manager, shall: (i) make all necessary applications to the Issuer to request the issuance of the Bonds; (ii) cooperate with and assist the firm of

nationally recognized Bond Counsel, selected by the Company and approved by the Issuer, to prepare the necessary Bond Financing Documents and give the approving opinion of Bond Counsel as to the tax-exempt status of the applicable Bonds; (iii) submit the Bonds and the Development for approval by the Issuer in accordance with applicable law; (iv) have its representatives attend any public hearings, committee meetings, and conferences with staff as may be necessary and appropriate to obtain the passage of the resolutions or other official actions of the Issuer required for the issuance of the Bonds; and (v) engage all necessary third party professionals including, but not limited to, title insurance providers, surveyors, environmental assessment companies, inspectors, appraisers, attorneys, accountants and others as may be required for the issuance of the Bonds.

C. Phase 3 Services. The Phase 3 Services are sometimes referred to as Construction Management Services, to include construction management and oversight services by the Company with the assistance of the Project Manager. Upon the completion of the Phase 1 Services the Company will have provided one or more forms of Guaranteed Maximum Price Construction Contracts to provide for the construction of the Hospital Improvements. Upon the completion of the Phase 2 Services the Company will have entered into the Bond Financing Documents, the Guaranteed Maximum Price Construction Contract, the Purchase Agreement for the site of the Hospital Improvements, and such other contracts, agreements and engagements as may be required for the construction of the Hospital Improvements. The Construction Management Services provided by the Company (with the assistance of the Project Manager) in connection with the Phase 3 Services will be as set forth in the agreements entered into at the time of issuance of the Bonds and will include the following:

1. Management and oversight of the Guaranteed Maximum Price Construction Contract;

2. Value engineering during the course of construction;

3. Submission and application of construction draw requests in accordance with the Bond Financing Documents;

4. Negotiation and processing of change orders;

5. Compliance with all City building codes and inspection and health-safety requirements;

6. Application, with the assistance of CHC Consulting as the Company's health care planning and operations consultant, for and obtaining all permits, certificates, or approvals required for occupancy and operation of the Hospital Improvements; and

7. Upon completion of the Hospital Improvements and the receipt of the approvals of all regulatory bodies necessary for the operations of the Hospital Improvements, the Company shall own the Hospital Improvements and CHC Consulting shall manage and operate the Hospital Improvements pursuant to the terms of the Management Agreement for the benefit of the City and its residents and the residents of the surrounding areas.

Section 3.3. ~~Covenants Running with the Land~~Disposition of the Project

. ~~Upon~~With respect to the ~~acquisition of the real property comprising~~disposition of the Project, if and ~~the issuance of~~when directed by the ~~Series 2022 Bonds~~City, the Company shall ~~execute and record an instrument which shall encumber the real property comprising the Project with the restrictions and covenants~~take the actions set forth in Section 8(b) of the Master Development Agreement subject to the restrictions and covenants set forth therein.

ARTICLE IV TERM

Section 4.1. Term

. This Agreement shall commence on the Effective Date and shall continue until the earlier of: (i) the acquisition of the Hospital Improvements by the City in accordance with Sections 8(b) of the Master Development Agreement~~, (ii)~~ and the payment of all amounts due with respect to the Bonds, or (~~iii~~ii) the termination of this Agreement by either party as provided herein or by law.

ARTICLE V
NON-DISCRIMINATION; EQUAL EMPLOYMENT OPPORTUNITY

Section 5.1. Company Shall Not Discriminate

. In the performance of this Agreement, Company agrees not to discriminate on the basis, whether in fact or perception, of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, physical or mental disability or AIDS- or HIV-status against:

A. Any employee of the City or any Company employee working with Company in any of Company's operations involving the Development, or;

B. Any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Company. Company agrees to comply with and abide by all applicable federal, state and local laws relating to non-discrimination, including, without limitation, Title VI of the Civil Rights Act of 1964, Section V of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, and Texas Labor Code, Chapter 21.

Section 5.2. Equal Employment Opportunity

. Company further agrees not to discriminate on the basis, whether in fact or perception, of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, physical or mental disability or AIDS- or HIV-status against any applicant for employment with Company. Further, Company agrees to take affirmative action to ensure that that the applicants are considered for employment and that employees are treated during employment without unlawful regard to such person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, physical or mental disability or AIDS- or HIV-status. Such action shall include, without limitation, the following areas: employment, promotion, demotion, transfer or layoff; recruitment or recruitment compensation; and selection for training. Company agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause. Further, Company agrees all solicitations or advertisements for employees placed by or on behalf of Company shall state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex or national origin.

Section 5.3. Service Providers/Subcontractors

. Company shall incorporate by reference in all subcontracts and other agreements with persons engaged to provide services in connection with the Development the provisions of this Article and shall require all such subcontractors and service providers to comply with such provisions. Company's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

Section 5.4. Certifications Required by Texas Law. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), the Company certifies that it does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), the Company certifies that it does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), the Company certifies that it does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms in this Section have the meanings ascribed to them in the referenced statutes if defined therein.

ARTICLE VI
INDEMNIFICATION

Section 6.1. Duty to Indemnify the City Against Loss

. To the fullest extent permitted by law, Company shall protect, defend, indemnify and hold harmless the City, its elected officials and employees (collectively, the "**Indemnified Parties**") from and against all claims, actions, liabilities, losses (including, without limitation, economic losses) and costs, arising out of or related to a breach or default by Company of its obligations

under this Agreement or the negligent, grossly negligent, unlawful or intentionally wrongful act or omission of Company or its officers, directors, employees, agents or contractors in connection with the development, financing, construction and operation of the Hospital Improvements, the Services or the Project. In its sole discretion, City shall have the right to approve or select defense counsel to be retained by Company in fulfilling its obligation hereunder to defend and indemnify City, unless such right is expressly waived by City in writing. City reserves the right to provide a portion or all of its own defense; however, City is under no obligation to do so. Any such action by City is not to be construed as a waiver of Company's obligation to defend City or as a waiver of owner's obligation to indemnify City pursuant to this Agreement. Company shall retain City-approved defense counsel within seven (7) business days of City's written notice that City is invoking its right to indemnification under this agreement. If Company fails to retain counsel within such time period, City shall have the right to retain defense counsel on its own behalf, and Company shall be liable for all costs incurred by City. The rights and obligations created by this section shall survive the termination or expiration of this Agreement.

Section 6.2. Limit on Duty to Indemnify

. Notwithstanding anything to the contrary herein, Company shall not be required to indemnify the Indemnified Parties to the extent of their fault for any loss that results from the negligence or breach of contract under this Agreement of any of the Indemnified Parties.

ARTICLE VII
INDEPENDENT CONTRACTOR STATUS

Section 7.1. Independent Company Status

. Company shall not be deemed an employee, servant, agent, partner or joint venturer of the City. The Company agrees that it shall not hold itself or any of its employees, subcontractors or agents to be an employee, partner or agent of the City. Further, the Company acknowledges and agrees that, as an independent contractor, neither the Company nor any of its employees shall be entitled to receive any benefits that employees of the City are entitled to receive, including, without limitation, workers' compensation coverage, unemployment compensation coverage, medical insurance, life insurance, paid vacations, paid holidays, sick leave, pension, or Social Security for any services rendered to the City under this Agreement.

Section 7.2. Governing Law

. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, without regard to conflict of law principles. This Agreement is performable in Grayson County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.

ARTICLE VIII
RETENTION, ACCESS AND OWNERSHIP OF RECORDS

Section 8.1. Retention

. Company agrees to keep all business records related to, or arising out of, this Agreement as would be kept by a reasonably prudent practitioner of Company's profession for a period of either at least two (2) years after the termination of this Agreement or for the duration required under Tex. Loc. Gov't Code § 84.902 or other applicable record retention requirements under Texas law, whichever is longer. Company agrees to maintain all accounting records in accordance with generally accepted principles and practices and will ensure that all confidential data entrusted to or obtained by Company in the performance of the Services will remain secure. Company further agrees to notify the City or its successor prior to the destruction of any such records by Company and to provide the City or its successor with copies of any such records as may be requested by the City or its successor.

ARTICLE IX
INSURANCE

During Phase 3 of this Agreement and thereafter, the Company shall, at all times, maintain insurance in accordance with the requirements of the Bond Financing Documents.

ARTICLE X
NOTICE

Section 10.1. Notice Addresses

. Any notice, demand, communication or request required or permitted hereunder shall be in writing and delivered in person or by certified mail, return receipt requested as follows:

A. in the case of the City, addressed to or delivered personally to the City of Sherman, 220 W. Mulberry Street, Sherman, TX 75090, Attention: City Manager; with a copy to Abernathy, Roeder, Boyd & Hullett, P.C., Attention: Ryan D. Pittman, 1700 Redbud Blvd., Suite 300, McKinney, Texas 75069; and

B. in the case of the Company, addressed to or delivered personally to the Company at CFP Sherman Hospital, LLC, c/o Community Facility Public Private Partnerships, 601 Carlson Parkway, Suite 1050, Minnetonka Minnesota 55305; with a copy to Ivy P3 Group, LLC, 4300 MacArthur Avenue, Suite 175, Dallas, Texas 75209 Attention Robert Colombo; and with a copy to Daniel R. Nelson, Best & Flanagan LLP, 60 South Sixth Street, Suite 2700, Minneapolis, Minnesota 55402.

C. In the case of CHC, addressed to or delivered personally to CHC at Community Hospital Corporation, 7950 Legacy Drive, Suite 1000, Plano, Texas 75024, Attention: President.

Section 10.2. Notice Effective Dates

. Notices shall be effective when received by each of the above-referenced individuals at the addresses specified above. Each party shall be responsible for notifying the other in writing of any changes in the respective addresses set forth above.

Section 10.3. Routine Communications

. Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of the City and the Company.

ARTICLE XI
GENERAL PROVISIONS

Section 11.1. No Assignment Without Consent

. This Agreement is personal to each of the parties hereto, and neither party may assign or delegate any rights or obligations hereunder without first obtaining the written consent of the other party.

Section 11.2. Conflict of Interest

. Company agrees to decline any offer of work, whether as an independent contractor or employee, if such work would:

A. Affect Company's independent professional judgment with respect to its performance of the Services; or

B. In any way interfere with Company's ability to discharge any of its obligations under this Agreement. The initial determination of whether any offer of work would present such a conflict of interest shall rest with Company. However, Company shall be obligated to notify the City and provide full disclosure as to any possible adverse effects of such work as it relates to Company's independent professional judgment or the discharge of any of its obligations under this Agreement. Final decision as to whether any such work proposes a prohibited conflict of interest shall rest with the City.

Section 11.3. Non-Recourse Obligations of the Company

. The City acknowledges and agrees that the Company is a limited liability company formed for the sole purpose of assisting in the design, construction and financing of the Project for the benefit of and to lessen the governmental burdens of the City, and that the Company will have no funds or assets other than its interests in the Hospital Improvements for the payment or performance of the Company's obligations and duties under this Agreement or with respect to the Project.

Section 11.4.

Section 11.5.

Section 11.4. Severability

. The parties hereto intend all provisions of this Agreement to be enforced to the fullest extent permitted by law. Accordingly, if a court of competent jurisdiction finds any provision to be unenforceable as written, the parties intend and desire that the court will reform the provision

so that it is enforceable to the maximum extent permitted by law. If, however, the court finds such provision to be illegal and not subject to reformation, such provision shall be fully severable. In such event, this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision was never a part hereof, and the remaining provisions of this Agreement shall remain in full force and effect.

Section 11.5. Schedules and Exhibits

. All Schedules and Exhibits attached hereto shall be and hereby are incorporated into this Agreement as if fully rewritten herein.

Section 11.6. Rules of Construction

. The headings and captions of this Agreement are provided for convenience only and are not intended to have effect in the construction or interpretation of this Agreement. Whenever herein the singular number is used, the same shall include the plural, where appropriate, and neutral words and words of any gender shall include the neutral and other gender, where appropriate. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved in favor of or against the City or Company on the basis of which party drafted the uncertain or ambiguous language. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto.

Section 11.7. Amendment

. No amendment of or modification to this Agreement shall be valid unless and until executed in writing by the duly authorized representatives of both parties to this Agreement.

Section 11.8. No Third-Party Beneficiaries

. This Agreement is entered into for the exclusive benefit of the Company, CHC, the Project Manager and the City, and the Company, CHC and the City expressly disclaim any intent to benefit anyone not a party hereto, other than the Project Manager.

Section 11.9. Time is of the Essence

. The City, CHC and the Company each acknowledge and agree that time is of the essence in the performance of this Agreement.

Section 11.10. Non-Exclusive

. This Agreement shall be non-exclusive. Accordingly, subject to Section 11.2, Company and CHC shall be free to provide services to other clients, and City shall be free to engage the services of other contractors unrelated to the Project.

Section 11.11. Prohibition Against Financial Interest in Agreement

. No elected official or employee of City shall have a financial interest, direct or indirect, in this Agreement. For purposes of this Section, a financial interest held by the spouse, child or parent of any elected official or employee of City shall be deemed to be a financial interest of such elected official or employee of City.

Section 11.12. Remedies Cumulative

. No remedy set forth in this Agreement or otherwise conferred upon or reserved to any party shall be considered exclusive of any other remedy available to a party. Rather, each remedy shall be deemed distinct, separate and cumulative and each may be exercised from time to time as often as the occasion may arise or as may be deemed expedient.

Section 11.13. Complete Agreement

. Company specifically acknowledges that in entering into and accepting this Agreement, Company relies solely upon the representations and agreements contained in this Agreement and no others. This Agreement supersedes and replaces any and all prior agreements, negotiations and discussions between the parties hereto with regard to the terms, obligations and conditions herein.

Section 11.14. Representatives Not Individually Liable

. No member, official, or employee of either party shall be personally liable to the other party, or any successor in interest, in the event of any default or breach or on any obligations under the terms of the Agreement.

Section 11.15.

Section 11.16. Counterparts

. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 11.17. Representation on Company Board of Governors. The affairs, policies and practices of the Company shall be governed by a Board of Governors as its governing body. In order to provide for the efficient and cooperative operation and management of the Hospital Improvements, subject to the general provisions of the Company's Operating Agreement, the Company agrees that, upon the completion of the construction and equipping of the Hospital Improvements and thereafter at all times while the Bonds to finance the Project remain outstanding, the City shall have the right to designate the greater of one voting Governor/board member or the amount of Governors/board members constituting twenty (20) percent of the total number of voting Governors/board members for appointment to the minimum five person Board of Governors of the Company, and at all times while the Management Agreement is in force and effect CHC shall have the right to designate one Governor for appointment to the minimum five person Board of Governors of the Company; provided that the Management Agreement and the Operating Agreement of the Company shall at all times comply with the requirements of Revenue Procedure 2017-13 and at no time shall CHC have control over more than twenty percent (20%) of the voting power of the Board of Governors of the Company.

IN WITNESS WHEREOF, the City and the Company have each caused this Agreement to be duly executed in its name and behalf on the dates set forth below to be effective as of the Effective Date.

CITY OF SHERMAN, TEXAS

By_____
Robby Hefton, City Manager
Date_____

ATTEST:

By_____
Linda Ashby, City Clerk

APPROVED AS TO FORM:

By_____
Abernathy Roeder Boyd Hullett, P.C.
Ryan D. Pittman, City Attorney

Signature page of the City of Sherman, Texas to
Public Private Partnership Agreement

CFP SHERMAN HOSPITAL, LLC

By_____

Name_____

Its_____

Date:

Signature page of the CFP Sherman Hospital, LLC to
Public Private Partnership Agreement

JOINDER OF COMMUNITY HOSPITAL CORPORATION

Community Hospital Corporation has joined in this Agreement and caused it to be duly executed in its own behalf solely for purposes of Section 11.17 hereof.

COMMUNITY HOSPITAL CORPORATION

By_____

Name_____

Its_____

Date:

#6444226_6

Signature page of the Community Hospital Corporation to
Public Private Partnership Agreement

EXHIBIT A

Real Estate Purchase Agreement

Real Estate Purchase Agreement

This Real Estate Purchase Agreement (this "Agreement") is made and entered into as of the _____ day of March, 2022 (the "Effective Date") by and between Heritage Development Partners LLC, a Texas limited liability company ("Seller"), and CFP Sherman Hospital, LLC, [an Arizona limited liability company], and its permitted assigns ("Buyer").

Recitals

A. Seller is the owner of that certain real property containing approximately 16.7938 acres of land, located West of US 75 and North of Medical Drive, Sherman, Texas, and as more particularly described on the attached **Exhibit A**.

B. Upon the terms and conditions of this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Property and all easements, hereditaments, air rights, rights of way, licenses, and other rights benefiting or appurtenant to the Property ("Property").

C. Buyer plans to develop an 80 bed, 160,000 square foot acute care hospital on the Property (the "Project").

D. The Buyer will cause the issuance of revenue bonds by the Phoenix Industrial Development Authority in one or more series from time to time in the aggregate estimated amount not to exceed $260,000,000 (the "Project Financing"). As part of the Project Financing the Buyer will cause to be issued Series B Subordinated Bonds in an amount at least equal to the Purchase Price and related expenses as provided herein (the "Series B Project Bonds").

E. Seller is willing to sell the Property to Buyer, and Buyer is willing to purchase the Property, each on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the following terms and conditions, the parties agree as follows:

1. Sale and Purchase. Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller, upon the terms and conditions set forth herein, the Property.

2. Purchase Price, Earnest Money.

(a) Purchase Price. The purchase price to be paid by Buyer to Seller for the Property is **$10,975,000.00** (the "Purchase Price"). The Purchase Price shall be paid by providing Seller with Series B Project Bonds in an amount to be determined and cash in an amount to be determined. Seller agrees to take at least 50% of the Purchase Price in Series B Project Bonds but can increase that percentage, at Seller's option.

(b) Title Company. The Title Company to serve as escrow agent for this Contract is (the "Title Company"): Chicago Title Company, 3100 Monticello, Suite 800, Dallas, TX 75205, Attention: Kristi Covy, Commercial Closing Attorney; krisit.Covey@ctt.com; (972) 764-1456.

(c) Earnest Money. Within three Business Days after the effective date, Buyer shall deliver an earnest money deposit in the amount of $10,000.00 (the "Earnest Money") payable to the Title Company, in its capacity as escrow agent, to be held in escrow pursuant to the terms of this Contract. Seller's acceptance of this Contract is expressly conditioned upon Buyer's timely

deposit of the Earnest Money with the Title Company. If Buyer fails to timely deposit the Earnest Money with the Title Company, then Seller may, at Seller's option, terminate this Contract by delivering a written termination notice to Buyer at any time until Buyer deposits the Earnest Money with the Title Company.

3. Buyer's Feasibility Condition.

(a) Feasibility Period. Subject to extensions provided herein, Buyer shall have a period commencing on the Effective Date and ending at 5:00 p.m. Central Standard Time on April 20, 2022 (as may be extended as provided herein, the "Feasibility Period"), to determine, in Buyer's sole and absolute discretion, if Buyer, is satisfied (i) with its examination and analysis of the Property Documents; (ii) with the condition of the Property, including, without limitation, the results of and matters disclosed by any Inspections; (iii) with all the Project Approvals, upon terms and conditions acceptable to Buyer, subject, however, to Seller's approval rights, as set forth herein; (iv) with all the Project Financing, including issuance of the Series B Project Bonds, upon terms and conditions acceptable to Buyer; and (v) that the Property otherwise meets Buyer's requirements and that the Project is otherwise feasible. Buyer's obligation to purchase the Property hereunder is expressly conditioned upon Buyer's satisfaction with the foregoing matters on or before the expiration of the Feasibility Period, as may be extended as provided herein (collectively, "Buyer's Feasibility Condition"). Buyer may waive Buyer's Feasibility Condition or terminate this Agreement for failure of Buyer's Feasibility Condition in accordance with Section 3(c).

(b) Feasibility Period Extensions.

(i) First Extension. Buyer shall have the right to extend the Feasibility Period for a period of up to **60 days** (the "First Extension") by delivering notice to Seller of Buyer's exercise of the First Extension on or before expiration of the Feasibility Period.

(ii) Second Extension. If Buyer has properly exercised the First Extension, then Buyer shall have the right to extend the Feasibility Period for a second period of up to **60 days** (the "Second Extension") by delivering notice to Seller of Buyer's exercise of the Second Extension on or before the expiration of the Feasibility Period, as extended by the First Extension.

(c) Satisfaction of Buyer's Feasibility Condition; Buyer's Termination Right. If Buyer's Feasibility Condition has not been satisfied or waived by Buyer on or before the expiration of the Feasibility Period, then Buyer shall have the right to terminate this Agreement at any time before the expiration of the Feasibility Period for failure of Buyer's Feasibility Condition by delivering notice of such termination to Seller and the Title Company. Upon Seller's receipt of such termination notice from Buyer, this Agreement shall terminate and be of no further force or effect without the need for any further documentation or approval by Seller, and neither Seller nor Buyer shall have any further rights or obligations under this Agreement, except for those obligations provided for herein which expressly survive termination of this Agreement. If Buyer fails to provide written notice of termination of this Agreement prior to the expiration of the Feasibility Period, then Buyer shall be deemed to have elected to waive Buyer's Feasibility Condition and proceed to Closing, subject to the other terms and conditions of this Agreement.

4. Inspection of Property Documents and Property

(a) Property Documents. Seller shall deliver or make available to Buyer copies of the documents referenced in **Exhibit B** if existing, and if in Seller's possession or control (collectively,

the "Property Documents") within five (5) business days after the Effective Date. Seller makes no representations or warranties of any kind regarding the accuracy or completeness of the information included or the conclusions or statements expressed in any of the Property Documents furnished to Buyer by Seller. Buyer waives any and all claims against Seller arising out of the accuracy or completeness of the information included or the conclusions or statements expressed in the Property Documents so furnished and any and all claims arising out of any duty of Seller to provide Buyer with any updates or changes to the Property Documents. If this Agreement is terminated or cancelled for any reason, all of the Property Documents, as well as all copies made by Buyer or any of its legal counsel, lender, equity investors, consultants and agents and all notes or other tangible or intangible records relating thereto shall be returned to Seller. This Section shall survive the termination or cancellation of this Agreement.

(b) Right of Inspection. Buyer shall have a limited license to examine the Property Documents and make a physical inspection of the Property during the Feasibility Period, so long as this Agreement has not been terminated. In this regard, Buyer and its authorized employees, agents, contractors and representatives (collectively, "Buyer Representatives") shall be entitled to enter upon the Property during normal business hours and upon not less than one (1) business days' notice to Seller or its designated agents (which may be delivered via email) for the purpose of conducting such non-invasive tests, studies, audits and investigations of the Property as Buyer may reasonably desire (collectively, "Inspections"). Buyer shall pay all costs and expenses of all Inspections. Notwithstanding anything herein to the contrary, Buyer shall not perform soil tests, asbestos or lead tests, or perform tests of a similarly intrusive nature without the prior written consent of Seller, such consent not to be unreasonably withheld.

5. Project Development.

(a) Generally. Commencing the Effective Date, Buyer shall, proceeding with all reasonable diligence, use commercially reasonable efforts to obtain all governmental land use approvals and entitlements necessary to develop the Project (the "Project Approvals"). The Project Approvals shall include all land use approvals, entitlements, zoning designations, and platting, required for the development and construction of the Project.

(b) Project Plans. Buyer will keep Seller reasonably informed about Buyer's progress in obtaining the Project Approvals, including providing Seller periodic email updates and presentations, at intervals reasonably requested by Seller.

(c) Project Financing. Commencing no later than promptly following the Effective Date, Buyer shall, proceeding with all reasonable diligence, use commercially reasonable efforts to evaluate, pursue, apply for, and secure all the Project Financing necessary for the acquisition, and construction of the Project.

6. Closing.

(a) Closing Date.

(i) Closing Date. The closing of the purchase and sale of the Property contemplated by this Agreement (the "Closing") will occur on a date that is 10 days after the earlier to occur of (i) the expiration of the Feasibility Period or (ii) Buyer's earlier waiver of Buyer's Feasibility Condition. Buyer may accelerate the Closing by providing Seller at least 10 days' prior notice of Buyer's desired earlier Closing Date.

(b) Seller's Closing Deliveries. At Closing (except as expressly provided below), Seller shall execute and/or deliver to Buyer the following:

(i) Deed. A special warranty deed (a "Deed") conveying fee simple title to the Property to Buyer, free and clear of all encumbrances, except the Permitted Encumbrances.

(ii) Seller Authority Documents. A written resolution or other authorization from Seller, authorizing and approving Seller to complete the Closing.

(iii) Seller's Affidavit. An affidavit by seller indicating that on the Closing Date there are no outstanding, unsatisfied judgments, tax liens, or bankruptcies against or involving Seller or the applicable portion of the Property; that there has been no skill, labor, or material furnished to the applicable portion of the Property for which payment has not been made or for which mechanics' liens could be filed; and that there are no unrecorded interests in the applicable portion of the Property.

(iv) FIRPTA Affidavit. A non-foreign affidavit, properly executed and in recordable form, containing such information as is required by Internal Revenue Code Section 1445(b)(2) and its regulations.

(v) IRS Reporting Form. The appropriate federal income tax reporting form, if any is required.

(vi) Settlement Statement. A Closing settlement statement reflecting the financial provisions of the Closing, consistent with the provisions of this Agreement ("Settlement Statement").

(vii) Possession. Exclusive possession of the Property to Buyer, subject only to the Permitted Encumbrances.

(viii) Representations. A certificate by Seller that all representations and warranties are true and correct as of the Closing Date.

(ix) Other Documents. Such other documents as may be reasonably required to consummate the sale and purchase contemplated hereby, which are not inconsistent with this Agreement.

(c) Buyer's Closing Deliveries. At each Closing (except as expressly provided below), Buyer will execute and/or deliver to Seller the following:

(i) Purchase Price. The Series B Project Bonds and [cash] in an aggregate amount equal to the Purchase Price.

(ii) Settlement Statement. Buyer's counterpart to the Settlement Statement.

(iii) Other Documents. Such other documents as may be reasonably required to consummate the sale and purchase contemplated hereby, which are not inconsistent with this Agreement.

(d) Prorations; Expenses. Seller and Buyer shall make the following prorations and allocations of taxes, assessments, rents, costs, and other expenses at each Closing:

(i) Title Insurance and Closing Fee. Buyer will pay all reasonable and customary closing fees or charges imposed by the Title Company. Buyer shall pay all costs of the Title Commitment (as defined below) and Buyer shall pay the premium costs for any Owner's or Lender's Title Policies it desires and any endorsements thereto.

(ii) Transfer Tax. Buyer shall pay all state deed transfer taxes due on each Deed to be delivered by Seller under this Agreement. Buyer shall pay all mortgage registration, recordation costs, or similar taxes payable in connection with Buyer's financing.

(iii) Recording Costs. Buyer shall pay the cost of recording any necessary documents to place record title in Seller in the condition required by this Agreement, including without limitation, the cost of recording the satisfaction of any existing Seller mortgage and any other document necessary to cure any Cure Items, if any. Buyer will pay the cost of recording the Deed and any instruments required in connection with the Project.

(iv) Real Estate Taxes and Special Assessments. All real estate taxes (based on the most recent assessed valuation by the Grayson County Appraisal District and the current tax rates of the applicable taxing authorities) and special assessments with respect to the applicable portion of the Property shall be prorated as of the Closing Date with Seller being obligated to pay all such real estate taxes and installments of special assessments due and payable with respect to the applicable portion of the Property to the Closing Date and any period prior to the Closing Date, and Buyer being obligated to pay any such real estate taxes and installments of special assessments due and payable with respect to the applicable portion of the Property after the Closing Date and through all subsequent periods. Seller warrants that there are no Rollback taxes due on the property.

(v) Income and Expenses. All income and expenses relating to or deriving from the applicable portion of the Property, if any, shall be prorated on a daily basis as of the Closing Date, including rental income, operating expenses, and utility charges, if any.

(vi) Proration Method. Unless otherwise stated herein, Buyer's and Seller's respective proration obligations shall be determined as follows, respectively, with respect: (i) Seller pays that part of expenses that have accrued on or before the Closing Date, (ii) Buyer pays that part of expenses that accrue after the Closing Date, (iii) Seller is entitled to that part of rental and other income that has accrued on or before the Closing Date, and (iv) Buyer is entitled to that part of rental and other income that accrues after the Closing Date.

(vii) Attorneys' Fees. Each of Seller and Buyer shall pay its own attorneys' fees in connection with the preparation and negotiation of this Agreement and each Closing. Additionally, Buyer shall pay Seller's attorney's fees related to sale of the Property pursuant to this Agreement not to exceed $15,000.

(viii) Survival. The provisions of this Section 6 shall survive each Closing and shall not merge with the delivery of either Deed.

7. Title Matters. Title examination shall be conducted as follows:

(a) Seller's Title Evidence. No later than 7 business days after the Effective Date, Seller shall furnish Buyer with a commitment ("Title Commitment") for a TLTA Owner's Policy of Title Insurance ("Title Policy") committing to insure title to the Property in Buyer, subject only to the Permitted Encumbrances, in the amount of the Purchase Price and issued by the Title Company. As part of the Property Documents, Seller will deliver to Buyer a copy of Seller's most recent land survey of the Property, if any. At Buyer's sole cost, Buyer may obtain an updated land survey of the Property (the "Survey") and Seller will reasonably cooperate with the same, at no cost to Seller.

(b) Buyer's Objections. Within 5 business days after receiving the Title Commitment and the Survey, Buyer shall notify Seller in writing of any matters which render title in Seller as being unmarketable ("Objections"). Buyer's failure to make Objections within the applicable time period will constitute a waiver of Buyer's right to make Objections. Any item disclosed by the Title Commitment and/or the Survey and not objected to by Buyer shall be a "Permitted Encumbrance" hereunder.

(c) Cure Period. Seller shall advise Buyer in writing ("Cure Notice"), within 7 days after Buyer delivers written notice of any Objections, which (if any) of the Objections Seller is willing to cure (the "Cure Items"). Seller's failure to deliver a Cure Notice will be deemed Seller's election not to undertake any Cure Items. Seller will have until the date that is five (5) days before the Closing (the "Cure Period") to use commercially reasonable efforts to attempt to cure the Cure Items, if any, in Seller's sole discretion; provided, however, that Seller may pay monetary liens described in Section 8(e) out of proceeds from Closing on the Closing Date if they are not satisfied prior thereto or assumed by Buyer in accordance with this Agreement, and Seller shall otherwise have no obligation to cure any Objections except as provided in said Section 8(e). If Seller elects (or is deemed to have elected) not to undertake any Cure Items or the Cure Items are not cured within the Cure Period, Buyer may elect any of the following options by providing written notice thereof to Seller and to the Title Company:

(i) Terminate this Agreement within five (5) business days after the expiration of the Cure Period by written notice of such termination to Seller and upon receipt of such notice from Buyer, this Agreement shall automatically terminate and neither Seller nor Buyer shall have any further rights or obligations under this Agreement (except for any obligations that expressly survive the termination of this Agreement), and, if applicable, the Title Company shall promptly return the Earnest Money to Buyer; or

(ii) Waive the Objections and close the transaction contemplated by this Agreement as if such Objections had not been made, and the title matters related to such Objections will be deemed Permitted Encumbrances.

(d) New Title Matters. If any matters affecting title to the Property are discovered by or reported to Buyer on or prior to the corresponding Closing Date which are not shown on the Title Commitment or the Survey, or which were created or came into existence on or after the date of delivery of the Title Commitment, Buyer shall notify Seller in writing of any additional Objections to such title matters as soon as reasonably possible. Any such new Objection shall be addressed in the manner set forth in Section 7(c).

(e) Satisfaction of Seller Liens. Notwithstanding anything in this Agreement to the contrary, any monetary liens of a definite and ascertainable amount, whether voluntary or involuntary (such as judgments, mechanic or mortgage liens) created, assumed or otherwise caused

by Seller will be paid or otherwise satisfied by Seller on or before the Closing and such items shall not be Permitted Encumbrances hereunder.

8. Operation Prior to Closing. From the Effective Date until the Closing or earlier termination of this Agreement, Seller shall conduct the business of the Property in the ordinary course, and will not: (a) transfer or convey any fee interest to the Property, or enter into any agreement to do so; (b) create or agree to any lease, easements, liens, mortgages, encumbrances or other interests that would affect Seller's ability to comply with this Agreement; and/or (c) fail to maintain and repair the Property in at least the manner that Seller has done previously in all material respects.

9. Representations and Warranties.

(a) Seller's Representations and Warranties.

(i) Organization. Seller is a Texas limited liability company, validly existing and in good standing under the laws of the state of Texas.

(ii) Authority. Seller has the full power and authority to execute and deliver and fully perform its obligations under this Agreement, and this Agreement constitutes a valid and legally binding obligation of Seller, enforceable in accordance with its terms.

(iii) Insolvency. Seller has not either filed or been the subject of any filing of a petition under the federal bankruptcy law or any federal or state insolvency laws or laws for composition of indebtedness or for the reorganization of debtors.

(iv) Litigation. There is no current litigation against Seller relating to the Property or otherwise involving Seller's interest in the Property and, to Seller's knowledge, Seller has not received written notice of any pending or threatened litigation against Seller relating to the Property or otherwise involving Seller's interest in the Property.

(v) Contracts. Except this Agreement and except as may be shown in the real estate records of the Property as of the Effective Date, there are no purchase agreements, rights of first refusal, options to purchase, leases, occupancy or operating agreements in effect with respect to the Property.

(vi) Anti-Terrorism Laws. Seller is not (A) listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury, or (B) a person or entity with whom Buyer is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law, or (C) a person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined or used in the Anti-Terrorism Laws. The "Anti-Terrorism Laws" are Executive Order No. 13224, 66 Fed. Reg. 49079 (published September 25, 2001) and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended.

(vii) FIRPTA. Seller is not a "foreign person" as that term is defined in the Federal Foreign Investment in Real Property Tax Act of 1980 or the 1984 Tax Reform Act, as amended.

All of the representations or warranties in this Section 9(a) shall be remade as of the Closing. If, after the Effective Date but on or prior to the Closing, a material and adverse change occurs to any

of the above representations or warranties so that such is no longer accurate or true, the party obtaining knowledge of such change shall promptly notify the other party in writing of the change. Under said circumstances, Seller shall have 10 business days to cure after notice from Buyer, then Buyer may terminate this Agreement without further liability by giving written notice to Seller, in which event the Earnest Money, if any, shall be returned to Buyer, and, if such material and adverse change to any of the above representations or warranties is the result of Seller's actions or failure to act, Buyer shall have the remedies described in Section 14(b). Notwithstanding anything to the contrary contained in this Agreement, Seller shall have no liability for any change caused by Buyer to any of the above representations or warranties, and Buyer shall have no right to terminate this Agreement or otherwise exercise any remedies hereunder because of such change.

(b) Buyer's Representations and Warranties.

(i) Organization. Buyer is a non-profit limited liability company, duly organized, validly existing and in good standing under the laws of the state of Arizona.

(ii) Authority. Buyer has the power and authority to execute this Agreement; that the execution, delivery, and performance by Buyer hereunder do not conflict with or violate Buyer's organizational documents or any judgment, order or decree of any court or arbiter or any agreement by which Buyer is bound.

(iii) Insolvency. Buyer has not either filed or been the subject to any filing of a petition under the Federal Bankruptcy Law or any federal or state insolvency laws or laws for composition of indebtedness or for the reorganization of debtors.

(iv) Anti-Terrorism Laws. Neither Buyer nor any of its affiliated entities is in violation of any Anti-Terrorism Laws, including the Executive Order, and the PATRIOT Act. Neither Buyer, nor, to the knowledge of Buyer, any of its brokers or other agents acting in any capacity in connection with the purchase of the Premises: (i) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order; or (ii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

The representations and warranties of Buyer contained within this Section 9(b) shall survive for a period of twelve (12) months after the date of the Closing and delivery of the Deed.

(c) Sale "As Is"; No Representations or Warranties. EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES MADE IN THIS AGREEMENT, THE SALE OF THE PROPERTY FROM SELLER TO BUYER IS IN ITS "AS IS", "WHERE IS" AND "WITH ALL FAULTS" CONDITION, WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED OR OTHERWISE, WRITTEN OR ORAL, BY THE SELLER, ANY AGENT OR BROKER OF SELLER, OR THEIR RESPECTIVE OFFICERS, EMPLOYEES OR AGENTS, INCLUDING WITHOUT LIMITATION ITS MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. FURTHER, WITHOUT LIMITATION, SELLER MAKES NO AND DISCLAIMS ANY REPRESENTATION OR WARRANTY AS TO (A) ITS MERCHANTABILITY, (B) ITS FITNESS FOR A PARTICULAR PURPOSE, (C) ITS COMPLIANCE WITH THE AMERICAN WITH DISABILITIES ACT, ZONING OR USE LAWS, OR OTHER LAWS OR ORDINANCES; (D) ITS PAST, CURRENT, OR FUTURE VALUE OR FINANCIAL PERFORMANCE; (E) ITS PHYSICAL CONDITION OR STATE OF REPAIR; (F) ITS SOIL OR WHETHER ANYTHING

CAN BE BUILT ON IT; (G) AVAILABILITY OF PERMITS, APPROVALS, OR RESOURCES TO DEVELOP.

(d) Assumption of Risk. Buyer has had an opportunity to inspect and investigate the Property, and Buyer knowingly assumes all risks of and responsibilities from any defects to and conditions of the Property, including any defects and conditions that cannot be observed by casual inspection.

10. Damage. If, prior to either Closing Date, all or any part of the applicable portion of the Property is damaged by fire, other casualty, the elements or any other cause, Seller shall give Buyer notice to Buyer of such fact, and Seller shall, at Seller's option and sole cost and expense, either: (a) cause such improvements to be repaired, reconstructed, and restored to the extent elected by Seller; or (b) raze the remainder of such building and improvements, remove all debris from the Property, and leave the Property with a reasonably level surface in the area of such removal, in either case, in accordance with applicable law. Neither party shall have the right to terminate this Agreement nor delay Closing in the event of such damage or destruction, and any such damage or destruction shall not cause or be deemed to cause a reduction in the Purchase Price. For avoidance of doubt, in no event shall Seller be obligated to remove any stock piles of material existing on the Property as of the Effective Date.

11. Condemnation. If, prior to the either Closing Date, any governmental entity commences any eminent domain proceedings ("Proceedings") against all or any part of the corresponding Property, Seller shall immediately give notice to Buyer of such fact, and, at Buyer's option (to be exercised by notice to Seller and the Title Company within 10 days after Seller's notice), this Agreement shall terminate. Upon Buyer's election and notice to terminate pursuant to this Section 11, neither Seller nor Buyer shall have any further rights or obligations under this Agreement, except for covenants and obligations that expressly survive the termination of this Agreement. If Buyer does not give such notice, then there shall be no reduction in the Purchase Price, and Seller shall assign to Buyer at such Closing all of Seller's right, title, and interest in and to any award made or to be made in the Proceedings. Prior to such Closing Date, Seller shall not designate counsel, appear in, or otherwise act with respect to the Proceedings without Buyer's prior written consent.

12. Assignment. Buyer shall not assign this Agreement without the prior written consent of Seller, which consent shall not be unreasonably denied, conditioned, or delayed. Notwithstanding the forgoing, Buyer may assign this Agreement without Seller's prior written consent if (a) the proposed assignee is an entity controlling, controlled by, or under common control with Buyer; (b) such entity assumes Buyer's obligations hereunder; (c) notwithstanding such assumption, Buyer is not released from its obligations under this Agreement, and (d) Seller is provided with a copy of the fully-executed assignment and assumption agreement.

13. Notices. All notices, requests, demands and other communications with respect to this Agreement shall be in writing, shall be delivered personally, sent by registered or certified mail, return receipt requested, or nationally recognized overnight courier (e.g., FedEx), or delivered via email, in each case, at the following address or email address:

If to Seller: Heritage Development Partners LLC
c/o Richard Jelsma, M.D.
204 Medical Drive, Suite 100
Sherman, TX 75092

and

Hunter Richmond, M.D.
204 Medical Drive, Suite 200
Sherman, TX 75092

With copy to:

William J. Harkinson
Harkinson Investment Corporation
4560 Belt Line Road, Suite 400
Addison, Texas 75001
jharkinson@harkcorp.com
972-934-8414

And a copy to:

Addison Wilson III
3838 Oak Lawn Ave., Suite 810
Dallas, Texas 75219
214-521-1122
awilson@dfwlawoffice.org

If to Buyer:

CFP Sherman Hospital, LLC
601 Carlson Parkway, Suite 1050
Minnetonka, Minnesota 55305

With copy to:

Dorsey & Whitney LLP
300 Crescent Court, Suite 400
Dallas, TX 75201
Attn: Steven R. Smith

and

Best & Flanagan LLP
60 South Sixth Street, Suite 2708
Minneapolis, Minnesota 55402
Attn: Daniel R. Nelson

If to Title Company:

Chicago Title Company, 3100 Monticello, Suite 800, Dallas, TX 75205, Attn: Kristi Covey

Notice shall be effective, and the time for response to any notice by the other party shall commence to run, one business day after any such deposit if by overnight courier, or three days if by U.S. mail, or upon receipt by the recipient if delivered by hand or by email. Notices may be given by and/or to counsel for the parties. Either Seller or Buyer may change its address for the service of notice by giving notice of such change to the other party, in any manner above specified and such change shall be effective upon receipt of such notice.

14. Remedies.

(a) If Buyer defaults in performance of its obligations under this Agreement, Seller shall have the right to terminate this Agreement by written notice to Buyer. Such termination of this Agreement will be the only remedy available to Seller for such default by Buyer, and Buyer will not be liable for damages or specific performance. Seller and Buyer acknowledge the difficulty and inconvenience of ascertaining Seller's actual damages in the event of Buyer's default and agree

that the Earnest Money, if any, is a fair and reasonable estimate of such damages. Notwithstanding anything in this Section to the contrary, Seller and Buyer agree that this liquidated damages provision is not intended and should not be deemed or construed to limit in any way Buyer's indemnity obligations under this Agreement.

(b) If Seller fails to perform any of the material covenants and agreements contained herein to be performed by Seller within the time for performance as specified herein and such failure continues for a period of 10 days after written notice from Buyer, or if such failure reasonably requires more than 10 days to cure, such additional period of time Seller reasonably requires to cure such failure, provided Seller promptly commences its cure upon receipt of Seller notice and with due diligence is thereafter continuously prosecuting such cure to completion, then Buyer may elect either to: (i) terminate this Agreement by giving 10 days written notice to Seller with a copy to the Title Company, and if Seller has not cured such default within such 10 day period, shall be returned immediately to Buyer by the Title Company pursuant to this Agreement; or (ii) bring an action against Seller for specific performance provided that such action is commenced within 60 days of the event or condition giving rise to such action. The remedies herein for a breach prior to a Closing shall be the only remedies available to Buyer.

(c) Neither party to this Agreement is liable to the other for any consequential, special or punitive damages under this Agreement, including, without limitation, lost profits.

(d) The provisions of this Section 14 shall survive any termination of this Agreement and each Closing.

15. Broker's Commission. Seller has retained Harkinson Investment Corporation as its broker ("Broker"). Seller and Buyer consent to Broker serving as an Intermediary in this transaction and Buyer and Seller agree that the Broker shall be paid a real estate sales commission equal to four percent (4%) of the Purchase Price upon the closing and funding of the sale which will be paid by Buyer in Series B Project Bonds in such amount issued on the Closing Date. Any uneven amount may be paid in cash. Buyer and Seller hereby warrant that no other broker or finder has been involved in this transaction nor is owed a real estate commission or fee, and each agrees to indemnify the other against such claims or assertions.

16. Miscellaneous.

(a) Confidentiality. Buyer and Seller agree that all of the terms, conditions and provisions of this Agreement, as well as the existence of this Agreement and the information provided to Buyer in the Property Documents, shall be held in strict confidence; provided, however, Buyer and Seller shall each have the right to disclose such information on a need-to-know basis to Buyer's or Seller's officers, directors, managers, lenders, investors, attorneys, consultants and agents which have been engaged by Buyer or Seller to assist with the evaluations of the terms, conditions and provisions contemplated under this Agreement or to any governmental or other persons as may be required by law. Further, Seller agrees that it will not make a public announcement of any transaction contemplated hereby or the terms hereof without the prior written consent of Buyer. The provisions of this Section shall survive the termination of this Agreement and shall survive each Closing.

(b) Amendment. This Agreement cannot be modified except by a written instrument signed by the parties.

(c) Severability. If any provisions of this Agreement shall be determined to be illegal or unenforceable, such determination shall not affect any other provisions of this Agreement, and all other provisions shall remain in full force and effect.

(d) Waivers. A waiver by any party of a performance obligation or default under any provision of this Agreement shall not be deemed (i) a waiver of a further obligation or default under the same provision or (ii) a waiver of an obligation or default under any other provision.

(e) Entire Agreement. This Agreement and the exhibits attached hereto sets forth fully and completely the agreement between the parties in connection with this transaction, there are no written or oral agreements between the parties relating to this transaction that are not expressly set forth herein and this Agreement supersedes all prior oral or written agreements relating to this transaction.

(f) Further Instruments. Each party, promptly upon the request of the other, shall execute and have acknowledged and delivered to the other or to Title Company, as may be appropriate, any and all further instruments reasonably requested or appropriate to evidence or give effect to the provisions of this Agreement and which are consistent with the provisions of this Agreement. In the event this Agreement is terminated for any reason whatsoever without the consummation of the transaction contemplated hereby, Buyer shall execute and deliver to Seller, in recordable form, a quit claim deed conveying Buyer's equitable interest, if any, in the Property to Seller, which quit claim deed shall be executed and delivered within three (3) days after termination of this Agreement.

(g) Beneficiaries. This Agreement shall be binding upon and shall inure to the benefit of Seller and Buyer and their respective heirs, personal representatives, successors, assigns and transferees. This Agreement confers no rights or remedies on any third party.

(h) Construction. Any list of examples set forth in this Agreement shall be deemed to be illustrative, not exhaustive, unless explicitly specified otherwise. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa. The use of the neuter singular pronoun to refer to any party shall be a proper reference even though that party may be an individual, a business entity, or a group of two or more individuals or business entities. All attachments, exhibits, and schedules referenced within the Agreement shall be deemed incorporated in the Agreement by such reference.

(i) Time of Essence. Time is of the essence of this Agreement.

(j) Calculation of Time Periods. Except as specifically set forth in this Agreement, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is on a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next business day; provided, however, in all events each Closing Date shall be extended such that it is the second business day after a non-business day. As used herein, the term "business day" means any day which is not a Saturday, Sunday or legal holiday. As used herein, the term "legal holiday" means any state or federal holiday for which financial institutions or post offices are generally closed in the state where the Property is located. Unless specifically stated otherwise, all references to durations stated in "days" shall mean calendar days.

(k) Governing Law. This Agreement shall be governed and construed in accordance with the substantive and procedural laws of the state of Texas without regard to conflict of law principles. Any suit arising from or relating to this Agreement must be brought in the federal court in the Eastern District of Texas and Buyer and Seller hereby waive the right to bring suit elsewhere.

(l) WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HEREBY AGREES TO, AND DOES, WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, ANY DOCUMENT OR ANY INSTRUMENT RELATING TO SAID TRANSACTIONS, THE PROPERTY OR ANY DEALINGS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT.

(m) Attorneys' Fees. If either Seller or Buyer files any action or brings any proceeding against the other arising out of this Agreement, or is made a party to any action or proceeding brought by a third party arising out of this Agreement without fault of the defending party, then as between Seller and Buyer, the prevailing party shall be entitled to recover from the non-prevailing party all costs incurred in connection therewith including, without limitation, reasonable attorneys' fees and all costs of appeal including, without limitation, reasonable attorneys' fees incurred on appeal. This provision shall survive each Closing or termination hereof.

(n) Equal Participation. Seller and Buyer have participated equally in the preparation of this Agreement, and, therefore, this Agreement shall not be construed in favor of or against any party to this Agreement.

(o) Headings. The titles and headings in this Agreement are provided as a matter of convenience only and shall not be understood to define, limit, construe, or describe the scope or intent of any provision of this Agreement.

(p) Recording. Neither party shall record this Agreement without the prior written consent of the other party.

(q) Counterparts; Electronic Execution and/or Delivery. This Agreement may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same instrument. Executed copies of this Agreement may be delivered between the parties via electronic means including facsimile and/or electronic mail. The parties intend that this Agreement may be executed by either or both of the parties by means of the affixing of a digital signature or by other electronic means, in accordance with the Uniform Electronic Transactions Act, as the same may have been adopted by the State in which the Property is located. Seller and Buyer: (i) intend to be bound by the signatures (whether original or electronic) on any document sent by electronic mail, (ii) are aware that the other party will rely on such signatures, and (iii) hereby waive any defenses to the enforcement of the terms of this Agreement based on the foregoing forms of signature.

(r) Non-recourse Obligations of Buyer. Seller acknowledges and agrees that Buyer is a limited liability company formed for the sole purpose of assisting in the design, development, and financing of the Project for the benefit of the City of Sherman, Texas and that Buyer will have no funds or assets other than its interests in the Project. Notwithstanding anything to the contrary stated herein, Seller agrees that, for the payment or performance of the Buyer's obligations and duties under this Agreement, the Seller will look solely to (i) the Earnest Money, if any, pursuant to Section 14(a) of this Agreement; and, (ii) Buyer's interests in the Project, and no other assets of

the Buyer, its sole member, or any other person or entity shall be subject to levy, execution or other enforcement remedies of the Seller, or for the performance or payment of any amounts due or payable under this Agreement.

[Remainder of Page Intentionally Left Blank. Signature Pages Follows]

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

SELLER:

HERITAGE DEVELOPMENT PARTNERS LLC,
a Texas limited liability company

By: _____
Name: Hunter Richmond
Its: _____

Date: March 3, 2022

BUYER:

CFP SHERMAN HOSPITAL, LLC,
an Arizona limited liability company

By: _____
Name: STEVE COLLINS
Its: PRESIDENT

Date: 3/4, 2022

BROKER:

HARKINSON INVESTMENT CORPORATION, a Texas Corporation

By: _____
Name: William J. Harkinson, President

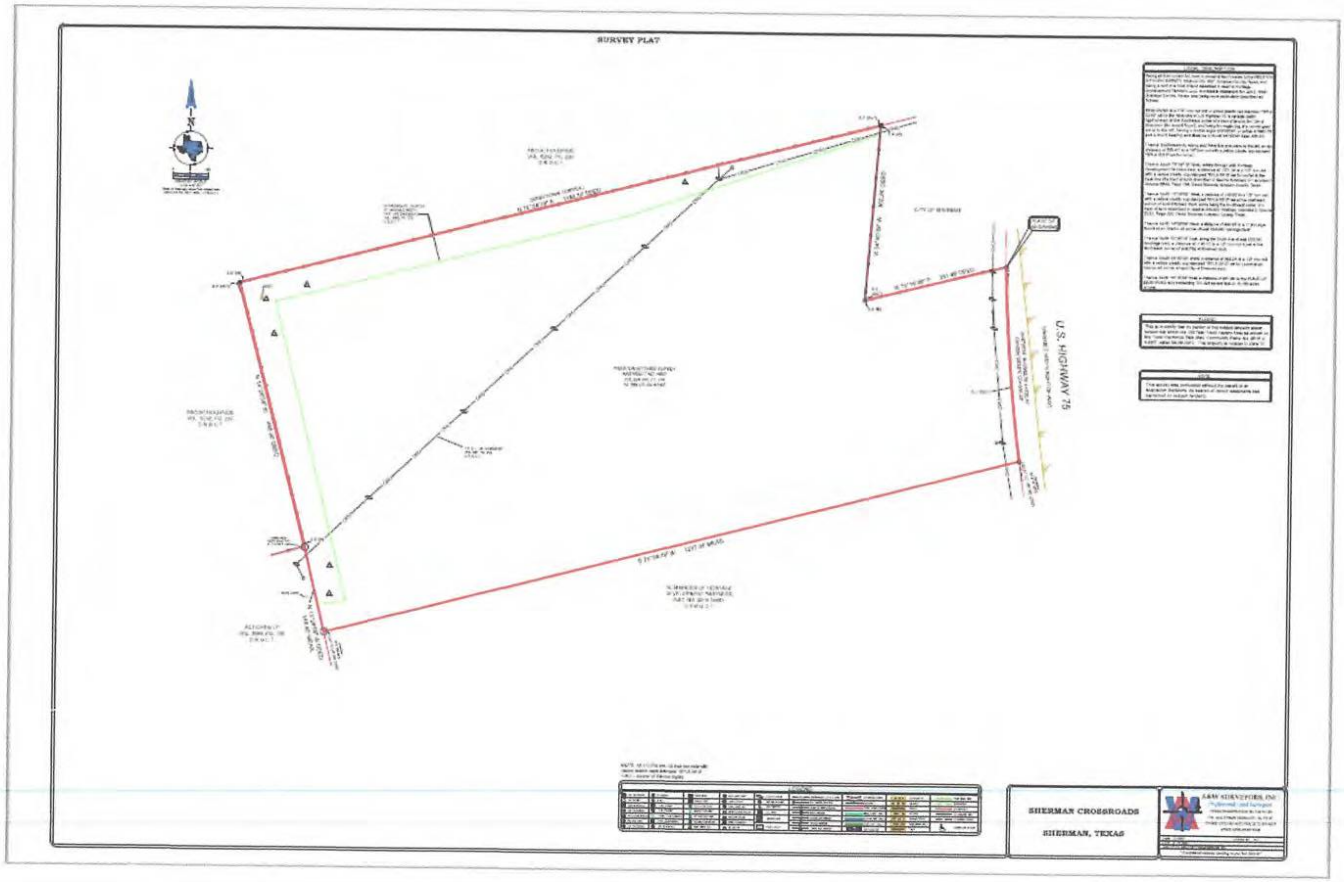
Date: March 2, 2022

[Signature Page to Real Estate Purchase Agreement]

4859-0025-2685\4

Exhibit A

Legal Description of the Parcel



[Exhibit A to Real Estate Purchase Agreement]

Exhibit B

Property Documents

Seller shall provide the following documents to the extent existing and in Seller's possession:

1. Seller's existing title insurance commitment or policy with respect to the Property.
2. Seller's existing survey of the Property.
3. Any environmental reports for the Property.
4. Current tax statements/bills for the Property.

EXHIBIT B

Pro Forma Financial Plan

Financing is being underwritten by RBC Capital Markets, LLC and Stephens Inc. (the "Underwriters"). The primary source of funding will be Revenue Bonds issued by The Industrial Development Authority of the City of Phoenix, Arizona (the "Series 2022 Bonds") and will consist of the Series 2022A-1 Senior Revenue Bonds (the "Series 2022A-1 Bonds"), the Series 2022A-2 Senior Taxable Revenue Bonds (the "Series 2022A-2 Bonds"), the Series 2022B Subordinate Revenue Bonds (the "Series 2022B Bonds"), and the Series 2022C Subordinate Revenue Bonds (the "Series 2022C Bonds").
The Series 2022A-1 Bonds of $178,290,000 is forecasted to have fixed coupon rates of 6.00% per annum. This series will be used to fund a portion of the Project, a capitalized interest fund, a debt service reserve fund, and bond issuance costs. Principal amounts on the Series 2022A-1 Bonds are payable annually on December 1, commencing on December 1, 2025, with final maturity on December 1, 2053.

The Series 2022A-2 Bonds of $14,945,000 is forecasted to have fixed coupon rates of 5.00% per annum. This series will be used to fund a portion of the Project, a capitalized interest fund, and bond issuance costs. Principal amounts on the Series 2022A-2 Bonds are payable annually on December 1, commencing on December 1, 2025, with final maturity on December 1, 2030.

The Series 2022B Bonds of $15,515,000 is forecasted to have fixed coupon rates of 8.00% per annum. This series will be used to fund the land purchase portion of the Project, a capitalized interest fund, a debt service reserve fund, and bond issuance costs. Principal amounts on the Series 2022B Bonds are payable annually on December 1, commencing on December 1, 2026, with final maturity on December 1, 2053.

The Series 2022C Bonds of $30,000,000 is forecasted to have fixed coupon rates of 4.00% per annum. This series will be used to fund a portion of the Project, a capitalized interest fund, a debt service reserve fund, and bond issuance costs. Principal amounts on the Series 2022C Bonds are payable annually on December 1, commencing on December 1, 2025, with final maturity on December 1, 2053. This series will also be backed by the City of Sherman through a financing and pledge agreement.

CFP Sherman Hospital, LLC
Summary of Significant Forecast Assumptions and Accounting Policies

Sources and uses of related funds are outlined in the following table. These figures and all related assumptions are based upon a forecast provided by the Underwriters as follows (in thousands).

Sources		
Series 2022 Bonds[(a)]	$	238,750
Total Series 2022 Bonds Proceeds	$	238,750
Uses		
Project fund deposits		
Project budget guaranteed maximum price[(b)]	$	88,567
Equipment[(c)]		35,792
Working capital[(d)]		15,000
Pre-opening expenses[(e)]		12,118
Other soft costs[(f)]		9,955
Predevelopment reimbursement[(g)]		3,500
Owner's contingency[(h)]		2,500
Land acquisition cost[(i)]		10,975
Total Project Fund deposits		178,407
Capitalized interest fund deposit[(j)]		31,382
Debt service reserve fund deposit[(k)]		17,601
Costs of issuance[(l)]		11,360
Total Series 2022 Bonds Proceeds	$	238,750

Notes:

(a) The following Series 2022 bonds consist of:

- $178,290,000 of Series 2022A-1 Bonds
- $14,945,000 of Series 2022A-2 Bonds
- $15,515,000 of Series 2022B Bonds
- $30,000,000 of Series 2022C Bonds

(b) Construction costs of approximately $91,000,000 are projected based on an executed guaranteed maximum price with Adolfson & Peterson Construction. Approximately $88,567,000 of proceeds will be used to net fund these costs. The interest earned on the project fund will fund the remainder of the cost.

(c) Furniture, fixtures, and equipment costs of approximately $37,500,000 are projected based on an executed guaranteed maximum price with Adolfson & Peterson Construction. Approximately $35,792,000 of proceeds will be used to net fund these costs. The interest earned on the project fund will fund the remainder of the cost.

(d) There will be $15,000,000 provided by the financing to fund the Medical Center's initial working capital requirements.

(e) The financing will provide approximately $12,117,000 towards funding of the pre-opening expenses that will be incurred by the Medical Center between the funding date of the Series 2022 Bonds and the beginning of operations of the Medical Center.

CFP Sherman Hospital, LLC
Summary of Significant Forecast Assumptions and Accounting Policies

Sources and uses of related funds are outlined in the following table. These figures and all related assumptions are based upon a forecast provided by the Underwriters as follows (in thousands).

Sources	
Series 2022 Bonds[(a)]	$ 238,750
Total Series 2022 Bonds Proceeds	$ 238,750
Uses	
Project fund deposits	
Project budget guaranteed maximum price[(b)]	$ 88,567
Equipment[(c)]	35,792
Working capital[(d)]	15,000
Pre-opening expenses[(e)]	12,118
Other soft costs[(f)]	9,955
Predevelopment reimbursement[(g)]	3,500
Owner's contingency[(h)]	2,500
Land acquisition cost[(i)]	10,975
Total Project Fund deposits	178,407
Capitalized interest fund deposit[(j)]	31,382
Debt service reserve fund deposit[(k)]	17,601
Costs of issuance[(l)]	11,360
Total Series 2022 Bonds Proceeds	$ 238,750

Notes:

(a) The following Series 2022 bonds consist of:

- $178,290,000 of Series 2022A-1 Bonds
- $14,945,000 of Series 2022A-2 Bonds
- $15,515,000 of Series 2022B Bonds
- $30,000,000 of Series 2022C Bonds

(b) Construction costs of approximately $91,000,000 are projected based on an executed guaranteed maximum price with Adolfson & Peterson Construction. Approximately $88,567,000 of proceeds will be used to net fund these costs. The interest earned on the project fund will fund the remainder of the cost.

(c) Furniture, fixtures, and equipment costs of approximately $37,500,000 are projected based on an executed guaranteed maximum price with Adolfson & Peterson Construction. Approximately $35,792,000 of proceeds will be used to net fund these costs. The interest earned on the project fund will fund the remainder of the cost.

(d) There will be $15,000,000 provided by the financing to fund the Medical Center's initial working capital requirements.

(e) The financing will provide approximately $12,117,000 towards funding of the pre-opening expenses that will be incurred by the Medical Center between the funding date of the Series 2022 Bonds and the beginning of operations of the Medical Center.

CFP Sherman Hospital, LLC
Summary of Significant Forecast Assumptions and Accounting Policies

(f) Approximately $9,955,000 of soft costs will be paid out in conjunction with the financing.

(g) Approximately $3,500,000 of proceeds will be used to pay costs incurred prior to the funding of the 2022 Series Bonds, which have been funded through a pre-development loan.

(h) In addition to contingencies built into the guaranteed maximum price for the construction of the facility, the equipment, pre-opening expenses, and other soft cost contingencies, an additional $2,500,000 has been built into the overall project costs.

(i) The cost of the land upon which the facility will be constructed is estimated to cost $10,975,000 based on an executed purchase agreement and certified appraisal with the current owners of the land and will be funded by the Series 2022B Bonds, which will be purchased by the current landowners.

(j) The Underwriters have estimated approximately $31,382,000 will be used to fund interest for approximately the first 30 months of the Series 2022 Bonds.

(k) Approximately $17,601,000 will be used for the funding of a debt service reserve fund related to the Series 2022 Bonds

(l) The Underwriters and Management have estimated $11,361,000 for the costs of issuance related to the Series 2022 Bonds.

CFP Sherman Hospital, LLC
Summary of Significant Forecast Assumptions and Accounting Policies

The Series 2022A-1 Bonds of $184,770,000 is forecasted to have fixed coupon rates of 5.50% per annum. This series will be used to fund a portion of the project, a capitalized interest fund, a debt service reserve fund, and bond issuance costs. Principal amounts on the Series 2022A-1 Bonds are payable annually on December 1, commencing on December 1, 2025, with final maturity on December 1, 2053.

The Series 2022A-2 Bonds of $15,225,000 is forecasted to have fixed coupon rates of 4.50% per annum. This series will be used to fund a portion of the project, a capitalized interest fund, and bond issuance costs. Principal amounts on the Series 2022A-2 Bonds are payable annually on December 1, commencing on December 1, 2025, with final maturity on December 1, 2030.

The Series 2022B Bonds of $15,770,000 is forecasted to have fixed coupon rates of 7.50% per annum. This series will be used to fund the land purchase portion of the project, a capitalized interest fund, a debt service reserve fund, and bond issuance costs. Principal amounts on the Series 2022B Bonds are payable annually on December 1, commencing on December 1, 2026, with final maturity on December 1, 2053.

The Series 2022C Bonds of $30,000,000 is forecasted to have fixed coupon rates of 3.50% per annum. This series will be used to fund a portion of the project, a capitalized interest fund, a debt service reserve fund, and bond issuance costs. Principal amounts on the Series 2022C Bonds are payable annually on December 1, commencing on December 1, 2025, with final maturity on December 1, 2053. This series will also be backed by the City of Sherman through a financing and pledge agreement.

Sources and uses of related funds are outlined in the following table. These figures and all related assumptions are based upon a forecast provided by the Underwriters as follows (in thousands).

Sources		
Series 2022 Bonds[a]	$	245,765
Premium/Discount on Series 2022 Bonds[b]		-
Total Series 2022 Bonds Proceeds	$	245,765
Uses		
Project fund deposits		
Project budget guaranteed maximum price[c]	$	91,000
Equipment[d]		37,500
Working capital[e]		15,000
Pre-opening expenses[f]		12,117
Other soft costs[g]		9,955
Predevelopment reimbursement[h]		3,500
Owner's contingency[i]		2,500
Land acquisition cost[j]		10,975
Total Project Fund deposits		182,547
Capitalized interest fund deposit[k]		33,791
Debt service reserve fund deposit[l]		17,819
Costs of issuance[m]		11,602
Additional proceeds		6
Total Series 2022 Bonds Proceeds	$	245,765

See Examination Report of Independent Accountants.

Notes:

(a) The following Series 2022 bonds consist of:
- $184,770,000 of Series 2022A-1 Bonds
- $15,225,000 of Series 2022A-2 Bonds
- $15,770,000 of Series 2022B Bonds
- $30,000,000 of Series 2022C Bonds

(b) The Underwriters are assuming the Series 2022 Bonds to be issued at a premium/discount of $___,___ based on information provided at the time of the issuance of this report.

(c) Construction costs of approximately $91,000,000 are projected based on negotiations with Adolfson & Peterson Construction, the Medical Center's general contractor, based on the agreed-upon guaranteed maximum price for the construction of the building.

(d) The financing will provide $37,500,000 towards equipment costs, which are projected to be of an equal amount at the time of the opening of the facility.

(e) There will be $15,000,000 provided by the financing to fund the Medical Center's initial working capital requirements.

(f) The financing will provide approximately $12,117,000 towards funding of the pre-opening expenses that will be incurred by the Medical Center between the funding date of the Series 2022 Bonds and the beginning of operations of the Medical Center.

(g) Approximately $9,955,000 of soft costs will be paid out in conjunction with the financing.

(h) Approximately $3,500,000 of proceeds will be used to pay costs incurred prior to the funding of the 2022 Series Bonds, which have been funded through a pre-development loan.

(i) In addition to contingencies built into the guaranteed maximum price for the construction of the facility, the equipment, pre-opening expenses, and other soft cost contingencies, an additional $2,500,000 has been built into the overall project costs.

(j) The cost of the land upon which the facility will be constructed is estimated to cost $10,975,000 based on an executed purchase agreement and certified appraisal with the current owners of the land.

(k) The Underwriters have estimated approximately $33,791,000 will be used to fund interest for approximately the first 30 months of the Series 2022 Bonds.

(l) Approximately $17,819,000 will be used for the funding of a debt service reserve fund related to the Series 2022 Bonds

(m) The Underwriters and Management have estimated $11,602,000 for the costs of issuance related to the Series 2022 Bonds.

CFP Sherman Hospital, LLC
Forecasted Balance Sheets
(In Thousands)

	FORECASTED PERIOD AS OF DECEMBER 31,				
	2022	2023	2024	2025	2026
CURRENT ASSETS					
Cash and cash equivalents	$ 25,710	$ 22,022	$ 6,249	$ 13,616	$ 23,887
Assets whose use is limited, current portio	1,078	1,072	-	-	-
Patient accounts receivable	-	-	10,082	10,032	12,043
Inventories	-	-	1,377	1,946	2,383
Other current assets	-	-	400	450	500
Total current assets	26,788	23,094	18,108	26,044	38,813
PROPERTY AND EQUIPMENT					
Land	10,975	10,975	10,975	10,975	10,975
Buildings	-	-	111,802	111,802	111,802
Equipment	-	-	35,498	35,871	36,480
Furniture	-	-	2,148	2,170	2,207
Construction in progress	28,343	116,701	-	-	-
Less: accumulated depreciation	-	-	(4,918)	(13,382)	(21,923)
Total property and equipment, net	39,318	127,676	155,505	147,436	139,541
ASSETS WHOSE USE IS LIMITED					
Debt service reserve fund	17,819	17,819	17,819	17,819	17,819
Capitalized interest fund	26,160	13,080	-	-	-
Project fund	115,600	41,730	2,500	2,500	2,500
Less: current portion	(1,078)	(1,072)	-	-	-
	158,501	71,557	20,319	20,319	20,319
Total assets	$ 224,607	$ 222,327	$ 193,932	$ 193,799	$ 198,673
CURRENT LIABILITIES					
Accounts payable	$ 284	$ 349	$ 4,238	$ 4,667	$ 5,227
Construction payables	6,198	10,943	-	-	-
Accrued expenses	22	146	1,171	1,379	1,566
Accrued interest	1,078	1,072	1,078	1,073	1,055
Current portion of long-term debt	-	-	1,550	4,805	3,175
Total current liabilities	7,582	12,510	8,037	11,924	11,023
LONG-TERM DEBT, NET	234,805	235,764	235,176	231,331	229,116
Total liabilities	242,387	248,274	243,213	243,255	240,139
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS	(17,780)	(25,947)	(49,281)	(49,456)	(41,466)
Total liabilities and net assets (deficit) without donor restrictions	$ 224,607	$ 222,327	$ 193,932	$ 193,799	$ 198,673

See Summary of Significant Forecast Assumptions and Accounting Policies
and Examination Report of Independent Accountants

CFP Sherman Hospital, LLC
Historic and Forecasted Statements of Operations and Changes in Net Assets
(In Thousands)

	FORECASTED PERIOD FOR THE YEARS ENDING DECEMBER 31,				
	2022	2023	2024	2025	2026
OPERATING REVENUES					
Net patient service revenue	$ -	$ -	$ 22,801	$ 79,286	$ 96,424
Other operating revenue	-	-	14	45	60
Total operating revenues	-	-	22,815	79,331	96,484
OPERATING EXPENSES					
Salaries and wages	106	1,259	14,805	23,635	26,838
Employee benefits	25	302	3,553	5,672	6,442
Contract labor	-	-	1,450	2,836	3,221
Professional fees	-	-	2,643	4,320	4,170
Supplies	-	-	2,273	8,642	10,799
Purchased services	15,383	2,965	3,678	3,625	3,524
Lease and rent	22	267	461	609	624
Insurance	70	120	488	776	823
Utilities	-	35	515	852	874
Interest	2,206	3,311	9,561	14,034	13,956
Property taxes	-	-	-	-	1,610
Other	-	-	2,107	6,226	7,288
Depreciation	-	-	4,918	8,464	8,541
Total operating expenses	17,812	8,259	46,452	79,691	88,710
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES	(17,812)	(8,259)	(23,637)	(360)	7,774
NONOPERATING INCOME					
Interest income	32	92	303	185	216
CHANGE IN NET ASSETS	(17,780)	(8,167)	(23,334)	(175)	7,990
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS, BEGINNING	-	(17,780)	(25,947)	(49,281)	(49,456)
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS, ENDING	$ (17,780)	$ (25,947)	$ (49,281)	$ (49,456)	$ (41,466)

See Summary of Significant Forecast Assumptions and Accounting Policies and Examination Report of Independent Accountants

CFP Sherman Hospital, LLC
Forecasted Statement of Cash Flows
(In Thousands, Except for Ratios)

	FORECASTED PERIOD FOR THE YEARS ENDING DECEMBER 31,				
	2022	2023	2024	2025	2026
CASH FLOWS FROM OPERATING ACTIVITIES					
Change in net deficit	$ (17,780)	$ (8,167)	$ (23,334)	$ (175)	$ 7,990
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:					
Depreciation	-	-	4,918	8,464	8,541
Amortization of debt issuance cost	152	226	655	960	960
Changes in operating assets and liabilities					
Accounts receivable	-	-	(10,082)	50	(2,011)
Inventories	-	-	(1,377)	(569)	(437)
Other current assets	-	-	(400)	(50)	(50)
Accounts payable	284	65	3,889	429	560
Accrued expenses	22	124	1,025	208	187
Accrued interest	1,078	(6)	6	(5)	(18)
Net cash (used in) provided by operating activities	(16,244)	(7,758)	(24,700)	9,312	15,722
CASH FLOWS FROM INVESTMENT ACTIVITIES					
Net proceeds (purchases) from assets limited as to use:					
Debt service reserve fund	(17,819)	-	-	-	-
Capitalized interest fund	(26,160)	13,080	13,080	-	-
Project fund	(115,600)	73,870	39,230	-	-
Purchases of property and equipment	(32,630)	(82,880)	(43,383)	(395)	(646)
Net cash (used in) provided by investing activities	(192,209)	4,070	8,927	(395)	(646)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from issuance of bonds	245,765	-	-	-	-
Bond issuance costs paid	(11,602)	-	-	-	-
Principal payments on bonds	-	-	-	(1,550)	(4,805)
Net cash provided by (used in) financing activities	234,163	-	-	(1,550)	(4,805)
NET CHANGE IN CASH AND CASH EQUIVALENTS	25,710	(3,688)	(15,773)	7,367	10,271
CASH AND CASH EQUIVALENTS, beginnir	-	25,710	22,022	6,249	13,616
CASH AND CASH EQUIVALENTS, ending	$ 25,710	$ 22,022	$ 6,249	$ 13,616	$ 23,887
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION					
Cash paid for interest	$ 7,630	$ 13,080	$ 13,080	$ 13,080	$ 13,014

See Summary of Significant Forecast Assumptions and Accounting Policies and Examination Report of Independent Accountants

CFP Sherman Hospital, LLC
Forecasted Financial Ratios
(In Thousands)

	FORECASTED PERIOD FOR THE YEARS ENDING DECEMBER 31,				
	2022	2023	2024	2025	2026
DEBT SERVICE COVERAGE RATIO					
Cash flow available for debt service					
(Deficiency) excess of revenues over expenses				$ (175)	$ 7,990
Adjustments					
Interest				14,034	13,956
Depreciation				8,464	8,541
				$ 22,323	$ 30,487
Forecasted annual debt service					
Series 2022A-1 and 2022A-2 Senior Bonds				$ 12,032	$ 14,649
Series 2022B Subordinate Bonds				1,183	1,423
Series 2022C Subordinate Bonds				1,415	1,747
Forecasted annual debt service coverage ratio					
Series 2022A-1 and 2022A-2 Senior Bonds				1.86	2.08
Series 2022B Subordinate Bonds				1.69	1.90
Series 2022C Subordinate Bonds				1.53	1.71
DAYS CASH ON HAND					
Cash and cash equivalents			$ 6,249	$ 13,616	$ 23,887
Total Operating Expenses			$ 46,452	$ 79,691	$ 88,710
Adjustments					
Depreciation			(4,918)	(8,464)	(8,541)
Amortization of debt issuance cost			(655)	(960)	(960)
Adjusted expenses			$ 40,879	$ 70,267	$ 79,209
Daily cash expenses			$ 112	$ 193	$ 217
Days cash on hand			56	71	110

Note: As described in the Summary of Significant Forecast Assumptions and Accounting Policies, operations are forecasted to begin in June 2024. As a result, the year ended December 31, 2024 represents the first seven months of operations. The ratios above have been calculated based on CFP Sherman, LLC's fiscal year-end. Calculations of these ratios based on full operating years (June through May) will result in different ratio amounts.

See Summary of Significant Forecast Assumptions and Accounting Policies
and Examination Report of Independent Accountants

CFP Sherman Hospital, LLC
Forecasted Balance Sheets
(In Thousands)

	FORECASTED PERIOD AS OF DECEMBER 31,				
	2022	2023	2024	2025	2026
CURRENT ASSETS					
Cash and cash equivalents	$ 25,957	$ 21,548	$ 4,564	$ 12,929	$ 23,356
Assets whose use is limited, current portion	1,144	1,138	-	-	-
Patient accounts receivable	-	-	10,737	10,032	12,043
Inventories	-	-	1,377	1,946	2,383
Other current assets	-	-	400	450	500
Total current assets	27,101	22,686	17,078	25,357	38,282
PROPERTY AND EQUIPMENT					
Land	10,975	10,975	10,975	10,975	10,975
Buildings	-	-	106,883	106,883	106,883
Equipment	-	-	35,498	35,871	36,480
Furniture	-	-	2,148	2,170	2,207
Construction in progress	19,936	104,523	-	-	-
Less: accumulated depreciation	-	-	(4,845)	(13,183)	(21,597)
Total property and equipment, net	30,911	115,498	150,659	142,716	134,948
ASSETS WHOSE USE IS LIMITED					
Debt service reserve fund	17,601	17,601	17,601	17,601	17,601
Capitalized interest fund	25,645	12,982	-	-	-
Project fund	116,983	45,419	2,500	2,500	2,500
Less: current portion	(1,144)	(1,138)	-	-	-
	159,085	74,864	20,101	20,101	20,101
Total assets	$ 217,097	$ 213,048	$ 187,838	$ 188,174	$ 193,331
CURRENT LIABILITIES					
Accounts payable	$ 280	$ 340	$ 4,238	$ 4,666	$ 5,227
Construction payables	4,605	7,599	-	-	-
Accrued expenses	21	143	1,171	1,379	1,566
Accrued interest	1,144	1,138	1,144	1,144	1,129
Current portion of long-term debt	-	-	-	3,705	3,885
Total current liabilities	6,050	9,220	6,553	10,894	11,807
LONG-TERM DEBT, NET	227,910	228,865	229,822	227,072	224,142
Total liabilities	233,960	238,085	236,375	237,966	235,949
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS	(16,863)	(25,037)	(48,537)	(49,792)	(42,618)
Total liabilities and net assets (deficit) without donor restrictions	$ 217,097	$ 213,048	$ 187,838	$ 188,174	$ 193,331

See Summary of Significant Forecast Assumptions and Accounting Policies and Examination Report of Independent Accountants

CFP Sherman Hospital, LLC
Historic and Forecasted Statements of Operations and Changes in Net Assets
(In Thousands)

	FORECASTED PERIOD FOR THE YEARS ENDING DECEMBER 31,				
	2022	2023	2024	2025	2026
OPERATING REVENUES					
Net patient service revenue	$ -	$ -	$ 22,852	$ 79,384	$ 96,534
Interest income	359	586	985	785	925
Other operating revenue	-	-	14	45	60
Total operating revenues	359	586	23,851	80,214	97,519
OPERATING EXPENSES					
Salaries, wages, and benefits	131	1,560	21,323	34,747	39,114
Professional fees	-	-	1,126	1,720	1,570
Supplies	-	-	2,273	8,645	10,801
Purchased services	14,923	2,965	3,678	3,625	3,524
Insurance	70	120	488	776	823
Utilities	-	35	515	852	874
Interest	1,948	3,581	10,141	14,841	14,825
Property taxes	128	232	100	-	1,610
Other	22	267	2,641	7,357	8,162
Depreciation	-	-	4,845	8,338	8,415
Total operating expenses	17,222	8,760	47,130	80,901	89,718
OPERATING (LOSS) INCOME	(16,863)	(8,174)	(23,279)	(687)	7,801
NONOPERATING EXPENSES					
Subordinated fees	-	-	221	568	627
CHANGE IN NET ASSETS	(16,863)	(8,174)	(23,500)	(1,255)	7,174
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS, BEGINNING	-	(16,863)	(25,037)	(48,537)	(49,792)
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS, ENDING	$ (16,863)	$ (25,037)	$ (48,537)	$ (49,792)	$ (42,618)

See Summary of Significant Forecast Assumptions and Accounting Policies and Examination Report of Independent Accountants

CFP Sherman Hospital, LLC
Forecasted Statement of Cash Flows
(In Thousands, Except for Ratios)

	FORECASTED PERIOD FOR THE YEARS ENDING DECEMBER 31,				
	2022	2023	2024	2025	2026
CASH FLOWS FROM OPERATING ACTIVITIES					
Change in net deficit	$ (16,863)	$ (8,174)	$ (23,500)	$ (1,255)	$ 7,174
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:					
Depreciation	-	-	4,845	8,338	8,415
Amortization of debt issuance cost	126	231	653	955	955
Changes in operating assets and liabilities					
Accounts receivable	-	-	(10,737)	705	(2,011)
Inventories	-	-	(1,377)	(569)	(437)
Other current assets	-	-	(400)	(50)	(50)
Accounts payable	280	60	3,898	428	561
Accrued expenses	21	122	1,028	208	187
Accrued interest	1,144	(6)	6	-	(15)
Net cash (used in) provided by operating activities	(15,292)	(7,767)	(25,584)	8,760	14,779
CASH FLOWS FROM INVESTMENT ACTIVITIES					
Net proceeds (purchases) from assets limited as to use:					
Debt service reserve fund	(17,601)	-	-	-	-
Capitalized interest fund	(25,645)	12,663	12,982	-	-
Project fund	(116,983)	71,564	42,919	-	-
Purchases of property and equipment	(25,911)	(80,869)	(47,301)	(395)	(647)
Net cash (used in) provided by investing activities	(186,140)	3,358	8,600	(395)	(647)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from issuance of bonds	238,750	-	-	-	-
Bond issuance costs paid	(11,361)	-	-	-	-
Principal payments on bonds	-	-	-	-	(3,705)
Net cash provided by (used in) financing activities	227,389	-	-	-	(3,705)
NET CHANGE IN CASH AND CASH EQUIVALENTS	25,957	(4,409)	(16,984)	8,365	10,427
CASH AND CASH EQUIVALENTS, beginning	-	25,957	21,548	4,564	12,929
CASH AND CASH EQUIVALENTS, ending	$ 25,957	$ 21,548	$ 4,564	$ 12,929	$ 23,356
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION					
Cash paid for interest	$ 6,403	$ 13,886	$ 13,886	$ 13,886	$ 13,886

See Summary of Significant Forecast Assumptions and Accounting Policies and Examination Report of Independent Accountants

CFP Sherman Hospital, LLC
Forecasted Financial Ratios
(In Thousands)

	FORECASTED PERIOD FOR THE YEARS ENDING DECEMBER 31,				
	2022	2023	2024	2025	2026
DEBT SERVICE COVERAGE RATIO					
Cash flow available for debt service					
Operating (loss) income				$ (687)	$ 7,801
Adjustments					
Interest				14,841	14,825
Depreciation				8,338	8,415
				$ 22,492	$ 31,041
Forecasted annual debt service					
Series 2022A-1 and 2022A-2 Senior Bonds				$ 11,445	$ 14,385
Series 2022B Subordinate Bonds				1,241	1,406
Series 2022C Subordinate Bonds				1,200	1,800
Forecasted annual debt service coverage ratio					
Series 2022A-1 and 2022A-2 Senior Bonds				1.97	2.16
Series 2022B Subordinate Bonds				1.77	1.97
Series 2022C Subordinate Bonds				1.62	1.76
Forecasted maximum annual debt service					
Series 2022A-1 and 2022A-2 Senior Bonds					$ 14,386
Series 2022B Subordinate Bonds					1,402
Series 2022C Subordinate Bonds					1,803
Forecasted maximum annual debt service coverage ratio					
Series 2022A-1 and 2022A-2 Senior Bonds					2.16
Series 2022B Subordinate Bonds					1.97
Series 2022C Subordinate Bonds					1.76
DAYS CASH ON HAND					
Cash and cash equivalents			$ 4,564	$ 12,929	$ 23,356
Total Operating Expenses			$ 47,130	$ 80,901	$ 89,718
Adjustments					
Depreciation			(4,845)	(8,338)	(8,415)
Amortization of debt issuance cost			(653)	(955)	(955)
Adjusted expenses			$ 41,632	$ 71,608	$ 80,348
Daily cash expenses			$ 114	$ 196	$ 220
Days cash on hand			40	66	106

Note: As described in the Summary of Significant Forecast Assumptions and Accounting Policies, operations are forecasted to begin in June 2024. As a result, the year ended December 31, 2024 represents the first seven months of operations. The ratios above have been calculated based on CFP Sherman, LLC's fiscal year-end. Calculations of these ratios based on full operating years (June through May) will result in different ratio amounts.

See Summary of Significant Forecast Assumptions and Accounting Policies and Examination Report of Independent Accountants

EXHIBIT C

Development Schedule

Phoenix Industrial Development Authority
Hospital Revenue Bonds
(Sherman Hospital Project)
As of 3.8.22

March						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

April						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

May						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

DATE (on or before)	EVENT	RESPONSIBLE PARTY
January 6	Circulate drafts of calendar and closing checklist	IA
January 10	Conference call to review drafts of calendar and closing checklist	Borrower, Borrower's Counsel, BC, UW,UC, PC, IC, Ivy, Issuer, IA
January 14	Circulate due diligence questionnaires	BC, UC, IC
January 26	Working group conference call Circulate first draft of feasibility study Submit bond financing application to Issuer	All Moss Adams IA
February 9	Working group conference call Circulate updated/revised Exploratory Term Sheet	All UW
February 14	Deliver completed due diligence questionnaire	Borrower, Borrower's Counsel, Ivy, PC
February 15	Design/Builder circulates near final GMP	Design/Builder
February 16	Working group conference call Schedule follow up calls re depository/DACA matters, cash flow waterfall matters as relates to CHC incentive compensation, and use and application of surplus fund	All UW, Ivy, HM, Trustee, BC
February 18	Circulate Purchase and Sale Agreement	Borrower, Borrower's Counsel, PC, Ivy
February 22	Circulate first draft of Primary Financing Documents	BC
February 23	Working group conference call	All
February 28	Finalize GMP; post updates to any Primary Project Documents	D/B, UW, Borrower, Ivy
March 1	Comments due on Primary Financing Documents Circulate title policy commitment and related items	All Title Company
March 2	Working group call	All
March 3	Initial draft of Bond Purchase Agreement (BPA) circulated	UC
March 7	Purchase and Sale Agreement (PSA) circulated	Ivy
March 8	Comments due on Title Commitment Comments due on DACA	All All
March 9	Working group call	All
March 10	Comments due on initial draft of BPA	All

March 11	Initial draft of feasibility study issued	Moss Adams
Week March 14th	Review and comment of initial draft of feasibility study	All
March 16	Working group call	All
March 18	Comments due on feasibility study and PSA Document review call	All BC/UC/UW/IC/PC/Borrower's Counsel/Ivy
March 21	City of Sherman City Council Meeting to consider resolution re (i) credit support agreement, (ii) Pre-Development Loan Agreement, and (iii) Master Development Agreement	City of Sherman/City Counsel/Ivy
March 22	Submit credit enhanced bonds to rating agency for rating	UW/City of Sherman
March 23	Working group call	All
March 25	Final feasibility study issued	Moss Adams
March 29	Circulate redlines and/or initial drafts of all Primary Financing Documents	BC/UC
March 30	Circulate redlines and/or initial drafts of Primary Project Documents Working group call	Ivy All
April 5	Comments due on Primary Financing Documents	All
April 7	Comments due on Primary Project Documents	All
April 11	Circulate redlines and updates to Primary Financing Documents and Primary Project Documents	BC/UC/Ivy
April 13	Final comments due on all Primary Financing and Project Documents Working group call	All
April 14	Submit document package and bond resolution to Phoenix IDA for consideration	BC/UC/IC
April 21	Phoenix IDA board meeting to consider bond resolution	Issuer/IC/FA
April 25	Print and circulate PLOM	UW/UC
May 11	City of Phoenix City Council meeting to validate Phoenix IDA proceedings	City of Phoenix/Issuer/IC
May 17	Bond pricing	UW
May 24	Circulate draft closing memorandum Print and post final PLOM	UW UW, UC
May 26	Comments due on draft closing memorandum	All
May 30	MEMORIAL DAY HOLIDAY	All
June 1	Pre-closing	All
June 2	Closing Notice to Proceed issued to D/B	All Borrower
June 2, 2024	Hospital Grand Opening	All

(1) **Primary Project Documents**: PSA, Title Commitment, Design/Build Contract (with appendices and exhibits), Project Manager's Agreement, Construction Monitor's Agreement, Hospital Management Agreement, Asset Management Agreement

(2) Primary Financing Documents: Master Indenture, First Supplemental Indenture, Indenture and Loan Agreement, Deed of Trust, PLOM and DACA

Key:

Issuer:	The Industrial Development Authority of the City of Phoenix
Issuer Counsel (IC):	Lewis Roca Rothgerber Christie LLP
Issuer Advisor (IA):	D.A. Davidson & Co.
Borrower:	CFP Sherman Hospital, LLC
Borrower's Counsel:	Best & Flanagan
Bond Counsel (BC):	Chapman & Cutler LLP
Underwriters (UW):	RBC Capital Markets and Stephens Inc.
Underwriters Counsel (UC):	Norton Rose Fulbright US LLP
Project Counsel (PC):	Dorsey & Whitney
Project Manager (Ivy):	Ivy P3 Group
Hospital Manager (HM):	Community Hospital Corporation
City Counsel:	Abernathy, Roeder, Boyd and Hullet, P.C. and Norton Rose Fulbright US LLP
Moss Adams:	Feasibility Consultant

Executive Project Summary

Sherman Hospital
Sherman, TX
A&P Project #8036

The Sherman Hospital project will be three story freestanding acute care facility in Sherman, TX. The building will be at roughly 167,000 SF and will consist of eighty (80) patient beds. Other key components will be emergency, ICU, outpatient, telemetry, operating rooms, catherization, endoscopy, imaging, lab / pathology, pharmacy, and dietary suites.

Project Construction Milestone Dates:

Notice to Proceed w/ Precon	June 27, 2022
Notice to Proceed w/ Construction	September 14, 2022
AP Pulls BP #1 Permit	September 21, 2022
Start Piers	December 2, 2022
Start Slab	January 11, 2023
Start Steel	January 27, 2023
AP Pulls BP #3 Permit	February 1, 2023
Start Overhead MEP	March 10, 2023
Start Exterior Skin	March 15, 2023
Start Roofing	May 10, 2023
Top Out Structure	May 12, 2023
Air On	July 26, 2023
95% Dried In	October 19, 2023
Project Substantial Completion	July 29, 2024
Project Final Completion	August 26, 2024
Project Float	40 Workdays

EXHIBIT D

Preliminary Term Sheet

RBC Capital Markets

Exploratory Term Sheet

Preliminary, subject to change. This is not an offer, solicitation, commitment or recommendation to buy or sell any security, commodity, derivative or other instrument or to provide any advisory or management service. Any such offer, solicitation, commitment, recommendation or service will be made only through definitive agreements or offering documents. All terms described within this document are provided for general information purposes only. This document should not be used to make an investment decision.

Dated: March 10, 2022

The Industrial Development Authority of the City of Phoenix (CFP3 – Sherman, Texas Hospital Project)

[$184,770,000] SERIES A-1 TAX-EXEMPT SENIOR HOSPITAL REVENUE BONDS
[$15,225,000] SERIES A-2 TAXABLE SENIOR HOSPITAL REVENUE BONDS
[$15,770,000] SERIES B TAX-EXEMPT SUBORDINATE HOSPITAL REVENUE BONDS
[$30,000,000] SERIES C TAX-EXEMPT CITY-BACKED SUBORDINATE HOSPITAL REVENUE BONDS

Issue:	[$245,765,000] Hospital Revenue Bonds
Issuer:	The Industrial Development Authority of the City of Phoenix
Owner/Borrower:	CFP Sherman Hospital, LLC a new single member LLC / special purpose entity, the sole member of which is Community Facility Public Private Partnerships (CFP3), will serve as 501(c)3 Owner/Borrower. The LLC is established in Arizona and is duly organized and existing under Arizona state law and is established for the sole purpose of financing, constructing, equipping, furnishing and leasing the Project. Borrower will not have any tangible assets other than its ownership of the land and the Project. Community Facility Public Private Partnerships (CFP3) was founded in 2006 and headquartered in Minneapolis, Minnesota. It is a Minnesota nonprofit corporation and a tax-exempt 501(c)3 charitable organization. CFP3 has worked on projects across the country with the most recent projects located in California, Florida, Texas, Minnesota, Michigan, and Indiana.
Purpose:	Development of an [80]-bed general acute care hospital (Project) located in the southern area of Sherman, Texas. Community Hospital Corporation (CHC) will be the initial Operator of the Project.
Proposed Operator:	Community Hospital Corporation ("CHC"). CHC brings over 25 years of experience related to management and oversight of hospital operations. CHC was established in 1996 by a group of not-for-profit and community-owned healthcare systems and remains a not-for-profit company that helps hospitals remain community-focused and governed. CHC Consulting was started in 2006 to assist hospitals that need management and strategic consulting services (ex. assistance with special projects and opportunities for joint ventures). It assists the leadership and boards of more than 100

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	hospitals throughout the United States with processes and strategies to improve operational and financial performance.
Denominations:	Minimum $100,000 denominations, with distribution restricted to Qualified Institutional Buyers and Accredited Investors.
Ratings:	Series A-1 Tax-Exempt: Nonrated Series A-2 Taxable: Nonrated Series B Tax-Exempt: Nonrated Series C Tax-Exempt: Expected "A" category rating
Expected Delivery Date:	[May 2022]
Principal Payment Date:	On [December 1] of any given year beginning with [December 1, 2026]
Interest Payment Dates:	On [June 1] & [December 1] of any given year beginning with [June 1, 2022]

Final Maturity:

Identify series	Final Maturity
Series A-1	[December 1, 2053]
Series A-2	[December 1, 2030]
Series B	[December 1, 2053]
Series C	[December 1, 2053]

Capitalized Interest:	From closing through [6] months after construction is completed.
Reserve Fund:	Three-prong test; DSRF fully funded at Closing
Amortization:	30-years fully amortizing after opening with Series A-2 taxable bonds amortizing before Series A-1 tax-exempt bonds; sized for level coverage through [2031]; level debt service thereafter
Interest Rate Mode:	Fixed Rate

Tax Status:

Identify series	Fed tax-exempt	State tax-exempt	Fed taxable	State taxable	AMT
Series A-1	X	X			
Series A-2			X	X	
Series B					
Series C	X	X			

Redemption Provisions:	[5 year] optional call at 103 declining to par over three years
Project Description:	The Project is a greenfield hospital project within Sherman Crossroads in Sherman, Texas. The Project is expected to open May 2024. Development on 130 acres at Sherman Crossroads is currently underway, and includes existing and planned medical office buildings, along with retail, restaurants, and other commercial and hospitality projects. Planned as an

	80-bed acute care hospital on the only permitted and zoned site in Sherman, the Project will serve as the hub of the development. The Project is located just 40 miles north of Dallas, TX near US 75 & US 82 and State Highways 11, 56 & 91. DFW International Airport and Love Field are within 70 miles. Patients, doctors, and staff will have easy access from the new interchange at US 75 and West Travis adjacent to the Hospital which will serve as the southern gateway to the Sherman/Denison area. City leaders support the growth occurring in Sherman. A new high school just opened nearby, and large residential development projects adjacent to Sherman Crossroads are underway. Additionally, Texas Instruments announced in November 2021 plans to build a $30 billion semiconductor fabrication plant in Sherman, with construction beginning in 2022. The plant, slated to being production by 2025, will employ more than 3,000 people and contribute billions of dollars to the Sherman and Grayson County economy.
Security for the Bonds:	Pledged Revenue is generally defined in the Loan Agreement and Indenture as: a. First mortgage on land and the Project. b. A gross pledge of Project revenues. c. Deposit Account Control Agreement. d. Collateral assignment and subordination of key contracts, including, but not limited to, the construction documents, the contractor documents, architect agreement, development agreements, plans and specifications, management agreement and Project Agreements. e. Reserves and Indenture Trust Estate, including but not limited to a Debt Service Reserve Fund (DSRF), a Working Capital Fund, a Pre-Opening Expense Fund, and liquidity reserves of approximately 90 – 100 days cash on hand. f. Other items of security customary for transactions of this size and type. Series A bonds will be secured by a senior lien on Pledged Revenue. Series B bonds will be secured by a subordinate lien on Pledged Revenue. The landowner or other related parties are required to purchase an amount of the Series B bonds equal to the purchase price of the land. Series C bonds will be secured by a third lien on Pledged Revenue and by a resolution of City of Sherman, Texas pledging to replenish the Series C debt service reserve fund in any year there is a draw on the reserve fund. The Project Agreements will include language aligned with resolution language. The City's obligation will be limited annually to amounts drawn from the Series C. The City's obligation is subject to annual appropriation and will appear in the agreement between the City and the Owner/Borrower.
Repair and Replacement Fund:	Pursuant to the Indenture, a Repair and Replacement Fund will be used to pay maintenance and repair costs related to the Project funded from bond proceeds.
Working Capital Fund:	Pursuant to the Indenture, there will be a Working Capital Fund from bond proceeds in the amount specified in the Indenture.

Pre-Opening Expense Fund:	Pursuant to the Indenture, there will be a Pre-Opening Expense Fund from bond proceeds which will be used solely for the purposes set forth in the Indenture.
Financial Covenants:	Financial, reporting and other covenants to be determined during credit underwriting based on standard and customary covenants for projects of this type. It is anticipated that the financial covenants will include the following requirements: a. Maintenance of Debt Service Coverage Ratio (DSCR) (tested semi-annually), as of the end of each Fiscal Year, commencing with the first full year operations: i. Senior DSCR of at least [1.50x]. ii. Subordinate DSCR of at least [1.25x] Failure to comply with the DSCR requirement results in a consultant call-in. A Senior DSCR of less than 1.0x is an event of default, and a Subordinate DSCR of less than 1.0x is an event of default only after no Senior bonds are outstanding, b. Maintenance of Liquidity Covenant: The Borrower shall maintain the following Days Cash on Hand as of the following Liquidity Testing Dates: **Liquidity Testing Dates** — **Days' Cash on Hand** [June 30, 2024 and December 31, 2024] — [60] [June 30, 2025 and thereafter] — [110] [Days Cash on Hand will be calculated by dividing unrestricted cash and investments by operating expenses minus depreciation expense divided by 365: Days Cash on Hand = Unrestricted Cash and Investments / ((Operating Expenses – Depreciation Expense)/365)] c. A feasibility report from a reputable independent third party healthcare consulting firm, d. A gross maximum price contract from a qualified general contractor, e. A completion guaranty agreement from a qualified general contractor or developer, f. Owner/Borrower agrees to seek a rating on the bonds within 24 months from opening if DSCR is [2x] for senior lien Series A bonds and [1.5x] for Series B subordinate lien Series B bonds, g. During Construction, monthly construction reports from an independent construction manager, and annual budgets, operating data, covenant calculations and quarterly or semi-annual investor calls and other investor outreach as defined in a Continuing Disclosure Agreement.
Flow of Funds:	In addition to an Government Reimbursement Account established for the purpose of receiving government reimbursements from which no funds will be available to the Trustee, the Borrower will be required to maintain an Operating Account with a depository bank subject to a Deposit Account Control Agreement for the benefit of the [Trustee], which will be used to fund operating expenses of the Hospital. All Borrower revenues will be deposited daily to the Collection Account. Moneys held on deposit in the Collection Account will be

transferred on the [25th] of each month to the Revenue Fund under the Indenture and distributed each month in the following order of priority:

a) First: to the Operating Account, the amount necessary to pay operating expenses due or expected to become due in the upcoming two months, then to satisfy any other Operating Account Requirement;

b) Second: to the payment of Senior (Series A-1 & A-2) interest and principal;

c) Third: to the Senior debt service reserve requirements;

d) Fourth: to the payment of Subordinate (Series B) interest and principal;

e) Fifth: to the Subordinate debt (Series B) service reserve requirements;

f) Sixth: to the payment of Subordinate (Series C) interest and principal;

g) Seventh: to the Subordinate debt (Series C) service reserve requirements;

h) [Eighth: to the payment of any deferred Management Fees]

i) Ninth: Any amounts owed to the Borrower

j) Tenth: to pay Extraordinary Costs;

k) Eleventh: to meet Repair and Replacement Fund requirements;

l) Twelfth: to meet Operating Reserve Fund requirements;

m) Thirteenth: to the Liquidity Support Fund, if it is still in effect

n) Fourteenth: to the Surplus Fund

Conditions Precedent To Closing:

1. Closing and funding of the Bonds transaction will be subject to satisfaction of standard and customary closing and funding conditions including (i) completion of due diligence required by RBC in its sole discretion, (ii) approval of the Bonds transaction by RBC's relevant credit committee (in its sole discretion), and (iii) and delivery of required documentation such as:
2. Purchase and Sale Agreement and related documents with respect to the Project Property
3. Management Agreement (consistent with IRS QMA rules)
4. Development Agreement (consistent with IRS QMA rules)
5. Deposit account control agreement (DACA)
6. Appraisal of the land
7. Appraisal of the Project (as finished
8. Final Feasibility Study for the Project
9. Environmental site assessment with respect to the Project
10. Construction contracts and documentation
11. ALTA survey
12. Title Insurance
13. Required insurance documentation for insurance during construction and a review and evidence of insurability for customary insurance during operation
14. Review and execution plan for all local or state licensing requirements necessary for operation

	15. Evidence that all building permits and other approvals will be granted in the normal course of administrative review 16. Other standard and customary closing documentation
Qualified Management Agreement:	The Project Agreements must comply with the qualified management agreement rules under the Internal Revenue Code, which generally require that management fees be based on [] and limit the term of a management agreement to no more than 80% of the useful life of the underlying asset that is being managed. The Trustee will have the right to terminate the Management Agreement and bring in a new manager if the Borrower is in default under the bond documents.
Construction Documentation:	Delivery and review of acceptable standard and customary documentation with respect to construction financing, including, without limitation, the following, will be required at closing: a. Guaranteed maximum price (GMP) construction contract with acceptable liquidated damages and completion guaranty b. Construction disbursement agreement and procedures which will include Construction Monitor approval c. Architect agreement d. Payment and performance bond with enhanced dispute resolution and liquidity obligations e. Third party reports (Phase 1, geotechnical, Appraisals, Construction Monitor, etc.)

Key Professionals	
Issuer:	Phoenix Industrial Development Authority
Issuer's Counsel:	Lewis Roca Rothgerber Christie LLC
Issuer's Advisor	D. A. Davidson & Co
Owner / Borrower:	CFP Sherman Hospital, LLC
Owner / Borrower's Counsel:	Best & Flanagan LLP
Project Manager:	Ivy P3 Group, Dallas, Texas
Local Partner:	City of Sherman, Texas
City's Advisor:	Stephen Mansfield
City's Counsel:	Abernathy, Roeder, Boyd & Hullett, P.C.
Bond Counsel:	Chapman and Cutler LLP
Underwriters:	RBC Capital Markets & Stephens Inc.
Underwriters' Counsel:	Norton Rose Fulbright
Trustee:	UMB Bank
Hospital Manager:	Community Hospital Corporation ("CHC")
General Contractor:	Adolfson & Peterson Construction (Dallas, Texas)
Architect:	e4H
Feasibility Consultant:	Moss Adams
Development Consultant:	Crossroads Hospital Development, LLC

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EXPLORATORY TERM SHEET

Preliminary, subject to change. This is not an offer, solicitation, commitment or recommendation to buy or sell any security, commodity, derivative or other instrument or to provide any advisory or management service. Any such offer, solicitation, commitment, recommendation or service will be made only through

definitive agreements or offering documents. All terms described within this document are provided for general information purposes only. This document should not be used to make an investment decision.

THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX
(CFP Sherman Hospital, LLC)
[$178,290,000] Series 2022A-1 Tax-Exempt Senior Hospital Revenue Bonds
[$14,945,000] Series 2022A-2 Taxable Senior Hospital Revenue Bonds
[$15,515,000] Series 2022B Tax-Exempt Subordinate Hospital Revenue Bonds
[$30,000,000] Series 2022C Tax-Exempt City-Backed Subordinate Hospital Revenue Bonds

The following is a summary of potential terms and structural considerations for a long-term, fixed rate, tax-exempt and taxable bond financing that will provide funds for new money for development of an 80-bed general acute care hospital located in the southern area of Sherman, Texas.

Banker Name & Phone:	Jon Moellenberg (303-595-1210), Jeff Appel (617-725-1753), Jenn Ewing (212-301-1435), & Sara Russell (410-625-6119)
The Project:	As described further in Appendix A, the general acute care hospital (Project) is a greenfield hospital project within Sherman Crossroads in Sherman, Texas. Sherman, Texas is growing rapidly in terms of population and economic growth, so there is a need for a new hospital and proven physician support for the facility. The Project is expected to open August 2024. The Project will be a three story building consisting of approximately 165,665 square feet. The Hospital will include 80 beds, of which 50 will be medical/surgery providing care and individualized attention to all patients who are hospitalized for illness, surgery or testing and observation, 14 will be telemetry providing extensive care to patients with cardiac-related issues, and the remaining 16 beds will be Intensive Care Unit providing constant monitoring for patients dealing with life-threatening issues.
Use of Proceeds:	Together with a Pre-Development Loan used to pay approximately $3,500,000 of costs incurred prior to the funding of the bonds, the financing will be used to (i) fund construction costs for the Project, (ii) provide funds towards equipment costs, (iii) fund initial working capital requirements, and (iv) fund pre-opening expenses that will be incurred by the Borrower between the funding date of the Series 2022 bonds and the beginning of operations of the Project.
Security:	Pledged Revenue is generally defined in the Loan Agreement and Indenture as: a. First mortgage on land and the Project. b. A gross pledge of Project revenues. c. Deposit Account Control Agreement. d. Collateral assignment and subordination of key contracts, including, but not limited to, the construction documents, the contractor documents, architect agreement, development agreements, plans and specifications,

management agreement and Project Agreements.

e. Reserves and Indenture Trust Estate, including but not limited to a Debt Service Reserve Fund (DSRF), a Working Capital Fund, a Pre-Opening Expense Fund, and liquidity reserves of approximately 90 – 100 days cash on hand.

f. Other items of security customary for transactions of this size and type. Series A bonds will be secured by a senior lien on Pledged Revenue.

Series B bonds will be secured by a subordinate lien on Pledged Revenue. The landowner or other related parties are required to purchase an amount of the Series B bonds equal to the purchase price of the land.

Series C bonds will be secured by a third lien on Pledged Revenue and by a resolution of City of Sherman, Texas pledging to replenish the Series C debt service reserve fund in any year there is a draw on the reserve fund. The Project Agreements will include language aligned with resolution language. The City's obligation will be limited annually to amounts drawn from the Series C. The City's obligation is subject to annual appropriation and will appear in the agreement between the City and the Owner/Borrower.

Credit Ratings:

Series A-1 Tax-Exempt: Non-Rated
Series A-2 Taxable: Non-Rated
Series B Tax-Exempt: Non-Rated
Series C Tax-Exempt: A- / Stable from S&P

Distribution Restriction:

It is expected that when offered, distribution of the Bonds will be limited to institutional accredited investors and qualified institutional buyers.

Minimum Denominations:

$100,000 and any multiple of $5,000 in excess thereof with an adjustment to $5,000 denominations upon the receipt of an investment grade rating.

Expected Delivery Date:

Summer 2022

Principal Payable:

Principal payable annually on December 1 of any given year beginning with December 1, 2026

Interest Payable:

Payable semiannually on each June 1 and December 1, commencing June 1, 2022

Bond Series:

[$178,290,000] Series 2022A-1 t
Tax-Exemp
[$14,945,000] Series 2022A-2 Taxable
[$15,515,000] Series 2022B
Tax-Exempt [$30,000,000] Series
2022C Tax-Exempt

Maturity:

Tax-Exempt Series 2022A-1

Principal Amount	Maturity
$178,290,000	2030-2053

Taxable Series 2022A-2

Principal Amount	Maturity
$14,945,000	2026-2030

Principal Amount	Maturity
$15,515,000	2026-2053

Tax-Exempt Series 2022C

Principal Amount	Maturity
$30,000,000	2026-2053

Capitalized Interest: From closing through [6] months after construction is completed.

Reserve Fund: Three-prong test; DSRF fully funded at Closing

Interest Rate Mode: Fixed Rate

Optional Redemption: The Bonds will be subject to option redemption as a whole at any time or in part on any interest payment date with a 5-year optional call at a Redemption Price equal to 103% of the principal amount thereof plus accrued interest, declining to 100% of the principal amount thereof plus accrued interest over three years.

Mandatory Redemption: The Series 2022A-1 Bonds, Series 2022A-2 Taxable Series 2022B Bonds, and Series 2022C Bonds will be subject to mandatory sinking fund redemption prior to maturity in part beginning on December 1, 2026 at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the redemption date as shown in the Bond Schedules included in Attachment B herein.

Extraordinary Redemption: The Series 2022A-1 Bonds, Series 2022A-2 Taxable Series 2022B Bonds, and Series 2022C Bonds may be subject to redemption prior to maturity as a whole at any time or in part on any interest payment date, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date set for redemption, in the event of (i) damage to or destruction of the Hospital or any part thereof if (a) the Hospital cannot be reasonably restored within a period of 12 months or (b) the Obligor is prevented from carrying on its normal operations at the Hospital for a period of 12 consecutive months or (c) the cost of reconstruction would exceed the total amount of Net Proceeds of insurance carried by more than [$], and (ii) condemnation of all or a portion of the Hospital if (a) the Hospital cannot be reasonably restored within a period of 12 months or (b) the Obligor is prevented from carrying on its normal operations at the Hospital for a period of 12 consecutive months or (c) the cost of reconstruction would exceed the total amount of Net Proceeds of insurance carried by more than [$].

The Series 2022A-1 Bonds, Series 2022A-2 Taxable Series 2022B Bonds, and Series 2022C Bonds will be called more redemption prior to maturity as a whole at and not in part at any time on any interest payment date, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date set for redemption, in the event of (i) damage to or destruction of the Hospital or any part thereof or (ii) condemnation of all or a portion of the Hospital unless the Obligor complies with the terms of the Loan Agreement requiring the Project to be rebuilt or restored / replaced.

If Bonds are called for redemption in either event described above, no Outstanding Subordinate Bonds will be called for redemption until all Outstanding Senior Bonds are no longer outstanding or have first been redeemed.

Repair and Replacement Fund:	Pursuant to the Indenture, a Repair and Replacement Fund will be used to pay maintenance and repair costs related to the Project funded from bond proceeds.
Working Capital Fund:	Pursuant to the Indenture, there will be a Working Capital Fund from bond proceeds in the amount specified in the Indenture.
Pre-Opening Expense Fund:	Pursuant to the Indenture, there will be a Pre-Opening Expense Fund from bond proceeds which will be used solely for the purposes set forth in the Indenture.
Cash Flow Forecast:	Included in Attachment C herein.
Financial Covenants:	Financial, reporting, Bondholder Representative approval rights, and other covenants to be determined during credit underwriting based on standard and customary covenants for projects of this type. It is anticipated that the financial covenants will include the following requirements: a. Maintenance of Debt Service Coverage Ratio (DSCR) (tested semi-annually), as of the end of each Fiscal Year, commencing with the first full year operations: i. Senior DSCR of at least [1.50x]. ii. Subordinate DSCR of at least [1.25x] Failure to comply with the DSCR requirement results in a consultant call- in. Consultant to be acceptable to Bondholder Representative. A Senior DSCR of less than 1.0x is an event of default, and a Subordinate DSCR of less than 1.0x is an event of default only after no Senior bonds are outstanding, b. Maintenance of Liquidity Covenant: The Borrower shall maintain the following Days' Cash on Hands as of the following Liquidity Testing Dates: **Liquidity Testing Dates — Days' Cash on Hand** [December 31, 2025] — [40] [December 31, 2026 and thereafter] — [65] Days Cash on Hand will be calculated by dividing unrestricted cash and investments by operating expenses minus depreciation expense divided by 365: Days Cash on Hand = Unrestricted Cash and Investments / ((Operating Expenses – Depreciation Expense)/365) c. A feasibility report from a reputable independent third party healthcare consulting firm, d. A guaranteed maximum price contract from a qualified general contractor, e. A completion guaranty agreement from a qualified general contractor or developer, and f. Annual budgets, operating data, covenant calculations and quarterly or semi-annual investor calls and other investor outreach as defined in a Continuing Disclosure Agreement.
Conditions Precedent to Closing:	1. Closing and funding of the Bonds transaction will be subject to satisfaction of standard and customary closing and funding conditions including (i) completion of due diligence required by RBC in its sole discretion, (ii) approval of the Bonds transaction by RBC's relevant credit committee (in its sole discretion), and (iii) and delivery of required documentation such as: 2. Purchase and Sale Agreement and related documents with respect to

	the Project Property 3. Management Agreement (consistent with IRS QMA rules) 4. Development Agreement (consistent with IRS QMA rules) 5. Deposit account control agreement (DACA) 6. Appraisal of the Project (as built) 7. Final Feasibility Study for the Project 8. Environmental site assessment with respect to the Project 9. Construction contracts and documentation 10. ALTA survey 11. Title Insurance 12. Required insurance documentation 13. Evidence of compliance with all licensing requirements 14. Evidence that all building permits and other approvals will be granted in the normal course of administrative review 15. Other standard and customary closing documentation
Qualified Management Agreement :	The Project Agreements must comply with the qualified management agreement rules under the Internal Revenue Code, which generally require that management fees be based on gross revenues (as opposed to net profits) and limit the term of a management agreement to no more than 80% of the useful life of the underlying asset that is being managed. Bondholder Representative will have the right to terminate the Management Agreement and bring in a new manager if the Borrower is in default under the bond documents.
Construction Documentation:	Delivery and review of acceptable standard and customary documentation with respect to construction financing, including, without limitation, the following, will be required at closing: a. Guaranteed maximum price (GMP) construction contract with acceptable liquidated damages and completion guaranty b. Construction disbursement agreement and procedures which will include Bondholder Representative approval c. Architect agreement d. Payment and performance bond with enhanced dispute resolution and liquidity obligations e. Third party reports (Phase 1, geotechnical, appraisal, etc.)

Key Professionals	
Issuer:	Phoenix Industrial Development Authority
Issuer's Counsel:	Lewis Roca Rothgerber Christie LLC
Issuer's Advisor	D. A. Davidson & Co
Owner / Borrower:	CFP Sherman Hospital, LLC
Owner / Borrower's Counsel:	Best & Flanagan LLP
Project Manager:	Ivy P3 Group, Dallas, Texas
Local Partner:	City of Sherman, Texas
City's Advisor:	Stephen Mansfield
City's Counsel:	Abernathy, Roeder, Boyd & Hullett, P.C.
Bond Counsel:	Chapman and Cutler LLP
Underwriters:	RBC Capital Markets & Stephens Inc.
Underwriters' Counsel:	Norton Rose Fulbright
Trustee:	UMB Bank
Hospital Manager:	Community Hospital Corporation ("CHC")
General Contractor:	Adolfson & Peterson Construction (Dallas, Texas)
Architect:	e4H
Feasibility Consultant:	Moss Adams
Development Consultant:	Crossroads Hospital Development, LLC

Preliminary, subject to change. This announcement is not an offer, solicitation, commitment or recommendation to buy or sell the Bonds and does not purport to be a complete statement of all material facts relating to the Bonds. The offering is made only by means of a Limited Offering Memorandum, copies of which may be obtained from RBC Capital Markets, LLC ("RBCCM" or the "Underwriter"). This communication is not, and under no circumstances should be construed as, a solicitation to act as securities broker or dealer in any jurisdiction by any person or company that is not legally permitted to carry on the business of a securities broker or dealer in that jurisdiction.

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Input:	
Document 1 ID	file://C:\Users\escobar.jeffrey\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\N0X0ABZ7\Public Private Partnership Agreement (Sherman LLC)_6444226 (008).DOCX
Description	Public Private Partnership Agreement (Sherman LLC)_6444226 (008)
Document 2 ID	file://D:\Dorsey & Whitney\Dorsey & Whitney Work Product\IVY Hotel Group -- City of Sherman\Amended and Restated Public Private Partnership Agreement (Sherman LLC) 4891-2238-0068 v.2.docx
Description	Amended and Restated Public Private Partnership Agreement (Sherman LLC) 4891-2238-0068 v.2
Rendering set	Standard

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	Count
Insertions	273
Deletions	21
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Moved to	1
Style changes	0
Format changes	0
Total changes	296

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 4.**

Meeting Date: 07/18/2022

Prepared By: Robby Hefton, City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6926

Opposing the Proposed Expansion of the Grayson County Jail in Sherman's Central Business District; Encouraging the Grayson County Commissioners Court to Defer Action on the Proposal so that Possible Alternative Locations for Existing and Expanded Jail Operations and Related Support Services can be Fully Considered; Offering Support for the Exploration of such Alternatives

Issue:

Opposing the Proposed Expansion of the Grayson County Jail in Sherman's Central Business District; Encouraging the Grayson County Commissioners Court to Defer Action on the Proposal so that Possible Alternative Locations for Existing and Expanded Jail Operations and Related Support Services can be Fully Considered; Offering Support for the Exploration of such Alternatives

Background:

The City Council is aware that Grayson County Commissioners Court is considering a significant expansion of the Grayson County Jail in Sherman's Central Business District, which could add up to 300 new beds to the existing jail facility. The Council have advocated for and approved investments for a new vision for Downtown Sherman. That vision does not include the presence of an adult detention facility.

The City Council recognizes the County's need to expand operations, but have concerns that a downtown expansion is short-sighted and ultimately could hinder efforts to revitalize and invest in Downtown. City staff and City Council are prepared to work with County officials on a plan to identify alternatives and possibly bring this issue to the voters at some point, perhaps through a bond referendum.

Origination:

City of Sherman Mayor and Council

Financial Consideration:

There is no direct cost associated with this resolution. Future costs could include City participation in relocation of new facilities.

Staff Recommendation:

Staff recommends approval of this Resolution.

Alternatives:

As may be directed by Council.

Attachments

Resolution No. 6926

RESOLUTION NO. 6926

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, OPPOSING THE PROPOSED EXPANSION OF THE GRAYSON COUNTY JAIL IN SHERMAN'S CENTRAL BUSINESS DISTRICT; ENCOURAGING THE GRAYSON COUNTY COMMISSIONERS COURT TO DEFER ACTION ON THE PROPOSAL SO THAT POSSIBLE ALTERNATIVE LOCATIONS FOR EXISTING AND EXPANDED JAIL OPERATIONS AND RELATED SUPPORT SERVICES CAN BE FULLY CONSIDERED; OFFERING SUPPORT FOR THE EXPLORATION OF SUCH ALTERNATIVES; 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 is aware that the Grayson County Commissioners Court is considering a significant expansion of the Grayson County Jail in Sherman's Central Business District, which could add up to 300 new beds to the existing facility at 200 South Crockett; and

WHEREAS, the current members of the City Council and many past members of City Council have advocated for, and approved substantial investments in, a new vision for Downtown Sherman. That vision does not include the presence of an adult detention facility and the public and private services related thereto, such as adult probation, criminal courts and a plethora of attorney offices and bail bond services located near the heart of downtown; and

WHEREAS, the City Council recognizes Grayson County's need to expand jail operations to meet new demands resulting from population growth, but the City Council has grave concerns that a downtown expansion of the jail is short-sighted and ultimately could hinder efforts to revitalize and invest in Downtown Sherman by the City, small business owners, citizens and other stakeholders; and

WHEREAS, a 2021 report by the Texas Commission on Jail Standards recommended that Grayson County "choose a site sufficient for growth" and "design a jail that is truly expandable," while noting that population projections "suggest the facility may fall short of bed space the day the new housing unit opens"; and

WHEREAS, the City Council desires to adopt this Resolution to express the collective opinion of the City Council on this matter and to convey a formal offer of the City's support in helping the Commissioners Court evaluate other viable alternatives.

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

SECTION 1. That the City Council opposes any further expansion of the Grayson County Jail in Sherman's Central Business District. The City Council supports the relocation of all jail operations outside of the Central Business District. The City Council encourages the Grayson

County Commissioners Court to defer action on the proposed expansion of the Grayson County Jail in Downtown Sherman so that possible alternative locations for existing and expanded jail operations can be fully considered.

SECTION 2. That the City Council supports a joint effort among the City, Grayson County and other stakeholders to conduct a comprehensive evaluation of other alternative locations in the City for expansion and relocation of the jail and related County functions such as public safety and the courts. The City Council expects that a majority of the City's voters and a majority of the County's voters would support a long-term solution for a centralized Grayson County justice center located outside of Sherman's Central Business District and in another, more suitable area of the City. The City Council is willing to consider funding efforts to study alternative locations and perhaps portions of the relocation itself.

SECTION 3. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public and that public notice of the time, place and purpose of said meeting was given as required by law.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 5.**

Meeting Date: 07/18/2022

Prepared By: Tom Pruitt, Utility Engineer

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 6927***

Approving the Greater Texoma Utility Authority's Intention to Contract with Red River Construction Co. for Construction of the Post Oak Wastewater Treatment Plant Equalization Basin Improvements Project

Issue:

Approving the intention of the Greater Texoma Utility Authority (GTUA) to administer an agreement for construction of the Post Oak Wastewater Treatment Plant Equalization Basin Improvements Project

Background:

This project is to repair the equalization basin at the Wastewater Treatment Plant. There are several concrete portions of the basin that have heaved and the soil behind the slabs is washing away. This project will remove the defective slabs, replace the void space with select material and pour new slabs.

Bids were opened for the Post Oak Wastewater Treatment Plant Equalization Basin Improvements Project on June 29, 2022. Two (2) responsive bids were received with the lowest, responsible bidder being Red River Construction Co. Bidders qualifications have been checked by the design engineer, Perkins Engineering Consultants, Inc., and the contractor was found to be capable both materially and financially to complete this project as designed. Therefore, staff recommends award of this project concurrent with Greater Texoma Utility Authority (GTUA) and the Texas Water Development Board (TWDB).

Origination:

Engineering Department

Financial Consideration:

The project is funded as part of the Greater Texoma Utility Authority (GTUA) $13.59M Clean Water State Revolving Fund (CWSRF), made available by the Texas Water Development Board, and approved by City Council.

Staff Recommendation:

It is recommended that the City Council approve GTUA's intention to contract with Red River Construction Co. in the amount of $837,500.00 for construction of the Post Oak Wastewater Treatment Plant Equalization Basin Improvements Project.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6927
Recommendation Letter
Bid Tabulation
Location Map

RESOLUTION NO. 6927

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO CONTRACT WITH RED RIVER CONSTRUCTION CO. FOR CONSTRUCTION OF THE POST OAK WASTEWATER TREATMENT PLANT EQUALIZATION BASIN IMPROVEMENTS PROJECT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City of Sherman hereby approves the Greater Texoma Utility Authority's intention to enter into a contract with Red River Construction Co. in the total amount of Eight Hundred Thirty-Seven Thousand Five Hundred Dollars and Zero Cents ($837,500.00) for construction of the Post Oak Wastewater Treatment Plant Equalization Basin Improvements Project.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 18th day of July.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

PERKINS ENGINEERING CONSULTANTS, INC.
A Mead & Hunt Company

6001 Interstate 20 West
Suite 219
Arlington, TX 76017
Office: 817-719-0372
Fax: 817-719-0372
www.meadhunt.com

July 8, 2022

Drew Satterwhite, P.E.
General Manager
Greater Texoma Utility Authority
5100 Airport Drive
Denison, Texas 75020

RE: Post Oak Wastewater Treatment Plant
Equalization Basin Improvements
Recommendation of Award

Dear Mr. Satterwhite,

Two bids were publicly opened and read aloud for the above referenced project on June 29, 2022 at 3:00 pm. We recommend award to the lowest responsive bidder, Red River Construction Co., in the amount of $837,500.00.

We have worked with Red River Construction Co. on several successful projects, including a previous project at the Post Oak plant. We believe Red River Construction Co. is capable of performing well on this project.

A complete tabulation of bids received is attached.

Please contact me if you have any questions.

Sincerely,

Justin A. Angel, P.E.
TX PE 129386; TBPE Firm No. 8699

cc: Mr. Tom Pruitt, P.E., City of Sherman

Bid Tabulation

Item No.	Description	Unit	Est. Quantity	Red River Construction Co.		Archer Western Construction LLC	
				Unit Price	Extended Amount	Unit Price	Extended Amount
1	Provide project mobilization, bonds and insurance for the overall project.	LS	1	$ 42,000.00	$ 42,000.00	$ 20,000.00	$ 20,000.00
2	Provide demobilization and cleanup for the overall project.	LS	1	$ 13,000.00	$ 13,000.00	$ 2,000.00	$ 2,000.00
3	Furnish and install three (3) electrically actuated slide gates at Fine Screens structure including manufacturer's startup services and warranty, demolition and removal of existing gates, concrete repair, and grating repair	LS	1	$148,000.00	$ 148,000.00	$ 296,000.00	$ 296,000.00
4	Furnish and Install one (1) electrical actuator at the existing slide gate at the Aeration Basin including all materials and labor for all required eletcrical, instrumentation and controls work included/required for fully operational equipment	LS	1	$ 15,500.00	$ 15,500.00	$ 120,100.00	$ 120,100.00
5	Furnish and Install three (3) electric actuators for exisiting telescoping valves and three (3) electric acutators for existing slide gates at Clarifier Control Station including all materials and labor for all required eletcrical, instrumentation and controls work included/required for fully operational equipment	LS	1	$117,000.00	$ 117,000.00	$ 303,000.00	$ 303,000.00
7	Demolition of concrete slabs at Equalization Basin including removal and disposal of debris	SQ YDS	750	$ 55.00	$ 41,250.00	$ 35.00	$ 26,250.00
9	Replacement of concrete slabs at Equalization Basin	SQ YDS	750	$ 165.00	$ 123,750.00	$ 109.00	$ 81,750.00
10	Preparation and application of Equalization Basin joint replacement sealant including existing joint removal and cleaning	LF	2000	$ 10.00	$ 20,000.00	$ 24.00	$ 48,000.00
11	Remove accumulated debris in the Equalization Basin and place in City provided dumpsters. (City to provide dumpsters and disposal of material)	CU YDS	400	$ 45.00	$ 18,000.00	$ 7.00	$ 2,800.00
12	Furnish and install all materials and labor for all other parts of the project, as shown on the plans and specified, including structural demolition and construction or any other work required for a complete and functional system but not specifically addressed in other bid items.	LS	1	$299,000.00	$ 299,000.00	$ -	$ -
	TOTAL AMOUNT BID (ITEMS 1-12)				**$ 837,500.00**		**$ 899,900.00**

Justin A. Angel, TXPE 129386
Perkins Engineering Consultants, Inc.
A Mead Hunt Company
Firm No. 8699

FM 1417
SH 11
City of Sherman
Wastewater Treatment Plant
Flow Equalization Basin
Rehabilitation / Repair
N
0
250
500
1,000
Feet
Sherman
CLASSIC TOWN. BROAD HORIZON.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 6.**

Meeting Date: 07/18/2022
Prepared By: Tom Pruitt, Utility Engineer
Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 6928***

Approving the Greater Texoma Utility Authority's Intention to Contract with Red River Construction Co. for the WWTP Primary Clarifier No.1 Equipment Replacement & Sludge Transfer Station Rehab Project

Issue:

Approving the intention of the Greater Texoma Utility Authority (GTUA) to administer an agreement for the WWTP Primary Clarifier No. 1 Equipment Replacement & Sludge Transfer Station Rehab

Background:

This project is to replace the primary clarifier #1 equipment and rehabilitate the sludge transfer station. The clarifier has heavy corrosion on all non-concrete parts including stairs, grating and railing. The clarifier arm was bent during the 2021 February Ice Storm. The sludge transfer station has significant corrosion visible on objects in the wet well, including piping, valves and two sludge pumps will be replaced in the project. Electrical systems will also be replaced on the Primary Clarifier No. 1 and in the sludge transfer building.

Bids were opened for the WWTP Primary Clarifier No. 1 Equipment Replacement & Sludge Transfer Station Rehab on June 29, 2022. One (1) responsive bid was received with the low bidder being Red River Construction Co. Bidders qualifications have been checked by the design engineer, Freeman-Millican, Inc., and the contractor was found to be capable both materially and financially to complete this project as designed. Therefore, staff recommends award of this project concurrent with Greater Texoma Utility Authority (GTUA).

Origination:

Engineering Department

Financial Consideration:

The project is funded through the Greater Texoma Utility Authority (GTUA) $13.59M Clean Water State Revolving Fund (CWSRF), made available by the Texas Water Development Board, and approved by City Council.

Staff Recommendation:

It is recommended that the City Council approve GTUA's intention to contract with Red River Construction Co. in the amount of $1,998,300.00, for the WWTP Primary Clarifier No. 1 Equipment Replacement & Sludge Transfer Station Rehab

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6928
Award Consideration
Proposal
Location Map

RESOLUTION NO. 6928

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO CONTRACT WITH RED RIVER CONSTRUCTION CO. FOR CONSTRUCTION OF THE WWTP PRIMARY CLARIFIER NO.1 EQUIPMENT REPLACEMENT & SLUDGE TRANSFER STATION REHAB PROJECT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City of Sherman hereby approves the Greater Texoma Utility Authority's intention to enter into a contract with Red River Construction Co. in the total amount of One Million Nine Hundred Ninety-Eight Thousand Three Hundred Dollars and Zero Cents ($1,998,300.00) for construction of the WWTP Primary Clarifier No. 1 Equipment Replacement & Sludge Transfer Station Rehab Project.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Pruitt, Tom

From: David Gattis <dgattis@fmi-dallas.com>
Sent: Thursday, July 7, 2022 1:10 PM
To: 'Drew Satterwhite <drews@gtua.org> (drews@gtua.org)'; Pruitt, Tom
Cc: Damir Lulo; Michael Stacey
Subject: 18036 Sherman WWTP Primary Clarifier #1 Equipment Replacement and Sludge Transfer Station Rehab Bid Award Consideration
Attachments: Red River Proposal.pdf

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

This project was advertised as required by state and owner requirements to receive bids on June 29, 2022 at 4:00 pm. Sixteen general contractors requested the bid documents from CIVCAST and about seven expressed interest in the project and/or ask for clarifications on the bid documents. Two general contractor attended the pre-bid meeting and one other contractor reviewed the project with me on site. Other contractors were directed to the plant on inquiry about on site review. Only one bid was received and the bid proposal is attached.

The bid is from Red River Construction Company of Wiley, Texas in the amount of $1,998,300 is much higher than our last January revision of estimated projected cost of $1,300,000. However, the cost of just about everything has been rising at an unpredictable rate for about 2 years due to limited supplies, labor, shipping and general uncertainties. The owner could reject the bid and rebid the project; however, contractors have plenty of work and current uncertain conditions do not leave us with expectations for a lower price.

Red River Construction Company is currently working on another project at the wastewater treatment plant and has been successfully constructing water and wastewater project for over 60 years. We and the owner have successfully worked with Red River on multi-occasions. It is recommended the owner consider awarding the contract to Red River Construction Company.

SECTION 00 42 00

PROPOSAL FORM Rev 2

GREATER TEXOMA UTILITY AUTHORITY
FOR
CITY OF SHERMAN

WWTP PRIMARY CLARIFIER NO. 1

EQUIPMENT REPLACEMENT AND SLUDGE TRANSFER STATION REHAB

GENERAL CONTRACT

TO: Greater Texoma Utility Authority
5100 Airport Drive
Denison, Texas 75020

Pursuant to the foregoing Bidding Requirements and General Requirements, the undersigned Bidder hereby proposes to do all the work and to furnish all necessary superintendence, labor, machinery, equipment, tools and materials, and to complete all work upon which he bids as provided by the attached specifications and shown on the drawings, and binds himself on the accompanying forms, for performing and completing the said work within the required time, and furnish all required guarantees, for the prices to-wit:

ITEM	QUANTITY	UNITS	DESCRIPTION	TOTAL
P.1	1	L.S.	For furnishing all materials, labor and equipment to **mobilize and demobilize** on job site, complete in place, the sum of: Sixty Three Thousand Seven Hundred Dollars Zero Cents ($ 63,700) per lump sum	$ 63,700

ITEM	QUANTITY	UNITS	DESCRIPTION	TOTAL
P.2	1	LS	For furnishing all materials, labor, tools, equipment to remove and replace the equipment in 70 foot diameter Primary Clarifier No. 1 including mechanism, walkway, handrails, stairs, weirs, scum baffle, scum beech, supports, motor and drive, control panel, stainless steel nuts, bolts and washers, hose bib, valves & piping, weir trough bottom repairs, scum box top repairs, electrical, testing and other work including in the plans & specifications, complete in place, the sum of: Nine Hundred Thirty Three Thousand Three Hundred Dollars Zero Cents ($ 933,300), per lump sum.	$ 933,300
P.3	3	EA	For furnishing all materials, labor, tools, equipment to remove and replace two 6" telescoping valves and one 8" telescoping valve including floor stands, new ductile iron clean-out pipes and fittings, floor inserts, stainless steel slip pipes with stainless steel flanges, new gaskets, isolation kits, wiper seals, extension shafts and guides, flanged plug valves, including stainless steel nuts, bolts and washers and all necessary appurtenances in the wet well of the sludge transfer station as specified, complete in place, the sum of: Thirty Six Thousand Seven Hundred Forty Dollars Zero Cents ($ 36,740), per each.	$ 110,220

ITEM	QUANTITY	UNITS	DESCRIPTION	TOTAL
P.4	1	EA	For furnishing all materials, labor, tools, equipment to remove and replace buried 6" plug valve including required cutting existing CI/DI, all new ductile iron fittings, new stainless steel bolts, nuts and washers, stainless steel coupling, new MJ glands, valve box, cover and concrete pad and all necessary apputenances complete in place, the sum of: Twelve Thousand Dollars Zero Cents ($ 12,000), per each.	$ 12,000
P.5	1	EA	For furnishing all materials, labor, tools, equipment to remove and replace buried 8" plug valve including cutting existing cast iron pipe new ductile iron pipe, new stainless steel bolts, nuts and washers, stainless steel coupling, new MJ glands, valve box, cover and concrete pad and all necessary apputenances complete in place, the sum of: Sixteen Thousand Dollars Zero Cents ($ 16,000), per each.	$ 16,000
P.6	2370	SF	For furnishing all materials, labor, tools, equipment to power wash and coat the wet well inside surfaces from 1' above floor up and all necessary work complete in place, the sum of: Sixty Dollars Zero Cents ($ 60), per square foot.	$ 142,200

ITEM	QUANTITY	UNITS	DESCRIPTION	TOTAL
P.7	850	SF	For furnishing all materials, labor, tools, equipment to prepare surfaces and coat the dry well interior concrete walls and ceiling surfaces in the sludge pump station and all necessary apputenances complete in place, the sum of: Twenty Dollars Zero Cents ($ 20), per square foot.	$ 17,000
P.8	1145	SF	For furnishing all materials, labor, tools, equipment to prepare surfaces and coat the dry well exterior and interior CMU walls of the sludge pump station and all necessary work complete in place, the sum of: Twenty Dollars Zero Cents ($ 20), per square foot.	$ 22,900
P.9	1	LS	For furnishing all materials, labor, tools, equipment to remove temporary cover and replace with FRP double door in the sludge pump station including new door hardware, frame, key lock, bottom & top door latch plungers, open door latches and all necessary apputenances complete in place, the sum of: Seventeen Thousand Dollars Zero Cents ($ 17,000), per lump sum	$ 17,000

ITEM	QUANTITY	UNITS	DESCRIPTION	TOTAL
P.10	1	LS	For furnishing all materials, labor, tools, equipment to install a new 1 ton manual chain hoist on the existing monorail in the sludge pump station and all necessary apputenances complete in place, the sum of: Eleven Thousand Dollars Zero Cents ($ 11,000), per lump sum.	$ 11,000
P.11	1	LS	For furnishing all materials, labor, tools, equipment to provide scaffolding and inspect the monorail support connections to the concrete roof inserts for severe corrosion damage in the presences of the City inspector, the sum of: Eight Thousand Dollars Zero Cents ($ 8,000), per lump sum.	$ 8,000
P12	162	LF	For furnishing all materials, labor, tools, equipment to remove and replace handrails including at the west side of wet well and inside the double doors at the sludge pump station to include new base plates, toe plates, stainless steel anchor bolts, nuts and washers and all necessary apputenances complete in place, the sum of: One Hundred Eighty Dollars Zero Cents ($ 180), per lump sum.	$ 29,160

ITEM	QUANTITY	UNITS	DESCRIPTION	TOTAL
P.13	2	EA	For furnishing all materials, labor, tools, equipment to remove and replace transfer station exterior and interior stairways with handrails and all necessary apputenances complete in place, the sum of: Eighteen Thousand Seven Hundred Dollars Zero Cents ($ 18,700), per each.	$ 37,400
P.14	1	LS	For furnishing all materials, labor, tools, equipment to remove and replace existing steel channel, plates and anchor bolts and replace with aluminum 4X4 angles, and struts per drawings TS.2 & TS.4 in the sludge pump station wet well and all necessary apputenances complete in place, the sum of: Fifteen Thousand Dollars Zero Cents ($ 15,000), per lump sum.	$ 15,000
P.15	2	EA	For furnishing all materials, labor, tools, equipment to remove and replace 6" 90 deg bends, spool pieces and flange–flare fittings, in the sludge transfer station wet well, including new corrosion resistant bolts and new gaskets on sludge pump suction lines and all necessary apputenances complete in place, the sum of: Ten Thousand Five Hundred Sixty Dollars Zero Cents ($ 10,560), per each.	$ 21,120

ITEM	QUANTITY	UNITS	DESCRIPTION	TOTAL
P.16	1	LS	For furnishing all materials, labor, tools, equipment to remove remaining dry well roof gravel & asphalt and the aluminum facia; high pressure wash; repair and apply coating per drawing TS.1 and all necessary work complete in place, the sum of: Twenty Two Thousand Dollars Zero Cents ($ 22,000), per lump sum.	$ 22,000
P.17	2	EA	For furnishing all materials, labor, tools, equipment to remove and replace 6" weight and lever swing check valve and remove 2 double strapped service clamps on the 6" pump discharge piping, including new stainless steel nuts, bolts and washers, and gaskets and all necessary apputenances complete in place, the sum of: Seven Thousand Dollars Zero Cents ($ 7,000), per each.	$ 14,000
P.18	4	EA	For furnishing all materials, labor, tools, equipment to remove and replace 6" plug valves with lever operator in the dry well, including new stainless steel nuts, bolts and washers, and gaskets and all necessary apputenances complete in place, the sum of: Four Thousand Five Hundred Dollars Zero Cents ($ 4,500), per each.	$ 18,000

ITEM	QUANTITY	UNITS	DESCRIPTION	TOTAL
P.19	16	EA	For furnishing all materials, labor, tools, equipment to prepare exterior surfaces of flanged wall pipes, flange faces and corroded areas up to 3" inside pipe per SSPC SP11 and coat with 30 mils (DFT) of epoxy (Tnemec 435 or approved equal) at 16 locations and all necessary work complete in place, the sum of: One Thousand One Hundred Fifty Dollars Zero Cents ($ 1,150), per each.	$ 18,400
P.20	1	LS	For furnishing all materials, labor, tools, equipment to remove & repair grout in the dry well drain & at the sump to drain and replace sump grating and all necessary work complete in place, the sum of: Four Thousand Two Hundred Dollars Zero Cents ($ 4,200), per lump sum.	$ 4,200
P.21	1	LS	For furnishing all electrical as shown on the plans including new feed, in cable tray and in conduit duct from the AB electrical room to sludge station, removal of existing panels in the sludge pump room, installation and powering of the new combination panel, clarifier and pump disconnects, clarifier receptacles and control, new floats and push buton station at wet well, HVAC wiring, handholes, lighting complete in place the sum of: Four Hundred Fifty Thousand Dollars Zero Cents ($ 450,000), per lump sum.	$ 450,000

ITEM	QUANTITY	UNITS	DESCRIPTION	TOTAL
P.22	1	LS	Furnish and install new SCADA Panel and atenna for the Sludge Pump Station, upgrade and programming of the existing Aeartion Basin PLC, linking to Operations center master, programming control for three (3) Primary Clarifier mechanisms and two (2) Sludge Pumps, programming of HMI screens at the operations center, terminations of all field wiring at the PLC, complete in place, the sum of: One Hundred Dollars Zero Cents ($ 100), per lump sum.	$ 100
P.23	1	LS	Verifying the existing live control and signal circuits inside existing signal terminal box at sludge pump station, removal of the signal terminal box after live circuits are transferred to the new SCADA system. Sixteen Thousand Dollars Zero Cents ($ 16,000), per lump sum.	$ 16,000
			TOTAL AMOUNT OF BID (Items P.1 - P.23)	$ 1,998,300

The undersigned bidder hereby declares that he has visited the site of the work and has carefully examined the Contract Documents pertaining to the work covered by the above bid, and he further agrees to commence work within ten (10) days after the date of the work order and that the number of consecutive calendar days required to substantially complete the work on which he has bid is:

420 **days**
(calendar days)

In accordance with Sections 151.309 and 151.311 of the Texas Tax Code, the cost of materials to be used in this project which are exempt from the payment of state sales tax is:

$ 1,230,700

The undersigned bidder understands and agrees that all work not provided for in the above proposal items but called for in the Contract Documents is subsidiary to these proposal items and that the cost of this subsidiary work has been included in the above prices.

The Contractor shall include the costs for purchase of the equipment, storage of the equipment upon delivery, installing the equipment and assisting in testing of the equipment. The costs shall be included in Bid Item No.P.1 of the Proposal (See Section 01 21 00). The "estimated days" shown in Section 01 21 00 are for the Contractor information and is an estimate of the time, starting at the date of award of the contract, until the delivery of equipment.

The lowest bid will be determined by the Total Amount of Bid (sum of proposal items P.1 through P.15) stated above and the successful bidder will be determined in accordance with Section 00 21 13, Instruction to Bibbers of these specifications.

Enclosed with this proposal is a proposal bond in the sum of five percent (5%) of the total amount of bid, which it is agreed shall be collected and retained by the Owner as liquidated damages in the event this proposal is accepted by the Owner within sixty (60) days after the bids are received and the undersigned fails to execute the contract required bond for the Owner within ten (10) days after date said proposal is accepted. Otherwise, said check or bond will be returned to the undersigned.

Addenda Received:

1

2

3

Bidder: Red River Construction Co.
(Company)

By:
Dean Porter

Office Held: President

Address: 2804 Capital St.

City: Wylie

County: Collin

State: Texas Zip: 75098

Phone: (972)578-0127

RESOLUTION

OF

RED RIVER CONSTRUCTION CO.

I hereby certify that it was RESOLVED by a quorum of the directors of Red River Construction Co., meeting on the 29th day June, 2022, that Dean Porter, President, be, and hereby is, authorized to act on behalf of Red River Construction Co., as its representative, in all business transactions conducted in the State of Texas, and;

That the above resolution was unanimously ratified by the Board of Directors at said meeting and that the resolution has not been rescinded or amended and is now in full force and effect, and;

In authentication of the adoption of this resolution, I subscribe my name and affix the seal of the corporation this 29th day of June, 2022.

RED RIVER CONSTRUCTION CO. CORPORATE SEAL 1957 TEXAS
(seal)

Meredith Anderson, Secretary
Red River Construction Co.
2804 Capital Street
Wylie, TX 75098
State of Incorporation: Texas

E FM 1417
E FM 1417
Primary Clarifier #1 Rehabilitation of Bridge and Drive Equipment
Biological Clarifiers
#1
#2
#3
Aeration Basins
Headworks Lift Station
Thickeners
#1
#2
Secondary Anaerobic Digester #4
#1
#2
#3
Primary Anaerobic Digesters
Second Stage Trickling Filters
First Stage Trickling Filters
PC1
PC2
PC3
Flow Equalization Basin
Rehabilitate Sludge Transfer Building, Pumps, Ventilation, SCADA, Safety Rails
Operations Center & Maint. Bldg.
Post Oak Rd
Sludge Storage Basins
#1
#2
WWTP Laboratory Services Building Addition & Remodel
N
0 150 300 600
Feet
Maxar, Microsoft, Esri Community
OpenStreetMap, Microsoft, Esri, HE
Sherman
CLASSIC TOWN. BROAD HORIZON.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 7.**

Meeting Date: 07/18/2022

Prepared By: Leah Campbell, Human Resources and Organizational Development Administrator

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 6929***

Repealing and Replacing Resolution No. 6851; Establishing Salary Structures and Incentive/Certification Pay Schedules for Firefighters and Police Officers; Establishing Special Longevity Pay Schedules for Newly Hired Firefighters and Police Officers; Providing for an Effective Date

Issue:

The City Council is required by state law to establish salary structures and incentive/certification pay schedules for members of the classified service.

Background:

The City Council annually authorizes base salary, certification pay, and incentive pay for certain positions within the Police and Fire Departments.

Origination:

Mayor and City Council
City Manager

Financial Consideration:

These cost of these changes is included in the FY2023 Draft Budget. Costs incurred prior to October 1, 2022 will be paid from the FY2022 budget.

Staff Recommendation:

Staff recommends approval of the resolution.

Alternatives:

The City Council could choose not to approve the resolution, leaving unchanged the fire and police pay schedules adopted on February 21, 2022 by Resolution No. 6851.

Attachments

Resolution No. 6929
Resolution No. (Redline Version)

RESOLUTION NO. 6929

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REPEALING AND REPLACING RESOLUTION NO. 6851; ESTABLISHING SALARY STRUCTURES AND INCENTIVE/ CERTIFICATION PAY SCHEDULES FOR FIREFIGHTERS AND POLICE OFFICERS; ESTABLISHING SPECIAL LONGEVITY PAY SCHEDULES FOR NEWLY HIRED FIREFIGHTERS AND POLICE OFFICERS; PROVIDING FOR AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That Resolution No. 6851, passed and approved on the 21st day of February, 2022, is hereby repealed.

SECTION 2. That, from and after the effective date of the 25th day of July, 2022, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

FIRE DEPARTMENT CLASSIFICATION	MONTHLY BASE SALARY	MONTHLY STEP PAY	TOTAL
FIREFIGHTER			
Entry	$5,000.00	N/A	$5000.00
1 Year	$5,000.00	$$218.17	$ $5,218.17
2 Year	$5,000.00	$525.00	$5,525.00
3 Year	$5,000.00	$700.00	$5,700.00
4 Year	$5,000.00	$850.00	$5,850.00
5 Year	$5,000.00	$1,100.00	$6,100.00
ENGINEER			
Entry	$6,450.00	N/A	$6,450.00
1 Year	$6,450.00	$150.00	$6,600.00
2 Year	$6,450.00	$275.00	$6,725.00
CAPTAIN			
Entry	$7,200.00	N/A	$7,200.00
1 Year	$7,200.00	$100.00	$7,300.00

BATTALION CHIEF			
Entry	$7,900.00	N/A	$7,900.00
1 Year	$7, 900.00	$200.00	$8,100.00
DIVISION CHIEF			
Entry	$9,000.00	N/A	$9,000.00
1 Year	$9,000.00	$100.00	$9,100.00
2 Year	$9,000.00	$200.00	$9,200.00
ASSISTANT CHIEF			
Entry	$9,700.00	N/A	$9,700.00
1 Year	$9,700.00	$150.00	$9,850.00
2 Year	$9,700.00	$250.00	$9,950.00
POLICE DEPARTMENT CLASSIFICATION	**MONTHLY BASE SALARY**	**MONTHLY STEP PAY**	**TOTAL**
PATROLMAN			
Entry – Non-Certified	$5,041.67	N/A	$5,041.67
1 Year	$5,041.67	$225.00	$5,266.67
2 Year	$5,041.67	$408.33	$5,450.00
3 Year	$5,041.67	$625.00	$5,666.67
4 Year	$5,041.67	$833.33	$5,875.00
5 Year	$5,041.67	$1,125.00	$6,166.67
6 Year	$5,041.67	$1,375.00	$6,416.67
7 Year	$5,041.67	$1,541.66	$6,583.33
CORPORAL			
Entry	$6,708.34	N/A	$6,708.34
1 Year	$6,708.34	$8.33	$6,791.67
2 Year	$6,708.34	$208.33	$6,916.67
3 Year	$6,708.34	$374.99	$7,083.33
SERGEANT			
Entry	$7,208.34	N/A	$7,208.34
1 Year	$7,208.34	$224.99	$7,433.33
2 Year	$7,208.34	$499.99	$7,708.33
3 Year	$7,208.34	$791.66	$8,000.00
LIEUTENANT			
Entry	$8,125.00	N/A	$8,125.00
1 Year	$8,125.00	$183.33	$8,308.33
2 Year	$8,125.00	$372.50	$8,497.50
3 Year	$8,125.00	$558.33	$8,683.33
ASSISTANT CHIEF			
Entry	$9,416.67	N/A	$9,416.67
1 Year	$9,416.67	$333.33	$9,750.00
2 Year	$9,416.67	$666.66	$10,083.33
3 Year	$9,416.67	$958.33	$10,375.00

SECTION 3. That, from and after the effective date of the 1st day of October, 2020, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

(a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive $125.00 per month Incentive/Certification Pay.

(b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive $104.00 per month Incentive/Certification Pay.

(c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive $218.40 per month Incentive/Certification Pay.

(d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive $318.40 per month Incentive/Certification Pay.

(e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.

(f) All Certifications shall be kept current to receive Incentive/Certification Pay.

(g) Each employee who holds an Associates Degree from an accredited college or university shall receive $75.00 per month Education Incentive Pay.

(h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive $175.00 per month Education Incentive Pay.

(i) Each employee who holds a Masters Degree from an accredited college or university shall receive $250.00 per month Education Incentive Pay.

(j) Education Incentive Pay shall only be paid for the highest degree received.

SECTION 4. That, from and after the effective date of the 1st day of October, 2020, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

(a) Employees hired prior to October 1, 2020 shall adopt the following incentive/certification pay schedule:

1. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive $75.00 per month Incentive/Certification Pay.

2. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive $175.00 per month Incentive/Certification Pay.

3. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive $275.00 per month Incentive/Certification Pay.

4. Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.

5. Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive $100.00 per month Incentive/Certification Pay.

6. All Certifications shall be kept current to receive Incentive/Certification Pay.

7. Each employee who holds an Associates Degree from an accredited college or university shall receive $100.00 per month Education Incentive Pay.

8. Each employee who holds a Bachelors Degree from an accredited college or university shall receive $250.00 per month Education Incentive Pay.

9. Each employee who holds a Masters Degree from an accredited college or university shall receive $500.00 per month Education Incentive Pay.

10. Education Incentive Pay shall only be paid for the highest degree received.

(b) Employees hired after October 1, 2020 shall adopt the following incentive/certification pay schedule:

1. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive $50.00 per month Incentive/Certification Pay.

2. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive $100.00 per month Incentive/Certification Pay.

3. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive $150.00 per month Incentive/Certification Pay.

4. Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.

5. Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive $100.00 per month Incentive/Certification Pay.

6. All Certifications shall be kept current to receive Incentive/Certification Pay.

7. Each employee who holds an Associates Degree from an accredited college or university shall receive $50.00 per month Education Incentive Pay.

8. Each employee who holds a Bachelors Degree from an accredited college or university shall receive $100.00 per month Education Incentive Pay.

9. Each employee who holds a Masters Degree from an accredited college or university shall receive $200.00 per month Education Incentive Pay.

10. Education Incentive Pay shall only be paid for the highest degree received.

SECTION 5. That eligible pay types are authorized by the City Council below for patrolmen and firefighters.

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.041 (c)(1) of the Texas Local Government Code.

2. Applicants for patrolmen positions who are hired after July 31, 2018 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a one-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.

3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the commensurate number of years of prior qualified service at their previous agency or agencies as of the last date applications are accepted.

i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.

4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Department seniority for lateral patrolmen will begin on their most recent Civil Service hire date with the Sherman Police Department. Exception will be made for reappointed patrolmen in which seniority will include all time served as a paid Sherman Police Officer.

5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.

6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.

2. Applicants for firefighter positions who are hired after December 16, 2018 shall be eligible for Special Longevity pay for lateral entry if they have at least one (1) year of continuous service as a paid, full time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than a one (1) year break in service from the time the applicant left employment as a certified firefighter as of the date of hire.

3. Starting Pay: The starting pay for lateral firefighters will be determined based on the number of years of prior qualified service as of the date of hire.

i. Lateral entry firefighter's starting pay will be determined based on the commensurate number of years of qualified service at their previous agency or agencies as of the date of hire.

4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.

5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.

6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

7. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least one (1) year of prior qualified service will be increased to the commensurate number of years of service according to the Sherman Fire Department pay schedule.

SECTION 6. That detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department polices, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

SECTION 7. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

RESOLUTION NO. ?

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REPEALING AND REPLACING RESOLUTION NO. 6675; ESTABLISHING SALARY STRUCTURES AND INCENTIVE/ CERTIFICATION PAY SCHEDULES FOR FIREFIGHTERS AND POLICE OFFICERS; ESTABLISHING SPECIAL LONGEVITY PAY SCHEDULES FOR NEWLY HIRED FIREFIGHTERS AND POLICE OFFICERS; PROVIDING FOR AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That Resolution No. 66756851, passed and approved on the 16th-21st dday of December, 2020February, 2022, is hereby repealed.

SECTION 2. That, from and after the effective date of the 25th 1st-day of October, 2021July, 2022, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

FIRE DEPARTMENT CLASSIFICATION	MONTHLY BASE SALARY	MONTHLY STEP PAY	TOTAL
FIREFIGHTER			
Entry	$4,505.255,000.00	N/A	$4,505.255000.00
1 Year	$5,000.004,505.25	$464.20200.00 $218.17	$4,969.455200.00 $5,218.17
2 Year	$5,000.00 4,505.25	$532.91525.00	$5,038.16525.00
3 Year	$5,000.00 4,505.25	$601.59700.00	$5,106.84700.00
4 Year	$5,000.004,505.25	$664.75850.00	$5,170.00850.00
5 Year	$5,000.004,505.25	$814.411,100.00	$6,100.005,319.66
ENGINEER			
Entry	$5,735.046,450.00	N/A	$5,735.046,450.00
1 Year	$6,450.005,735.04	$72.21150.00	$5,807.256,600.00
2 Year	$6,450.005,735.04	$144.99275.00	$5,880.036,725.00
CAPTAIN			
Entry	$7,200.006,423.75	N/A	$6,423.757,200.00
1 Year	$7,200.006,423.75	$79.51100.00	$7,300.006,503.26

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BATTALION CHIEF Entry 1 Year	$7,~~082.35~~900.00 $7, 900.00~~082.35~~	N/A $~~114.00~~200.00	$7,~~082.35~~900.00 $~~7,196.35~~8,100.00
DIVISION CHIEF Entry 1 Year 2 Year~~DIVISION CHIEF~~	$9,000.00 $9,000.00 $9,000.00 ~~$8,575.62~~	N/A $100.00 $200.00 ~~N/A~~	$9,000.00 $9,100.00 $9,200.00 ~~$8,575.62~~
ASSISTANT CHIEF Entry 1 Year 2 Year~~ASSISTANT CHIEF~~	$9,700.00 $9,700.00 $9,700.00~~$9,501.18~~	N/A $150.00 $250.00 ~~N/A~~	$9,700.00 $9,850.00 ~~$9,950~~0.00 ~~$9,501.18~~ $9,950.00
POLICE DEPARTMENT CLASSIFICATION	**MONTHLY BASE SALARY**	**MONTHLY STEP PAY**	**TOTAL**
PATROLMAN Entry – Non-Certified 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Year	$5,041.67 $~~4,592.08~~5,041.67 ~~$4,592.08~~ $5,041.67 ~~$4,592.08~~ $5,041.67 ~~$4,592.08~~ $5,041.67 ~~$4,592.08~~ $5,041.67 ~~$4,592.08~~ $~~4,592~~5,041.~~08~~67	N/A $~~214.59~~225.00 $408.33~~29.17~~ $625.00~~815.42~~ $833.33~~1,030.01~~ $1,125.00~~244.59~~ $1,375.00~~502.09~~ $1,541.66~~716.67~~	$~~4,592.08~~5,041.67 $5,266.67~~4,806.67~~ $5,450.00~~,021.25~~ $5,666.67~~407.50~~ $5,875.00~~,622.09~~ $6,166.67~~5,836.67~~ $6,416.67~~094.17~~ $6,583.33~~308.75~~
CORPORAL Entry 1 Year 2 Year 3 Year	$6,~~437.50~~708.34 $6,708.34~~$6,437.50~~ $6,708.34~~$6,437.50~~ $6,708.34~~$6,437.50~~	N/A $~~85.84~~8.33 $208.33~~171.67~~ $374.99~~257.50~~	$6,~~437.50~~708.34 $6,791.67~~523.34~~ $6,916.67~~609.17~~ $7,083.33~~6,695.00~~
SERGEANT Entry 1 Year 2 Year 3 Year	$~~6,866.67~~7,208.34 $7,208.34~~$6,866.67~~ $7,208.34~~$6,866.67~~ $7,208.34~~$6,866.67~~	N/A $2~~1~~24.99~~58~~ $499.99~~300.42~~ $791.66~~429.17~~	$~~6,866.67~~7,208.34 $7,433.33~~081.25~~ $7,708.33~~167.09~~ $8,000.00~~7,295.84~~
LIEUTENANT Entry 1 Year 2 Year 3 Year	$8,125.00~~7,381.67~~ $8,125.00~~$7,381.67~~ $8,125.00~~$7,381.67~~ $8,125.00~~$7,381.67~~	N/A $~~171.67~~183.33 $372.50~~43.33~~ $558.33~~15.00~~	$~~7,381.67~~8,125.00 $8,308.33~~7,553.34~~ $8,497.50~~7,725.00~~ $8,683.33~~7,896.67~~

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ASSISTANT CHIEF			
Entry	$~~8,583.34~~9,416.67	N/A	$9,416.67~~$8,583.34~~
1 Year	$9,416.67~~$8,583.34~~	$~~300.42~~333.33	$~~8,883.76~~9,750.00
2 Year	$9,416.67~~$8,583.34~~	$666.66~~00.83~~	$~~9,184.17~~10,083.33
3 Year	$9,416.67~~$8,583.34~~	$958.33~~858.33~~	$10,375.00~~9,441.67~~

SECTION 3. That, from and after the effective date of the 1st day of October, 2020, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

(a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive $125.00 per month Incentive/Certification Pay.

(b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive $104.00 per month Incentive/Certification Pay.

(c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive $218.40 per month Incentive/Certification Pay.

(d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive $318.40 per month Incentive/Certification Pay.

(e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.

(f) All Certifications shall be kept current to receive Incentive/Certification Pay.

(g) Each employee who holds an Associates Degree from an accredited college or university shall receive $75.00 per month Education Incentive Pay.

(h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive $175.00 per month Education Incentive Pay.

(i) Each employee who holds a Masters Degree from an accredited college or university shall receive $250.00 per month Education Incentive Pay.

(j) Education Incentive Pay shall only be paid for the highest degree received.

SECTION 4. That, from and after the effective date of the 1st day of October, 2020, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

(a) Employees hired prior to October 1, 2020 shall adopt the following incentive/certification pay schedule:

1. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive $75.00 per month Incentive/Certification Pay.

2. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive $175.00 per month Incentive/Certification Pay.

3. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive $275.00 per month Incentive/Certification Pay.

4. Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.

5. Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive $100.00 per month Incentive/Certification Pay.

6. All Certifications shall be kept current to receive Incentive/Certification Pay.

7. Each employee who holds an Associates Degree from an accredited college or university shall receive $100.00 per month Education Incentive Pay.

8. Each employee who holds a Bachelors Degree from an accredited college or university shall receive $250.00 per month Education Incentive Pay.

9. Each employee who holds a Masters Degree from an accredited college or university shall receive $500.00 per month Education Incentive Pay.

10. Education Incentive Pay shall only be paid for the highest degree received.

(b) Employees hired after October 1, 2020 shall adopt the following incentive/certification pay schedule:

1. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive $50.00 per month Incentive/Certification Pay.

2. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive $100.00 per month Incentive/Certification Pay.

3. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive $150.00 per month Incentive/Certification Pay.

4. Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.

5. Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive $100.00 per month Incentive/Certification Pay.

6. All Certifications shall be kept current to receive Incentive/Certification Pay.

7. Each employee who holds an Associates Degree from an accredited college or university shall receive $50.00 per month Education Incentive Pay.

8. Each employee who holds a Bachelors Degree from an accredited college or university shall receive $100.00 per month Education Incentive Pay.

9. Each employee who holds a Masters Degree from an accredited college or university shall receive $200.00 per month Education Incentive Pay.

10. Education Incentive Pay shall only be paid for the highest degree received.

SECTION 5. That eligible pay types are authorized by the City Council below for patrolmen and firefighters.

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.041 (c)(1) of the Texas Local Government Code.

2. Applicants for patrolmen positions who are hired after July 31, 2018 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a one-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.

3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the commensurate number of years of prior qualified service at their previous agency or agencies as of the last date applications are accepted.

    i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.

4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Department seniority for lateral patrolmen will begin on their most recent Civil Service hire date with the Sherman Police Department. Exception will be made for reappointed patrolmen in which seniority will include all time served as a paid Sherman Police Officer.

5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.

6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.

2. Applicants for firefighter positions who are hired after December 16, 2018 shall be eligible for Special Longevity pay for lateral entry if they have at least one (1) year of continuous service as a paid, full time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than a one (1) year break in service from the time the applicant left employment as a certified firefighter as of the date of hire.

3. Starting Pay: The starting pay for lateral firefighters will be determined based on the number of years of prior qualified service as of the date of hire.

i. Lateral entry firefighter's starting pay will be determined based on the commensurate number of years of qualified service at their previous agency or agencies as of the date of hire.

4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.

5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.

6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

7. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least one (1) year of prior qualified service will be increased to the commensurate number of years of service according to the Sherman Fire Department pay schedule.

SECTION 6. That detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department polices, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

SECTION 7. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

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

PASSED AND APPROVED on this the _____ day of _____, 202~~0~~2.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____

NAME: _____
CITY ATTORNEY

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 8.**

Meeting Date: 07/18/2022
Prepared By: Jana Walker, Controller
Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 6930***

Amending the Authorized Representatives to Invest City of Sherman Funds with the Texas Local Government Investment Pool (TexPool)

Issue:

This resolution updates the City officials who are authorized to do business on the City of Sherman's behalf with TexPool.

Background:

TexPool is a pooled investment fund used by cities, counties, and school districts throughout Texas. The update is necessary to reflect the changes in the Finance Department and in City Management.

Origination:

City Manager Robby Hefton
Finance Director Mary Lawrence

Financial Consideration:

There is no financial consideration to updating the TexPool authorized representatives.

Staff Recommendation:

The staff recommends approval.

Alternatives:

None recommended.

Attachments

Resolution No. 6930

RESOLUTION NO. 6930

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING THE AUTHORIZED REPRESENTATIVES TO INVEST CITY OF SHERMAN FUNDS WITH THE TEXAS LOCAL GOVERNMENT INVESTMENT POOL (TEXPOOL); FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Sherman ("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool"), a public funds investment pool, was created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act;

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

SECTION 1. That the individuals, whose signatures appear in this resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

SECTION 2. That an Authorized Representative of the Participant may be deleted by a written instrument signed by all remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool account or (2) is no longer employed by the Participant.

SECTION 3. That the Participant may, by Amending Resolution signed by the Participant, add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant.

SECTION 4. That the following named individuals are the Authorized Representatives of the Participant, and each will be issued P.I.N. numbers:

1. Name: Robby Hefton Title: City Manager

   Signature: _____ Direct Phone No.: (903) 892-7201

2. Name: Mary Lawrence Title: Finance Director

Signature: _____ Direct Phone No.: (903) 892-7218

3. Name: Jana Walker Title: Controller

Signature: _____ Direct Phone No.: (903) 892-7228

SECTION 5. That the following named individual will have authority for inquiring about account activity and balances and receiving confirmations and monthly statements under the Participation Agreement:

Name: None

SECTION 6. That this resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool receives a copy of any such amendment or revocation.

SECTION 7. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 18th day of July, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 1.**

Meeting Date: 07/18/2022

Prepared By: Shawn Hackworth, IT Manager

Approved By: Robby Hefton, City Manager

Caption:

REQUEST TO ADVERTISE

Replacement of the City's Call Recording Software and Hardware

Issue:

Obtaining City Council approval to advertise for the solicitation of public proposals for the purchase and implementation of call recording software and hardware, replacing the current system.

Background:

The current system is no longer supported and has reached the end of its useful life. Replacement of this call recording system is essential to police and 911 communications recordkeeping.

This purchase was approved by the City Council in the fiscal 2021-2022 Budget as part of the Capital Improvement Program.

Origination:

Information Technology Services

Financial Consideration:

The cost of advertising is approximately $400.00.

Staff Recommendation:

Staff recommends that the City Council approve this request to advertise for bids for the purchase and implementation of a call recording software and hardware system.

Alternatives:

None recommended

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **H. 1.**

Meeting Date: 07/18/2022

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

CHANGE ORDER NO. 1

Moore Street From West Travis Street To Heritage Parkway Project; Lynn Vessels Construction, LLC.; $338,484.45 Increase

Issue:

To consider the approval of Change Order No. 1 with Lynn Vessels Construction, LLC for the Moore Street From West Travis Street To Heritage Parkway Project

Background:

Change Order No.1 will adjust the project cost for the Moore Street from West Travis Street to Heritage Parkway Project. The increase is due to documented material and fuel costs, as provided by the sub-contractor. The prime contractor is only passing the sub-contractor's price increase to the project.

Origination:

Engineering Department

Financial Consideration:

The change order results in a $338,484.45 (12.5%) increase in the contract amount, yielding a new contract price of $3,045,840.91.

Staff Recommendation:

It is recommended the Change Order No. 1 for the Moore Street From West Travis Street To Heritage Parkway Project be approved.

Alternatives:

As may be directed by the City Council

Attachments

Unsigned - Change Order No.1

Location Map

Change Order

No. 1

Date of Issuance: July 18, 2022

Project: Moore St from West Travis Street to Heritage Parkway	Project No.: PW #3082 Bid No.: 2021-11
Owner: City of Sherman	Date of Contract: 21 June 2021
Contractor: Lynn Vessels Construction	

The Contract Documents are modified as follows upon execution of this Change Order:

See attached Change Order #1 spreadsheet (2-pages)

Justification:

Adjustment to project to bring within Owner construction budget

CHANGE IN CONTRACT PRICE:	**CHANGE IN CONTRACT TIMES:**
Original Contract Price: $2,707,356.46	Original Contract Times: Substantial completion days: 270 Substantial completion date: TBD
Increase from previously approved Change Orders No. 0 to No. 0: $0	Increase from previously approved Change Orders No. 0 to No. 0: Substantial completion days: : 0 Substantial completion date: TBD
Contract Price prior to this Change Order: $2,707,356.46	Contract Times prior to this Change Order: Substantial completion days: : 270 Substantial completion date: TBD
Increase of this Change Order: $338,484.45	Increase of this Change Order: Substantial completion days: 100 Substantial completion date: TBD
Contract Price incorporating this Change Order: $3,045,840.91	Contract Times with all approved Change Orders: Substantial completion days: : 370 Substantial completion date: TBD

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: _____	By: _____	By: _____
Engineer (Authorized Signature)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Date: _____	Date: _____	Date: _____

Sherman
CLASSIC TOWN. BROAD HORIZON.

Change Order Tracking Spreadsheet

Change Order: 1
Name of Contractor: Lynn Vessels Construction,LLC
Owner's Address: PO Box 1212, Sherman, TX 75091
Engineer: City of Sherman
Engineer's Address: 220 W. Mulberry, Sherman, TX 75091
Project Name: MOORE STREET FROM WEST TRAVIS STREET TO HERITAGE PARKWA
Project Number: 3082
Contract Price (Including Change Orders): **$3,045,840.91**

Item No.	Description of Item	Original Bid Quantity	Unit	Original Bid Unit Price	CO #1 Quantity	Total Value Completed
MOORE STREET FROM WEST TRAVIS STREET TO HERITAGE PARKWAY						
1	Mobilization	1	LS	$143,292.52		$143,292.52
2	SWPPP and Erosion Control (Extent of Project)	1	LS	$20,057.40		$20,057.40
3	Traffic Control	1	LS	$1,650.00		$1,650.00
4	ROW Prep	1	LS	$13,750.00		$13,750.00
5	Project Sign	2	EA	$616.00		$1,232.00
6	Demolish Existing Roadway	1	LS	$22,400.00		$22,400.00
7	Unclassified Excavation (est. 22,705 cy fill)	67,167	CY	$7.61		$511,140.87
8	6" Lime Stabilized Subgrade	5,915	SY	$2.52	(5,915.00)	$0.00
8-CO1	6" Lime Stabilized Subgrade		SY	$3.50	15,725.00	$55,037.50
9	Lime (36 lbs/SY-EST)	120	TON	$188.16	(120.00)	$0.00
9-CO1	Lime (36 lbs/SY-EST)		TON	$275.00	284.00	$78,100.00
10	Flex Base (6")(Complete-in-place)(DC)	9,810	SY	$8.71	(9,810.00)	$0.00
11	8" Concrete Paving (4000 psi)	13,733	SY	$52.21	(13,733.00)	$0.00
11-CO1	8" Concrete Paving (4000 psi)		SY	$75.75	13,733.00	$1,040,274.75
12	Street Header	282	LF	$22.40		$6,316.80
13	Median Nose Pavers	1	LS	$7,727.04		$7,727.04
14	18" Class III RCP	629	LF	$57.07		$35,897.03
15	21" Class III RCP	505	LF	$64.53		$32,587.65
16	24" Class III RCP	245	LF	$74.67		$18,294.15
17	30" Class III RCP	162	LF	$99.85		$16,175.70
18	33" Class III RCP	112	LF	$116.22		$13,016.64
19	36" Class III RCP	80	LF	$132.23		$10,578.40
20	42" Class III RCP	100	LF	$171.99		$17,199.00
21	48" Class III RCP	208	LF	$197.89		$41,161.12
22	60" Class III RCP	548	LF	$370.56		$203,066.88
23	66" Class III RCP	112	LF	$395.79		$44,328.48
24	4'x4' RCB	86	LF	$317.56		$27,310.16
25	5'x4' RCB	78	LF	$367.43		$28,659.54

Item No.	Description of Item	Original Bid Quantity	Unit	Original Bid Unit Price	CO #1 Quantity	Total Value Completed
26	10' Recessed Curb Inlet (Cast-In-Place) or (Pre-Cast)	5	EA	$4,800.87		$24,004.35
27	4' Square WYE Inlet	1	EA	$4,847.00		$4,847.00
28	5' Square WYE Inlet	1	EA	$5,412.38		$5,412.38
29	4'x4' Type B Storm Manhole	1	EA	$3,646.76		$3,646.76
30	6'x4' Type B Storm Manhole	1	EA	$9,881.98		$9,881.98
31	8'x8' Type B Storm Manhole	2	EA	$15,080.35		$30,160.70
32	6'x6' Junction Box	1	EA	$9,915.58		$9,915.58
33	Slope Paving Headwall - 33" RCP (Multiple Barrel)	1	EA	$12,104.40		$12,104.40
34	Slope Paving Headwall - 48" RCP	1	EA	$10,929.78		$10,929.78
35	Slope Paving Headwall - 60" RCP	1	EA	$26,753.78		$26,753.78
36	Flared Wingwall - 30" RCP	1	EA	$2,144.78		$2,144.78
37	Parallel Wingwall - 30" RCP (30° Skew)	1	EA	$13,642.75		$13,642.75
38	Flared Wingwall - 33" RCP (Multiple)	1	EA	$13,324.30		$13,324.30
39	Flared Wingwall - 42" RCP	1	EA	$3,917.85		$3,917.85
40	Parallel Wingwall - 60" RCP	1	EA	$22,952.60		$22,952.60
41	Flared Wingwall - 4'x4' RCB	1	EA	$21,774.53		$21,774.53
42	Flared Wingwall - 5'x4' RCB	1	EA	$22,570.93		$22,570.93
43	SETP-PD (24")(w/Cross Pipes)	4	EA	$1,948.28		$7,793.12
44	42" Pipe Collar	1	EA	$671.00		$671.00
45	TV Inspection (Storm Sewer)	1	LS	$4,733.12		$4,733.12
46	Stone Riprap Per Plan	1477	SY	$29.12		$43,010.24
47	Trench Safety (Storm Sewer)	2865	LF	$1.10		$3,151.50
48	Weir Overflow Structure (Complete-in-Place)	1	LS	$20,451.20		$20,451.20
49	4" (W)(SLD)(Type I)(90 mil) Stripe	1099	LF	$1.93		$2,121.07
50	4" (Y)(SLD)(Type I)(90 mil) Stripe	716	LF	$1.43		$1,023.88
51	4"(W)(BRK)(Type I)(90 mil) Stripe	80	LF	$1.43		$114.40
52	4" (Y)(DBL)(Type I)(90 mil) Stripe	3107	LF	$2.81		$8,730.67
53	8" (W)(SLD)(Typ I)(90 mil) Stripe	300	LF	$2.75		$825.00
54	24"(W)(SLD)(Type I)(125 mil) Stripe	322	LF	$12.10		$3,896.20
55	White (WORD)(125 mil)(ONLY)	3	EA	$192.50		$577.50
56	White (SYMBOL)(125 mil)(ARROW)	7	EA	$247.50		$1,732.50
56A	Pavement Marker Removal	4	EA	$60.50		$242.00
57	RPM TY II C-R	37	EA	$6.16		$227.92
58	RPM TY II-A-A	302	EA	$6.16		$1,860.32
59	RPM TY-Y	20	EA	$6.16		$123.20
60	Flexible Delineator (Surface Mount)(W)	7	EA	$168.00		$1,176.00
61	Street Sign	22	EA	$487.20		$10,718.40
62	Type III Barricade	3	EA	$2,553.60		$7,660.80
63	4” Conduit	320	LF	$8.90		$2,848.00
64	Casing Pipe (18" O.D.) (Open Cut)	164	LF	$97.16		$15,934.24
65	Casing Pipe (21" O.D.) (Open Cut)	258	LF	$93.24		$24,055.92
65A	Casing Pipe (21” O.D.) (Bore)	202	LF	$291.20		$58,822.40
66	SOD	52,500	SY	$3.64		$191,100.00
67-CO1	Payment, Performance, Maintenance Bonds	1	LS	$5,002.23		$5,002.23
						$0.00
						3,045,840.91

Original Contract	**$2,707,356.46**
Adjusted Contract Total by Change Order	**$3,045,840.91**
Change Order Adjustment	**$338,484.45**

TRAVIS
MOORE
HERITAGE
BARMENGTON
OLD
DORCHESTER
FM 1417
FANNIN

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 1.**

Meeting Date: 07/18/2022

Prepared By: Teri Fine, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Receive Quarterly Progress Report from Sherman Economic Development Corporation President Kent Sharp

Issue:

To receive the Sherman Economic Development Corporation (SEDCO) quarterly progress report from President Kent Sharp

Background:

The brief presentation by the SEDCO President will provide the City Council with an overview of SEDCO's activities and accomplishments during the period of April 2022 to the end of June 2022. SEDCO's last update was presented at the Called Sherman City Council Meeting on April 18, 2022.

Origination:

City Council

Financial Consideration:

This presentation is for informational purposes only and has no impact on the City's revenues or expenses.

Staff Recommendation:

No action is required of the City Council.

Alternatives:

None recommended

Attachments

SEDCO Quarterly Progress Report

REPORTING FORM FOR BOARDS AND COMMISSIONS

Name of Board: **Sherman Economic Development Corporation**

Name of Chair: Janie Bates
Name of Vice-Chair: Gail Utter

Date of Report to City Council: July 18, 2022

1. **In simple terms and as briefly as possible, please describe the mission of your board.**
   - *The mission of the Sherman Economic Development Corporation (SEDCO) is to grow and diversify the economy of Sherman and the surrounding area through the addition of new jobs and investment of primary employers.*

2. **Please list the top accomplishments of your board within the past quarter. (Please limit the list to five or fewer items).**
   - *GlobiTech/GlobalWafers announced Sherman was selected as the home for their new best-in-class 300-mm silicon semiconductor wafer production facility. In June, the SEDCO Board approved Resolution No. SEDCO-2022.09 authorizing $20 Million in financial assistance over a 10-year period toward the company's $5 Billion CAPEX and the creation of 1,500 jobs. The resolution also authorized SEDCO to transfer ownership of approx. 144 acres in Progress Park I at $1 per acre to GlobiTech/GlobalWafers.*
   - *Texas Instruments' broke ground on the new 300-millimeter semiconductor wafer fabrication plant.*
   - *In June, the SEDCO Board approved Resolution No. SEDCO-2022.07 authorizing a 3% capital investment incentive to Sunny Delight/Harvest Hill towards their capital investment of $30,060,000 at the 300 FM 1417 facility. The company is adding two new product lines for Juicy Juice products and plans to add up to 74 new jobs.*
   - *Presented a $50,000 SEDCO Raising Innovative Sherman Entrepreneurs (RISE) grant to The Charlotte Letter towards their capital investment of $128,524.80 at the 301 N. Crockett Street facility. The company designs and manufactures adaptive apparel for children with special medical needs and plans to add up to 17 new jobs over the next five years. This grant was approved by the SEDCO Board in May by Resolution No. SEDCO-2022.05.*
   - *Presented a $100,000 SEDCO RISE grant to Arctic Bracing towards their capital investment of $1,030,000 at the 2828 Fallon Drive facility. The Company designs and manufactures orthopedic braces with a patented custom mold system and plans to add up to 38 new jobs over the next five years. This grant was approved by the SEDCO Board in May by Resolution No. SEDCO-2022.06.*

3. **What are your plans for this board in the next quarter?**
   - *Compete aggressively for the attraction of new jobs and investments to the city by narrowing our focus to those companies that align with our semiconductor cluster, both nationally and internationally.*
   - *Through the Business Retention and Expansion (BRE) Program, we will work closely with companies that have announced new investments in Sherman to ensure they have the support to meet their goals and receive the incentives as identified in the Performance Agreements.*

- *Kent will continue BRE visits to the Sherman industries and attend meetings for the Texas Economic Development Council (TEDC), Center for Workplace Learning (CWL), and Advanced Manufacturing Program (AMP).*
- *Host a Plant Manager and Safety Leader Forum at Emerson in August.*
- *Host a joint meeting with City Council in September where the FY 22-23 Program of Work and Budget will be considered for approval.*
- *Meet with the new Director of Economic Development for Oncor, Wilson Peppard.*
- *Kent will speak at the Anna EDC Development Forum.*
- *To recognize our existing industries and to show appreciation to their employees, SEDCO will sponsor a lunch for Commissary Express.*
- *Ashton and Shannon will attend the International Economic Development Council's (IEDC) Annual Conference in Oklahoma City.*
- *Contact each company with a job listing on shermantxjobs.com for updates. New listings will be boosted on social media.*
- *Update the RISE Information Packet and RiseInSherman.com and start advertising for the 2023 RISE Challenge.*
- *Create videos on popular business topics and upload to the WOMO: Supporting Sherman Women & Minority-Owned Businesses webpage.*
- *Continue to add contacts to the Sherman WOMO business directory.*
- *Sponsor the Sherman Chamber Golf Tournament and New Teacher Luncheon.*

4. **How often did this board meet in the last quarter?**
   - *The SEDCO Board meets on the second Tuesday of each month and holds special called meetings when needed. Since our last report, the SEDCO Board held three regularly scheduled meetings (April 12th, May 10th, June 14th) and one special called meeting on April 19th for a possible quorum at the RISE Awards Ceremony.*

5. **In what percentage of those meetings was a quorum of board members present?**
   - *100%*

6. **Did any member attend less than 75% of those meetings? If so, which member and how often did they attend.**
   - *No*

7. **What other information would your board like to communicate to the City Council? (please be concise in your response).**
   - *Presently working six active projects with an estimated $5.06 Billion CAPEX, approximately 1,853 new jobs, and 1,800 retained jobs.*
   - *Completed three site visits with companies interested in expanding their operations to Sherman.*
   - *Completed business retention and expansion visits with 903 Brewers, Arctic Bracing, GlobiTech, II-VI, PQD International, Quality Ingredients, Sunny Delight, and The Charlotte Letter.*
   - *During the last quarter, the SEDCO Board approved the following:*
     - *A Letter of Intent for Project Wrap on Progress Park VI.*
     - *A Letter of Intent for Project EZ on Progress Park VI.*
     - *Resolution No. SEDCO-2022.01 authorizing $50,000 SEDCO Small Business Grant to Starr Aircraft for assistance in constructing a tornado shelter for the needs of employee safety.*

    - *Resolution No. SEDCO-2022.04 authorizing the conveyance of an approx. 9.115-acre tract and an approx. 0.84-acre tract off FM 1417 just east of Schulman's Movie Bowl Grille to the City of Sherman for the purchase price of $254,818.*
    - *Resolution No. SEDCO-2022.08 authorizing 903 Brewers to convey 5.282-acre tract on west side of Northgate Dr. in exchange for the 11.11-acre tract on the east side of Northgate Dr. SEDCO also plans to reimburse 903 Brewers for initial engineering, architectural and civil work completed on the 5.282-acres that cannot be transferred to 11.11-acre tract.*
    - *Resolution No. SEDCO-2022.10 authorizing $70,000 for the acquisition of approximately three acres of an old rail access corridor on Progress Park VIII.*
- *Presented a $67,469.83 SEDCO incentive payment to PQD International, Inc. The company has created 18 new jobs and invested $1,349,396.69 in qualified expenditures at their facility at 2828 Fallon Drive in Sherman, Texas.*
- *Presented a $50,000 SEDCO Small Business Grant to Quality Ingredients, an FDA-regulated manufacturer of preservatives for corn tortillas. The company created six new jobs and invested $181,739.09 in qualified expenditures at their 4816 N. Frisco Rd. facility. Quality Ingredients relocated their operations from Richardson to Sherman.*
- *Launched the newly designed website sedco.org to strengthen our online presence and foster economic growth. The new site combines three previous websites (sedco.org, ShermanTXJobs.com, and ShermanSites.com) into one.*
- *Hosted the 2022 RISE Awards Celebration at Austin College on April 19th.*
- *Co-sponsored the Advanced Manufacturing Program's Year-End Celebration. This event brought together the AMP students, teachers, and partners from Sherman, Denison, Pottsboro, Whitesboro, and S&S to celebrate the students completing the program and those advancing to the next year.*
- *Presented AMP certifications to two Sherman High School seniors - Ignacio Martinez (Level 1) and Jose Mateo (Level 2).*
- *Met with Via Rail on continued discussion on rail sites in Progress Park.*
- *Met with the Sherman Director of Development Services Rob Rae for a Blalock Industrial Park Zoning Update.*
- *Updated the job listings on ShermanTXJobs.com.*
- *Continued the partnership with Grayson College CWL to offer no-cost training to full-time employees of Sherman-based, Type A businesses.*
- *Kent traveled to Austin to testify before the House Committee on the International Relations and Economic Development on the Interim Charges of Economic Development incentives and semiconductor investment.*
- *Participated in numerous meetings regarding the GlobiTech/GlobalWafers project with guests Governor Greg Abbott, representatives from the Governor's Office of Economic Development and Tourism and TCEQ, U.S. Representative Michael McCaul, U.S. Representative Pat Fallon, Texas Senator Drew Springer, and Texas Representative Reggie Smith.*
- *Kent participated in several media interviews about the GlobiTech/GlobalWafers project.*
- *Hosted a SEDCO Board orientation for the new SISD Superintendent Dr. Tyson Bennett.*
- *Ashton, Shannon, and Brandy attended the TEDC Women in Economic Development Conference in Austin, and Ashton and Shannon attended the TEDC Mid-Year Conference in Corpus Christi.*
- *Hosted an industry appreciation luncheon for Panda Power.*
- *Ashton and Shannon attended the MD&M West Tradeshow with Team Texas and Oncor in Anaheim, California. They collected a total of 353 leads.*

- *The staff worked with 2x2 Media and key players of the TI project to produce a video telling the story how Sherman landed the TI deal.*
- *Kent participated in an interview for the Dallas Business Journal with Mayor David Plyler and City Manager Robby Hefton.*
- *Kent provided an economic development update to the Sherman Chamber Board of Directors.*
- *Ashton served as a judge for Austin College's Student Product Lab Presentations.*
- *Sponsored eight ads on social media highlighting the Texoma Workforce CDL Job Fair, the II-VI Hiring Event, the Career Connection Job Fair, ShermanTXJobs.com, and the industrial history of Sherman:*
    - *Total Reach: 34,634*
    - *Total Link Clicks: 1,789*
    - *Total Post Engagement: 8,103*
    - *Total Event Responses: 15*
- *Attended the following meetings and events: City of Sherman Pancake Breakfast, First United's "Our Community" App Meeting, City of Sherman's Recreation Center Feasibility Study Meetings, RISE Debrief Meeting, and a City Council Meeting.*

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 2.**

Meeting Date: 07/18/2022

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Repair and Replacement of Concrete Pavement on Binkley Park Drive Under Emergency Designation

Issue:

To allow the repair and replacement of concrete pavement on Binkley Park Drive under emergency designation.

Background:

A portion of the concrete pavement along Binkley Park Drive failed and required a complete road closure. Replacement of approximately 270 SY of reinforced pavement is needed in order to reopen the roadway. The demolition and subgrade preparation are to be performed by City forces.

Origination:

Engineering Department

Financial Consideration:

The cost to repair and replace the concrete pavement is estimated to be $51,413.92 The City's Street Department budget will be utilized to fund the repairs.

Staff Recommendation:

It is recommended that the emergency replacement of the pavement on Binkley Park Drive be approved and that the City Manager be authorized to execute any required contract documents.

Alternatives:

As may be directed by the City Council

Attachments

Quote

Location Map

REQUEST FOR QUOTE

Date Due: June 23rd, 3:00 pm

Sherman
CLASSIC TOWN. BROAD HORIZON.

PO Box 1106; Sherman, TX 75091-1106
CONTACT: Travis Overturf, P.E.
PHONE: (903) 328-3204
FAX: (903) 870-7802
EMAIL: TravisO@ciyofsherman.com

THIS IS NOT AN ORDER

Vessels Construction (Contractor) hereby agrees to:

- Mobilize equipment, personnel, provide bonds and insurance as noted herein,
- Demobilize equipment and crew and remove debris from site,
- Provide all necessary safety measures to undertake tasks.

ITEM NO.	QNTY	DESCRIPTION	UNIT	UNIT PRICE	TOTAL PRICE
Base Bid					
1	1	Mobilization	LS	$3,020.82	$ 3,020.82
2	270	Provide and Install 8" Reinforced Concrete Paving (4,500PSI with #4 Rebar on 18" Centers)	SY	$138.25	$ 37,327.50
3	910	Provide and Install 4" Reinforced Concrete Sidewalk (3,000PSI with #3 Rebar on 18" Centers)	SF	$12.16	$11,065.60
Alternate Items					
4	270	Remove and Dispose Existing Concrete Pavement	SY	$118.98	$ 32,124.60
5	290	Install 6" Flexible Base (Materials Provided by The Owner)	SY	$ 53.93	$15,639.70
6	120	Removed and Replace Existing Guard Rail	LF	$84.07	$10,088.40
				Total (Base Bid Only) $	51,413.92
				Total (Base Bid and Alternate Items) $	109,266.62

Proposed delivery/start date: 3 days from NTP

Proposed construction duration: 11 days (base bid & alternate

IMPORTANT: Completion of this quote form is a requirement. Failure to do so may disqualify your submittal. This is a request for quote for the goods and/or services shown. The right is reserved to accept or reject quotations on each item separately, or as a whole, and to waive any irregularities in the quotation. Irregularities may, however, render the quotation non-responsive. The City may use several factors to judge a product or service and is not bound to accept the lowest quote.

The undersigned, as an authorized official of bidder, certifies that this submittal is made without collusion with any other person, firm, or corporation; and in submitting a response to this request; has examined instructions, specifications, and terms and conditions of the solicitation. Respondent proposes and agrees to execute and fully perform in accordance with the instructions, specifications, terms and conditions of this request and any resulting agreement.

I certify that I am authorized to sign on behalf of the organization I represent for this offer, and agree to all terms and conditions described herein.

Signature of Bidder's Authorized Representative	6/23/22 Date
Bill Vessels Printed Name	Vessels Construction Company Name
President Title	PO Box 28 Address
bill@vesselsconstruction.com Email address	Sherman, TX 75091 City, State, Zip Code
903-870-0428 Phone Number	75-2788203 Tax ID Number

Project Location

Sherman
CLASSIC TOWN. BROAD HORIZON.

July 2022

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 3.**

Meeting Date: 07/18/2022

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Preview of the 2022-2023 Draft Budget

Issue:

Previewing the draft budget for the 2022-2023 fiscal year

Background:

The draft budget includes changes made as a result of the Budget Workshop held on June 7th as well as updates to revenue. Significant changes include the elimination of the rate increase for commercial solid waste, debt funding for a portion of the solid waste fleet, and property tax, sales tax, water sales, sewer sales, and solid waste revenue estimates. On the expenditure side, the most significant change was reflecting salary and wage increases to be effective August 1st instead of October 1st for all City employees, which increased FY2022 costs which decreased projected FY2022 ending reserve balances. Ending reserve balances in each operating fund for FY 2023 are acceptable at 90 days in the General Fund, 62 days in the Utility Fund, and 60 days in the Solid Waste Fund.

In terms of FY2023 budget highlights, an expected decreased property tax rate of about $.445/$100 is expected to generate about the same amount of property tax revenue in the General Fund because of new value added and increased values in existing property. Utility revenues are projected to increase because of planned rate increases consistent with the five-year rate study, amounting to about 4.5% overall. On the expenditure side, significant growth is driving the CIty's plan to increase staffing levels across-the-board. Also, the City is also proposing to fund cost-of-living adjustments for all employees, as well as funding market adjustments for various City positions (including police and fire employees) to bring those pay levels up to par with peer target city pay. Significant capital spending for both Utility projects and General CIP projects for FY2023 are also included in the budget, reflecting the effects of industrial and residential growth.

After the Certified Totals from the Grayson County Appraisal District are received, property taxes in the draft budget will be updated. The budget will be presented for public hearing on August 1st with final adoption considered at the August 15th City Council meeting.

Origination:

City Manager

Financial Consideration:

The proposed draft budget contains appropriations of $160.4 million for the 2022-2023 fiscal year.

Staff Recommendation:

If the draft meets with the Council's approval, the staff will present the draft budget for public hearing on August 1, 2022.

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 budget adoption.

Attachments

Preview 2023 Budget

City of Sherman
ALL FUNDS
2022-2023 Annual Budget

	General Fund	Enterprise Funds	Capital Improvement Funds	Special Revenue Funds	Internal Service Funds	Debt Service Funds	Trust Fund	Elim. Interfund Transfers	Totals
Beginning Fund Balance	$ 12,394,920	$ 6,292,081	$ 19,753,103	$ 772,892	$ 604,926	$ 439,874	$ 2,144,339	$ -	$ 42,402,135
Revenues:									
Taxes	43,311,700	-	714,552	733,000	1,472,000	7,454,542	-	-	53,685,794
Water Sales	-	16,411,000	-	-	-	-	-	-	16,411,000
Sewer Sales	-	8,835,000	-	-	-	-	-	-	8,835,000
Solid Waste Sales	-	7,556,000	-	-	-	-	-	-	7,556,000
Sales & Service	6,210,950	1,208,630	2,265,000	1,540,250	14,382,945	-	15,000	(14,563,195)	11,059,580
Intergovernmental	169,482	817,146	2,003,797	-	-	-	-	-	2,990,425
Interest Income	75,000	26,200	70,850	2,850	2,500	1,200	10	-	178,610
Miscellaneous Revenue	223,200	836,500	-	94,000	-	-	-	-	1,153,700
Debt Proceeds	-	-	39,045,000	-	4,873,103	-	-	-	43,918,103
Transfers In	4,249,742	406,000	1,975,000	-	-	1,074,000	-	(7,704,742)	-
Total Revenues	54,240,074	36,096,476	46,074,199	2,370,100	20,730,548	8,529,742	15,010	(22,267,937)	145,788,212
Total Funds Available	66,634,994	42,388,557	65,827,302	3,142,992	21,335,474	8,969,616	2,159,349	(22,267,937)	188,190,347
Expenditures:									
Personnel	36,724,590	10,214,400	-	464,450	2,213,590	-	-	-	49,617,030
Supplies	2,019,765	2,200,355	-	518,659	1,353,196	-	-	-	6,091,975
Repair & Maintenance	2,415,918	2,627,967	-	133,117	1,527,552	-	-	-	6,704,554
Utilities	1,217,250	1,905,220	-	42,210	70,230	-	-	-	3,234,910
Information Technology	1,259,265	433,100	-	17,330	60,630	-	-	(1,770,325)	-
Debt Service	-	6,937,482	-	-	2,230,185	8,368,712	-	-	17,536,379
Services & Charges	5,217,283	4,269,486	-	747,618	6,846,553	7,200	-	(6,205,000)	10,883,140
Vehicle Usage	2,239,270	2,124,850	-	21,810	-	-	-	(4,374,490)	11,440
Fleet Services & Charges	1,335,781	802,599	-	-	75,000	-	-	(2,213,380)	-
Capital Expenses	640,692	665,602	58,359,598	118,000	6,516,998	-	-	-	66,300,890
Transfers Out	375,000	4,230,828	2,716,914	382,000	-	-	-	(7,704,742)	-
Total Expenditures	53,444,814	36,411,890	61,076,512	2,445,194	20,893,934	8,375,912	-	(22,267,937)	160,380,319
Excess Revenues Over Expenditures	795,260	(315,414)	(15,002,313)	(75,094)	(163,386)	153,830	15,010	-	(14,592,107)
Ending Fund Balance	$ 13,190,180	$ 5,976,667	$ 4,750,790	$ 697,798	$ 441,540	$ 593,704	$ 2,159,349	$ -	$ 27,810,029

City of Sherman
GENERAL FUND
2022-2023 Annual Budget

	Actual 2020-2021	Adjusted Budget 2021-2022	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 9,373,123	$ 10,892,343	$ 13,004,657	$ 12,394,920
Revenues				
Property Tax	12,445,528	11,697,400	11,848,400	12,079,400
Sales Tax	21,037,726	21,495,000	23,559,000	28,047,000
Franchise Tax	2,876,388	2,798,000	3,021,000	3,021,000
Other Taxes	161,158	165,125	165,025	164,300
Fines & Penalties	348,776	448,600	371,000	366,800
Recreation	284,540	285,600	335,000	384,500
Licenses & Permits	810,669	811,500	1,136,200	2,341,200
Rentals	35,146	29,550	10,700	10,450
Cemetery	225,088	221,100	219,600	221,600
Sales & Service	1,187,361	1,872,491	1,239,812	1,492,000
Ambulance Service	1,428,252	1,252,200	1,402,400	1,402,400
Interest Income	35,502	80,000	60,000	75,000
Grant Revenue	1,429,225	36,800	991,921	9,000
Intergovernmental	334,704	231,407	232,949	169,482
Miscellaneous Revenue	302,986	201,700	1,080,525	206,200
Total Revenues	42,943,051	41,626,473	45,673,532	49,990,332
Transfers In	3,927,975	3,358,139	3,358,139	4,249,742
Total Revenues and Transfers In	46,871,026	44,984,612	49,031,671	54,240,074
Total Funds Available	56,244,149	55,876,955	62,036,328	66,634,994
Expenditures				
Personnel	29,382,367	31,338,960	33,081,880	36,724,590
Supplies	2,145,160	1,950,891	2,067,560	2,019,765
Repair & Maintenance	1,665,299	2,122,516	2,214,828	2,415,918
Utilities	1,210,085	1,098,070	1,082,370	1,217,250
Information Technology	715,897	1,041,100	1,180,775	1,259,265
Services & Charges	3,941,453	3,514,678	4,457,222	5,217,283
Vehicle Usage	1,946,799	1,966,490	2,165,007	2,239,270
Capital Expenses	346,466	639,862	808,291	640,692
Fleet Services & Charges	1,025,966	783,698	1,173,475	1,335,781
Transfers Out	860,000	1,410,000	1,410,000	375,000
Total Expenditures	43,239,492	45,866,266	49,641,408	53,444,814
Excess Revenues over Expenditures	3,631,534	(881,654)	(609,737)	795,260
Ending Fund Balance	$ 13,004,657	$ 10,010,689	$ 12,394,920	$ 13,190,180

City of Sherman
ENTERPRISE FUNDS
2022-2023 Annual Budget

	Actual 2020-2021	Adjusted Budget 2021-2022	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 4,841,848	$ 6,592,762	$5,117,874	$6,292,081
Revenues:				
Water Sales	14,039,787	15,694,000	15,503,000	16,411,000
Sewer Sales	7,857,841	8,614,000	8,290,000	8,835,000
Solid Waste Service	7,306,302	7,464,000	7,373,000	7,556,000
Service Charges & Penalties	753,182	750,000	780,000	780,000
Laboratory	123,444	140,000	123,270	260,430
Charges for Services	193,382	201,000	168,200	168,200
Intergovernmental	401,349	1,608,488	1,608,488	817,146
Interest Income	9,398	26,800	26,950	26,200
Miscellaneous Revenue	855,050	809,000	1,040,187	836,500
Transfers In	558,000	183,000	183,000	406,000
Total Revenues	32,097,735	35,490,288	35,096,095	36,096,476
Total Funds Available	36,939,583	42,083,050	40,213,969	42,388,557
Expenditures:				
Personnel	8,263,241	8,948,860	8,823,350	10,214,400
Supplies	1,296,393	1,960,107	2,146,775	2,200,355
Repair & Maintenance	2,379,127	2,684,449	2,852,306	2,627,967
Utilities	2,517,764	1,695,920	1,675,720	1,905,220
Information Technology	260,616	380,050	431,060	433,100
Services & Charges	3,890,222	4,537,851	4,199,833	4,269,486
Vehicle Usage	1,619,078	1,643,540	1,875,081	2,124,850
Debt Service	6,541,664	7,117,205	6,982,496	6,937,482
Fleet Services & Charges	-	-	-	-
Capital Expenses	969,883	1,355,773	1,394,129	1,468,201
Transfers Out	4,083,719	3,541,139	3,541,139	4,230,828
Total Expenditures	31,821,709	33,864,894	33,921,888	36,411,890
Excess Revenues over Expenditures	276,026	1,625,394	1,174,207	(315,414)
Ending Fund Balance	$ 5,117,874	$ 8,218,156	$ 6,292,081	$ 5,976,667

City of Sherman
CAPITAL IMPROVEMENT FUNDS
2021-2022 Annual Budget

	222 General CIP	224 Street Revolving	235 Regional Detention	250 Roadway Impact Fee #1	251 Roadway Impact Fee #2	252 Roadway Impact Fee #2	253 Roadway Impact Fee #4	330 TIRZ #2 Construction
Beginning Fund Balance	$ 17,668,704	$ 413,070	$ 265,040	$ -	$ -	$ -	$ -	$ 679,377
Revenues:								
Interest Income	50,000	2,000	1,200	-	-	-	-	1,500
Taxes	-	-	-	-	-	-	-	263,773
Intergovernmental	-	-	-	-	-	-	-	-
Sales & Service	-	-	20,000	10,000	200,000	100,000	60,000	-
Miscellaneous Revenue	-	-	-	-	-	-	-	-
Debt Proceeds	39,045,000	-	-	-	-	-	-	-
Transfers In	375,000	-	-	-	-	-	-	-
Total Revenues	39,470,000	2,000	21,200	10,000	200,000	100,000	60,000	265,273
Total Funds Available	57,138,704	415,070	286,240	10,000	200,000	100,000	60,000	944,650
Expenditures								
Capital Expenses	53,996,598	100,000	200,000	-	-	-	-	600,000
Transfers Out	224,914	-	-	-	-	-	-	200,000
Total Expenditures	54,221,512	100,000	200,000	-	-	-	-	800,000
Excess Revenues over Expenditures	(14,751,512)	(98,000)	(178,800)	10,000	200,000	100,000	60,000	(534,727)
Ending Fund Balance	$ 2,917,192	$ 315,070	$ 86,240	$ 10,000	$ 200,000	$ 100,000	$ 60,000	$ 144,650

City of Sherman
CAPITAL IMPROVEMENT FUNDS
2021-2022 Annual Budget

230 TIRZ #3 Construction	241 TIRZ #5 Construction	242 TIRZ #6 Construction	243 TIRZ #7 Construction	770 Utility CIP	750 Water Impact Fee	751 Sewer Impact Fee	Total
$ 1,290	$ 59,511	$ 866,381	$ (200,270)	$ 141,416	$ -	$ -	$ 19,753,103
50	2,000	4,000	100	10,000	-	-	70,850
258,488	94,162	36,044	62,085	-	-	-	714,552
-	90,138	27,943	42,716	1,843,000	-	-	2,003,797
-	-	-	-	-	1,250,000	625,000	2,265,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	39,045,000
-	-	-	-	1,600,000	-	-	1,975,000
258,538	186,300	67,987	104,901	3,453,000	1,250,000	625,000	46,074,199
259,828	245,811	934,368	(95,369)	3,594,416	1,250,000	625,000	65,827,302
185,000	-	700,000	-	2,578,000	-	-	58,359,598
-	289,200	225,400	177,400	-	1,000,000	600,000	2,716,914
185,000	289,200	925,400	177,400	2,578,000	1,000,000	600,000	61,076,512
73,538	(102,900)	(857,413)	(72,499)	875,000	250,000	25,000	(15,002,313)
$ 74,828	$ (43,389)	$ 8,968	$ (272,769)	$ 1,016,416	$ 250,000	$ 25,000	$ 4,750,790

City of Sherman
SPECIAL REVENUE FUNDS
2022-2023 Annual Budget

	420 Stormwater	440 E 911	450 Security & Technology	460 Hotel/ Motel	470 Drug Enforcement	480 Airport	455 Parks Pride	456 Police Pride	457 Donations	Total
Beginning Fund Balance	$ 105,867	$ 290,623	$ 83,864	$ 137,761	$ 115,351	$ 3,397	$ 8,311	$ 22,698	$ 5,022	$ 772,892
Revenues										
Taxes	-	-	-	733,000	-	-	-	-	-	733,000
Sales & Service	457,000	300,000	30,250	94,000	100,000	559,000	-	-	-	1,540,250
Interest Income	1,000	1,000	100	-	400	250	25	50	25	2,850
Miscellaneous Revenue	-	-	-	-	-	50,000	21,500	10,500	12,000	94,000
Debt Proceeds	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-
Total Revenues	458,000	301,000	30,350	827,000	100,400	609,250	21,525	10,550	12,025	2,370,100
Total Funds Available	563,867	591,623	114,214	964,761	215,751	612,647	29,836	33,248	17,047	3,142,992
Expenditures										
Personnel	123,340	108,310	-	232,800	-	-	-	-	-	464,450
Supplies	4,109	-	5,000	17,600	80,700	396,250	-	-	15,000	518,659
Repair & Maintenance	62,750	-	372	34,000	27,000	8,995	-	-	-	133,117
Utilities	-	-	-	30,720	-	11,490	-	-	-	42,210
Information Technology	1,740	-	-	15,590	-	-	-	-	-	17,330
Services & Charges	3,540	180,673	3,700	443,600	5,000	86,105	20,000	5,000	-	747,618
Capital Expenses	-	-	-	-	-	100,000	-	18,000	-	118,000
Vehicle Usage	8,300	-	-	13,510	-	-	-	-	-	21,810
Fleet Services & Charges	-	-	-	-	-	-	-	-	-	-
Transfers Out	273,000	-	-	109,000	-	-	-	-	-	382,000
Total Expenditures	476,779	288,983	9,072	896,820	112,700	602,840	20,000	23,000	15,000	2,445,194
Excess Revenues over Expenditures	(18,779)	12,017	21,278	(69,820)	(12,300)	6,410	1,525	(12,450)	(2,975)	(75,094)
Ending Fund Balance	$ 87,088	$ 302,640	$ 105,142	$ 67,941	$ 103,051	$ 9,807	$ 9,836	$ 10,248	$ 2,047	$ 697,798

City of Sherman
INTERNAL SERVICE FUNDS
2022-2023 Annual Budget

	600 Insurance	630 IT	650 Equipment	660 Fleet Replacement	Total
Beginning Fund Balance	$ 310,306	$ 141,128	$ 67,065	$ 86,427	$ 604,926
Revenue					
Sales & Service	6,024,750	1,770,325	4,374,490	2,213,380	14,382,945
Taxes	-	-	-	1,472,000	1,472,000
Interest Income	2,500	-	-	-	2,500
Debt Proceeds	-	-	-	4,873,103	4,873,103
Miscellaneous Revenue	-	-	-	-	-
Total Revenue	6,027,250	1,770,325	4,374,490	8,558,483	20,730,548
Total Funds Available	6,337,556	1,911,453	4,441,555	8,644,910	21,335,474
Expenditures					
Personnel	-	1,003,640	1,209,950	-	2,213,590
Supplies	-	76,547	1,276,649	-	1,353,196
Repair & Maintenance	-	173,113	1,354,439	-	1,527,552
Utilities	-	54,230	16,000	-	70,230
Information Technology	-	-	60,630	-	60,630
Services & Charges	6,205,000	284,294	357,259	-	6,846,553
Debt Service	-	-	-	2,230,185	2,230,185
Fleet Services & Charges	-	-	75,000	-	75,000
Capital Expenses	-	178,500	11,000	6,327,498	6,516,998
Total Expenditures	6,205,000	1,770,324	4,360,927	8,557,683	20,893,934
Excess Revenues over Expenditures	(177,750)	1	13,563	800	(163,386)
Ending Fund Balance	$ 132,556	$ 141,129	$ 80,628	$ 87,227	$ 441,540

City of Sherman
DEBT SERVICE FUNDS
2022-2023 Annual Budget

	300 Debt Service	320 TIRZ #1 Debt Service	Total
Beginning Fund Balance	$ 61,367	$ 378,507	$ 439,874
Revenues			
Taxes	6,976,388	478,154	7,454,542
Interest Income	-	1,200	1,200
Intergovernmental	-	-	-
Transfers In	1,074,000	-	1,074,000
Total Revenues	8,050,388	479,354	8,529,742
Total Funds Available	8,111,755	857,861	8,969,616
Expenditures:			
Debt Service	8,045,334	323,378	8,368,712
Services & Charges	7,000	200	7,200
Transfers Out	-	-	-
Total Expenditures	8,052,334	323,578	8,375,912
Excess Revenues over Expenditures	(1,946)	155,776	153,830
Ending Fund Balance	$ 59,421	$ 534,283	$ 593,704

City of Sherman
PERPETUAL CARE FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 1,732,833	$ 2,004,329	$ 2,144,339
Revenues			
Sales & Service	13,036	15,000	15,000
Interest Income	258,460	125,010	10
Total Revenues	271,496	140,010	15,010
Total Funds Available	2,004,329	2,144,339	2,159,349
Expenditures			
Miscellaneous	-	-	-
Ending Fund Balance	$ 2,004,329	$ 2,144,339	$ 2,159,349

City of Sherman
UTILITY FUND
2022-2023 Annual Budget

	Actual 2020-2021	Adjusted Budget 2021-2022	Projected 2021-2022	Requested 2022-2023
Beginning Reserve	$ 4,413,073	$ 2,628,975	$ 4,157,410	$ 4,845,697
Revenues				
Water Sales	14,039,787	15,694,000	15,503,000	16,411,000
Sewer Sales	7,857,841	8,614,000	8,290,000	8,835,000
Laboratory	123,444	140,000	123,270	260,430
Service Charges & Penalties	612,830	610,000	655,000	655,000
Charges for Services	193,382	201,000	168,200	168,200
Interest Income	8,597	25,000	25,000	25,000
Intergovernmental	401,349	1,608,488	1,608,488	817,146
Miscellaneous Revenue	89,715	81,000	251,479	76,500
Total Revenues	23,326,945	26,973,488	26,624,437	27,248,276
Transfers In	438,000	183,000	183,000	406,000
Total Revenues and Transfers In	23,764,945	27,156,488	26,807,437	27,654,276
Total Funds Available	28,178,017	29,785,463	30,964,847	32,499,973
Expenditures				
Personnel	6,514,271	6,978,640	6,890,710	7,957,960
Supplies	1,069,007	1,632,456	1,828,759	1,825,385
Repair & Maintenance	2,334,964	2,625,606	2,793,462	2,568,059
Utilities	2,484,357	1,646,370	1,638,500	1,858,230
Information Technology	203,174	293,540	332,940	332,630
Debt Service	6,541,664	7,117,205	6,982,496	6,937,482
Services & Charges	1,658,311	2,148,565	1,987,950	1,661,050
Vehicle Usage	464,349	467,900	579,624	631,190
Fleet Services & Charges	236,070	346,791	370,559	428,072
Capital Expenses	214,441	289,951	288,150	635,602
Total Expenditures	21,720,607	23,547,023	23,693,150	24,835,660
Transfers Out	2,300,000	2,426,000	2,426,000	2,927,112
Total Expenditures and Transfers Out	24,020,607	25,973,023	26,119,150	27,762,772
Excess Revenues over Expenditures	(255,663)	1,183,465	688,287	(108,496)
Ending Reserve	$ 4,157,410	$ 3,812,440	$ 4,845,697	$ 4,737,200

City of Sherman
SOLID WASTE FUND
2022-2023 Annual Budget

	Actual 2020-2021	Adjusted Budget 2021-2022	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 608,661	$ 853,746	$ 1,140,350	$ 1,626,270
Revenues				
Solid Waste Service	7,306,302	7,464,000	7,373,000	7,556,000
Service Charges & Penalties	140,352	140,000	125,000	125,000
Interest Income	801	1,800	1,950	1,200
Miscellaneous Revenue	765,335	728,000	788,708	760,000
Transfers In	120,000	-	-	-
Total Revenues	8,332,790	8,333,800	8,288,658	8,442,200
Total Funds Available	8,941,451	9,187,546	9,429,008	10,068,470
Expenditures				
Personnel	1,748,971	1,970,220	1,932,640	2,256,440
Supplies	227,386	327,651	318,015	374,970
Repair & Maintenance	44,164	58,844	58,844	59,908
Utilities	33,408	49,550	37,220	46,990
Information Technology	57,442	86,510	98,120	100,470
Services & Charges	2,231,911	2,389,286	2,211,883	2,608,436
Vehicle Usage	1,154,729	1,175,640	1,295,457	1,493,660
Capital Expenses	169,372	164,134	146,000	30,000
Fleet Services & Charges	350,000	554,897	589,420	374,527
Transfers Out	1,783,719	1,115,139	1,115,139	1,303,716
Total Expenditures	7,801,101	7,891,871	7,802,738	8,649,117
Excess Revenues over Expenditures	531,689	441,929	485,920	(206,917)
Ending Fund Balance	$ 1,140,350	$ 1,295,675	$ 1,626,270	$ 1,419,353

	Actual 2020-2021	Adjusted Budget 2021-2022	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 9,656,463	$ 31,598,481	$ 36,395,135	$ 17,668,704
Revenues				
Transfers In	250,000	1,569,000	1,269,000	375,000
Land Sale Proceeds	4,777,881	-	-	-
Miscellaneous Revenue	-	-	316,000	-
Intergovernmental	-	-	-	-
Transfer In - Impact Fees	-	-	-	-
Interest Income	7,553	150,000	50,000	50,000
Debt Proceeds	28,869,727	334,000	334,000	39,045,000
Grant Revenue	-	-	65,000	-
Total Revenues	33,905,161	2,053,000	2,034,000	39,470,000
Total Funds Available	43,561,624	33,651,481	38,429,135	57,138,704
Expenditures				
(1) FM 1417 (82 to 56) Eng, ROW & Match	1,999,978	-	18,824	-
(1) Pecan Grove Ball Fields	33,816	9,468	9,468	-
(1) Moore St - Park to W. Travis	189,616	-	-	-
(5) Moore St - W. Travis to FM 1417	-	2,300,000	3,227,356	-
(6) Moore St - Park to power easement	-	2,200,000	-	
(6) Moore St from Park to Center	-	-	-	2,800,000
(1) Steeplechase Dr Extension	3,243	-	-	-
(1) Hilre Drive Extension	153,360	-	219,800	-
(1) Travis St West	883,998	-	-	-
(1) Park Ave Realignment	1,753,397	-	121,135	-
(1) Bridges-Center/McGee	62,390	-	584,921	638,000
(5) Bridge-S. Travis	-	600,000	-	-
(1) TxDOT 1417 & W. Travis Intersection	2,500	-	1,040	-
(1) Lamberth Rd Thoroughfare	375	500,000	474,770	-
(6) Lamberth Rd Thoroughfare	-	-	-	4,600,000
(1) Taylor St Extension Eng & ROW/McGee St Ext	1,405	540,000	1,545,366	-
(1) Ramp Resersal Northbound 75 at FM 1417	33,084	-	-	-
(1) Friendship ROW 56 to Lamberth	105	600,000	579,400	
(6) Friendship ROW 56 to Lamberth	-	-	-	1,750,000
(2) Flanary Rd and Progress Dr Ext/Imp	2,940	-	-	-
(2) Progress Dr - Progress Rail to Flanary	-	-	-	2,100,000
(2) Flanary - FM 1417 to Progress Dr.	-	-	-	3,900,000
(2) Flanary-2,175' S of Progress to Shepherd	-	-	-	600,000
(3) UB Remodel	2,200	-	-	-
(3) Quail Run Park	250,000	-	-	-
(3) Police Firing Range	5,036	-	-	-
(3) Renovate Cemetery & Maint Bldg	27,703	-	-	-
(3) Self check-out stations RFID	39,126	-	-	-
(3) (Necessity) Station No. 1 roof replacement	55,900	-	-	-
(3) New police station - site and design	842,487	-	-	-
(3) Land Sale at W. Travis & FM 1417	6,178	-	1,947	-
(3) Central Fire Brick Repair	3,500	-	-	-
(3) Auditorium Chiller	-	-	188,000	-
(3) Bel Air Blvd Construction Ph I	92,998	-	1,407,002	-
(3) Recreation Center Study	-	40,000	40,000	-
(3) Call Recording Software	-	70,000	70,000	-
(3) FM 1417 signal at Bel Air Blvd Design	-	75,000	75,000	-
(3) MLK Restrooms (partial CDBG funded $240,000)	-	90,000	90,000	-
(3) Comprehensive Master Plan	-	100,000	100,000	-
(3) Watchguard video evidence platform	193,586	100,790	100,790	92,796
(3) Re-construct San Miguel cul-de-sac	-	110,000	110,000	-
(3) Fairview Basketball	-	150,000	150,000	-
(3) Airport Pavement Maintenance-City match	-	182,500	-	182,500
(3) Replace Fiber from Muni to PD	-	235,000	-	-
(3) Expand Fairview tennis courts; pickleball	-	240,000	340,000	-

	Actual 2020-2021	Adjusted Budget 2021-2022	Projected 2021-2022	Requested 2022-2023
(3) Pecan Grove West shading	-	270,000	270,000	-
(3) Beach Club Blvd design	-	300,000	300,000	-
(6) Beach Club Blvd Construction	-	-	-	2,600,000
(3) Emergency Backup Generators at Sta 3 & 5	-	-	-	125,000
(3) Replace Animal Services Storage Bldg	-	-	-	42,000
(3) Design of Dog Bldg	-	-	-	10,000
(4) Sign Table	-	17,500	17,795	-
(4) Additional Parking Sta 2	-	20,000	-	-
(4) Latex Printer Sign Shop	-	20,500	18,165	-
(4) Privacy Fence Sta 3	-	25,000	25,000	-
(4) Front Fence & Gate for Sta 5.5	-	35,000	15,000	-
(3) Enclose Carport Sta. 5.5	-	-	14,800	-
(4) Pecan Grove West Electrical Upgrade	-	35,000	21,369	-
(4) Wanco Message Boards	-	37,000	34,082	-
(4) Trail Development The Grove	-	50,000	50,000	-
(4) Bay Doors at Sta 1,2,3, & 5	-	94,000	94,000	-
(5) Shepherd Rd Design	-	330,000	330,000	-
(6) Shepherd Dr Construction	-	-	-	8,600,000
(5) FM 1417 design/ROW - SH 56 to W. Travis	-	1,500,000	-	1,646,090
(6) FM 1417 design/ROW - SH 56 to W. Travis	-	-	-	1,653,910
(5) Bel Air Blvd Construction Ph II	-	1,500,000	-	1,500,000
(5) New police HQ - Construction	527,568	17,250,000	8,361,216	8,361,216
(5) Major Street Rebuilds	-	1,000,000	1,500,000	-
(6) Combine Fire Sta. 1 & 2	-	-	-	2,000,000
(6) Public Safety Training Facility Design	-	-	-	250,000
(6) Ballfield and Trail Lighting at PGW	-	-	-	1,350,000
(6) Electrical at PGW	-	-	-	175,000
(6) Trail Lighting and Restroom and PGE	-	-	-	650,000
(6) Northcreek Subdivision Park	-	-	-	500,000
(6) Restroom and Concession at Fairview Park	-	-	-	500,000
(6) Asphalt Pump Track at Binkley Park	-	-	-	350,000
(6) Design "Shark Tooth Park"	-	-	-	150,000
(6) Master Plan Trail Construction	-	-	-	750,000
(6) Center St Bridge at Post Oak Creek	-	-	-	750,000
(6) Sherman St Improvements	-	-	-	500,000
(6) Hospital Road Construction	-	-	-	750,000
(6) OB Groner - west of FM 1417 Design	-	-	-	500,000
(6) FM 1417 Design/ROW - Hwy 75 to RR	-	-	-	550,000
(6) McGee St Bridge Design	-	-	-	150,000
(6) Land for Future City Facilities	-	-	-	2,000,000
(7) Outdoor Chapel	-	-	-	45,000
(6) Blanton St Drainage-Birge to McGee	-	-	-	500,000
(6) Flanary Rd Alignment Study	-	-	254,185	-
(6) CIP Crew	-	-	-	375,086
(6) Transfers Out	-	-	-	224,914
Total Expenditures	7,166,489	30,626,758	20,760,431	54,221,512
Excess Revenues over Expenditures	26,738,672	(28,573,758)	(18,726,431)	(14,751,512)
Ending Fund Balance	$ 36,395,135	$ 3,024,723	$ 17,668,704	$ 2,917,192
(1) Pre-2021 CO	5,117,267	1,649,468	3,554,724	638,000
(2) SEDCO funded	2,940	-	-	6,600,000
(3) Land-sale funded/General Fund Transfer	1,518,714	1,963,290	3,257,539	452,296
(4) 2021 Tax Notes	-	334,000	275,411	-
(5) 2021 CO/Impact Fees	527,568	24,480,000	13,418,572	11,507,306
(6) 2023 CO/Impact Fees	-	2,200,000	254,185	34,978,910
(7) 2023 Tax Notes	-	-	-	45,000
Total Projects FY2023	7,166,489	30,626,758	20,760,431	54,221,512

City of Sherman
UTILITY IMPROVEMENT FUND
2022-2023 Annual Budget

	Actual 2020-2021	Budget 2021-2022	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 2,101,100	$ 870,541	$ 1,545,528	$ 141,416
Revenues				
Intergovernmental	315,076	-	103,782	-
Interest Income	4,339	12,000	10,000	10,000
Miscellaneous Revenue	-	-	-	-
Transfers In	-	825,000	-	1,600,000
Grant Revenue	457	4,675,000	6,030,750	1,843,000
Total Revenues	319,872	5,512,000	6,144,532	3,453,000
Total Funds Available	2,420,972	6,382,541	7,690,060	3,594,416
(1) Aeration Basin Upgrade & Biological Clarifier Rehab	10,332	-	-	-
(1) Brine Disposal Line	350	-	-	3,000,000
(1) Water crossing under 75 at Choctaw	10,156	-	-	-
(1) WWTP Control Building Expansion Engineering	5,250	-	-	-
(1) Moore St Sewer (through Munson Dev) (SISD $400m)	41,433	-	-	-
(1) Legacy Waterline - Engineering	143,485	-	-	-
(1) Marilee SUD	1,367	-	-	2,000,000
(1) Texoma Pkwy sewer overflow relief	17,301	-	13,375	-
(1) Laboratory facility expansion - design and engineering	8,550	-	-	-
(1) Preston Club Water Line	1,633	-	3,000	-
(1) High Country Estates Water	1,443	-	-	-
(1) Replace EDR process with RO at WTP (Engineering)	-	50,000	-	-
(1) Replace inverted siphon sewer line (Eng)	-	65,000	-	-
(1) Refurbish Rex Cruz EST-Eng	-	75,000	-	-
(1) Security Upgrades at WWTP	-	100,000	-	-
(1) Backwash tank at WTP	-	250,000	-	-
(1) Refurbish flocculation/sedimentation basin at WTP	-	250,000	27,471	-
(1) Replace Southside industrial sewer	-	250,000	-	-
(1) Concentrate Disposal Phase II Yr 1	-	400,000	-	-
(1) WWTP Main Switchgear & Electrical Upgrade	-	500,000	-	-
(1) Post Oak Creek Sanitary Sewer Improvements	-	600,000	-	-
(1) WWTP Control Building Expansion-Construction	-	1,260,000	-	-
(1) Northwest Sewer	35,754	1,823,000	-	-
(1) Bel Air Blvd Utiities Ph I	-	300,000	-	-
(1) Shepherd Utilities	-	400,000	6,493	-
(1) WTP Backup Generator - Engineering	138,000	-	34,043	-
(1) WWTP Backup Generator Engineering	89,600	-	22,400	-
(1) Legacy Waterline - Ph I	-	400,000	-	-
(1) Texoma Pump Station Backup Generator	-	900,000	-	-
(1) Legacy Waterline - Construction Ph II & III	-	1,500,000	-	-
(1) Construction-36" Water Line WTP to Shepherd	-	-	-	42,000,000
(1) Construction 36" Water Line Future Friendship ROW				16,000,000
(1) Increase UF/RO capacity by 5 MGD				11,000,000
(1) WWTP Electrical System Switchgear, ATS, Generator				6,410,000
(1) Southside Industrial Sewer Replacement				5,500,000
(1) Upsize Raw Water Pump Station #1 to 25 MGD				5,100,000
(1) Increase Clearwell High Service Pump to 25 MGD				5,000,000
(1) Lab Expansion Construction				3,200,000
(1) Downtown Sewer Line Replacements Ph I				3,000,000
(1) Emergency Backup Generator at LTPS				2,600,000
(1) Bel Air Blvd Phase II-20" surface water line				2,220,000
(1) Crossroads Sewer for Hospital				1,200,000
(1) WWTP Enhanced Treatment System Design				1,200,000
(1) SE Sewer Line-Rosedale to First				1,000,000
(1) WWTP Project Management				1,000,000
(1) Reservoir Pump Station				800,000
(1) Heritage Ranch Sewer				750,000
(1) Upsize Sewer W of Industrial Park				570,000
(1) Shepherd Place Utilities				530,000
(1) Rex Cruz EST Rehab				420,000
(1) Shepherd EST				400,000
(1) Fairview GST 6" Balance Line				170,000

(2) Replace Texoma Pkwy 12" water line	-	2,500,000	2,500,000	-
(2) Ida Road ground storage tank repair	-	3,000,000	983,000	-
(2) Heritage Ranch Lift Station	-	1,000,000	-	-
(2) WTP Land purchase	-	-	2,547,750	-
(2) WTP Backup Generator Construction	-	1,000,000	-	1,640,000
(2) Modular Office-Water Quality				203,000
(3) AWIA Security Upgrades @ WTP	-	200,000	200,000	-
(3) Dos Lagos	13,210	-	-	-
(3) WWTP Fencing/Gate Repairs	4,705	-	70,000	-
(3) Primary Clarifier #1 Rehab Engineering	14,691	-	9,419	-
(3) Center St. Utility Relocation on Hwy 75	8	-	-	-
(3) WWTP Fine Screen Rehab	-	-	50,000	-
(3) Upgrade High Country Estates water system	58,611	-	-	-
(3) Abandon old wells/pumps at High Country and Preston Club	25,277	-	-	-
(3) WTP Flow Meter Improvement	76,750	-	100,000	-
(3) Texoma Pkwy 12" main engineering	137,414	-	142,870	-
(3) Brine Line Phase II Engineering (City Funds)	40,125	-	8,000	-
(3) Abandon GST & pump station - High Country & Preston Club	-	50,000	50,000	-
(3) Upgrade water system at High Country	-	60,000	60,000	-
(3) Yearly Stream Bank Stabilization	-	100,000	100,000	-
(3) WWTP Headworks Pump	-	145,000	145,000	-
(3) Utility oversizing/annual replacements	-	200,000	200,000	250,000
(3) Lamberth Rd box culvert and manhole replacement	-	-	65,823	-
(3) Arapaho Sewer			210,000	
(3) WWTP Equalization basin blower bldg design	-	-	-	200,000
(3) Annual line replacements	-	-	-	102,000
(3) Lead & Copper Rule Revision		-		63,000
(3) Phase II High Country Water		-		60,000
(3) Lift Station Flow Metering & SCADA		-		60,000
GTUA Funding	-	(9,123,000)	-	(115,070,000)
Total Expenditures	875,444	8,255,000	7,548,644	2,578,000
Excess Revenues over Expenditures	(555,572)	(2,743,000)	(1,404,112)	875,000
Ending Fund Balance	$ 1,545,528	$ (1,872,459)	$ 141,416	$ 1,016,416

(1) GTUA Funding	115,070,000
(2) Grant Funded	1,843,000
(3) Utility Fund	735,000
(4) Impact Fees	-
Total Projects FY2022	117,648,000

City of Sherman
STREET REVOLVING FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 460,084	$ 461,770	$ 413,070
Revenues			
Sales & Service	-	-	-
Interest Income	1,686	1,300	2,000
Total Revenues	1,686	1,300	2,000
Total Funds Available	461,770	463,070	415,070
Expenditures			
Capital Expenses	-	50,000	100,000
	-	50,000	100,000
Ending Fund Balance	$ 461,770	$ 413,070	$ 315,070

City of Sherman
TIRZ #2 CONSTRUCTION FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 370,658	$ 528,688	$ 679,377
Revenues			
Property Tax	190,475	194,189	263,773
Interest Income	1,755	1,500	1,500
Total Revenues	192,230	195,689	265,273
Total Funds Available	562,888	724,377	944,650
Expenditures:			
Capital Expenses	34,199	45,000	600,000
Transfers Out	-	-	200,000
Total Expenditures	34,199	45,000	800,000
Excess Revenues over Expenditures	158,030	150,689	(534,727)
Ending Fund Balance	$ 528,688	$ 679,377	$ 144,650

City of Sherman
TIRZ #3 CONSTRUCTION FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 33,826	$ 15,478	$ 1,290
Revenues			
Property Tax	181,278	185,772	258,488
Interest Income	374	40	50
Total Revenues	181,652	185,812	258,538
Total Funds Available	215,478	201,290	259,828
Expenditures			
Capital Expenses	200,000	200,000	185,000
Transfers Out	-	-	-
Total Expenditures	200,000	200,000	185,000
Excess Revenues over Expenditures	(18,348)	(14,188)	73,538
Ending Fund Balance	$ 15,478	$ 1,290	$ 74,828

City of Sherman
REGIONAL DETENTION FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 381,358	$ 382,840	$ 265,040
Revenues			
Sales & Service	-	-	20,000
Interest Income	1,482	1,200	1,200
Total Revenues	1,482	1,200	21,200
Total Funds Available	382,840	384,040	286,240
Expenditures			
Capital Expenses	-	-	200,000
Transfers Out	-	119,000	-
Total Expenditures	-	119,000	200,000
Excess Revenues over Expenditures	1,482	(117,800)	(178,800)
Ending Fund Balance	$ 382,840	$ 265,040	$ 86,240

City of Sherman
TIRZ #5 CONSTRUCTION FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 611,156	$ 208,201	$ 59,511
Revenues			
Property Tax	67,359	70,665	94,162
Intergovernmental	64,970	67,645	90,138
Interest Income	3,715	2,000	2,000
Total Revenues	136,045	140,310	186,300
Total Funds Available	747,201	348,511	245,811
Expenditures			
Capital Expenses	250,000	-	-
Transfers Out	289,000	289,000	289,200
Total Expenditures	539,000	289,000	289,200
Excess Revenues over Expenditures	(402,955)	(148,690)	(102,900)
Ending Fund Balance	$ 208,201	$ 59,511	$ (43,389)

City of Sherman
TIRZ #6 CONSTRUCTION FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 1,202,906	$ 1,032,953	$ 866,381
Revenues			
Property Tax	26,164	28,319	36,044
Intergovernmental	25,237	27,109	27,943
Interest Income	4,646	4,000	4,000
Total Revenues	56,047	59,428	67,987
Total Funds Available	1,258,953	1,092,381	934,368
Expenditures			
Capital Expenses	-	-	700,000
Transfers Out	226,000	226,000	225,400
Total Expenditures	226,000	226,000	925,400
Excess Revenues over Expenditures	(169,953)	(166,572)	(857,413)
Ending Fund Balance	$ 1,032,953	$ 866,381	$ 8,968

City of Sherman
TIRZ #7 CONSTRUCTION FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ (10,347)	$ (103,240)	$ (200,270)
Revenues			
Property Tax	49,217	41,318	62,085
Intergovernmental	47,472	39,552	42,716
Interest Income	163	100	100
Transfers In	-	-	-
Total Revenues	96,852	80,970	104,901
Total Funds Available	86,505	(22,270)	(95,369)
Expenditures			
Capital Expenses	11,745	-	-
Transfers Out	178,000	178,000	177,400
Total Expenditures	189,745	178,000	177,400
Excess Revenues over Expenditures	(92,893)	(97,030)	(72,499)
Ending Fund Balance	$ (103,240)	$ (200,270)	$ (272,769)

City of Sherman
ROADWAY IMPACT FEES ZONE #1
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ -	$ -	$ 5,000
Revenues			
Interest Income	-	-	-
Sales & Service	-	5,000	10,000
Total Revenues	-	5,000	10,000
Total Funds Available	-	5,000	15,000
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	-
Total Expenditures	-	-	-
Excess Revenues over Expenditures	-	5,000	10,000
Ending Fund Balance	$ -	$ 5,000	$ 15,000

City of Sherman
ROADWAY IMPACT FEES ZONE #2
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ -	$ -	$ 100,000
Revenues			
Interest Income	-	-	-
Sales & Service	-	100,000	200,000
Total Revenues	-	100,000	200,000
Total Funds Available	-	100,000	300,000
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	-
Total Expenditures	-	-	-
Excess Revenues over Expenditures	-	100,000	200,000
Ending Fund Balance	$ -	$ 100,000	$ 300,000

City of Sherman
ROADWAY IMPACT FEES ZONE #3
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ -	$ 1,056	$ 41,056
Revenues			
Interest Income	-	-	-
Sales & Service	1,056	40,000	100,000
Total Revenues	1,056	40,000	100,000
Total Funds Available	1,056	41,056	141,056
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	-
Total Expenditures	-	-	-
Excess Revenues over Expenditures	1,056	40,000	100,000
Ending Fund Balance	$ 1,056	$ 41,056	$ 141,056

City of Sherman
ROADWAY IMPACT FEES ZONE #4
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ -	$ -	$ 30,000
Revenues			
Interest Income	-	-	-
Sales & Service	-	30,000	60,000
Total Revenues	-	30,000	60,000
Total Funds Available	-	30,000	90,000
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	-
Total Expenditures	-	-	-
Excess Revenues over Expenditures	-	30,000	60,000
Ending Fund Balance	$ -	$ 30,000	$ 90,000

City of Sherman
WATER IMPACT FEES
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ -	$ -	$ 120,000
Revenues			
Interest Income	-	-	-
Sales & Service	-	120,000	1,250,000
Total Revenues	-	120,000	1,250,000
Total Funds Available	-	120,000	1,370,000
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	1,000,000
Total Expenditures	-	-	1,000,000
Excess Revenues over Expenditures	-	120,000	250,000
Ending Fund Balance	$ -	$ 120,000	$ 370,000

City of Sherman
SEWER IMPACT FEES
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ -	$ -	$ 60,000
Revenues			
Interest Income	-	-	-
Sales & Service	-	60,000	625,000
Total Revenues	-	60,000	625,000
Total Funds Available	-	60,000	685,000
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	600,000
Total Expenditures	-	-	600,000
Excess Revenues over Expenditures	-	60,000	25,000
Ending Fund Balance	$ -	$ 60,000	$ 85,000

City of Sherman
DEBT SERVICE FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 88,025	$ 58,714	$ 61,367
Revenues			
Property Tax	4,338,051	5,740,000	6,976,388
Sales Tax	-	-	-
Transfers In	1,070,645	1,069,000	1,074,000
Interest Income	0	-	-
Miscellaneous Revenue	2,576	-	-
Total Revenues	5,411,273	6,809,000	8,050,388
Total Funds Available	5,499,298	6,867,714	8,111,755
Expenditures			
Debt Service	5,435,930	6,801,847	8,045,334
Services & Charges	4,500	4,500	7,000
Transfers Out	154	-	-
Total Expenditures	5,440,584	6,806,347	8,052,334
Excess Revenues over Expenditures	(29,311)	2,653	(1,946)
Ending Fund Balance	$ 58,714	$ 61,367	$ 59,421

City of Sherman
TIRZ #1 DEBT SERVICE FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 363,841	$ 377,204	$ 378,507
Revenues			
Property Tax	324,998	321,717	478,154
Interest Income	2,118	1,200	1,200
Total Revenues	327,116	322,917	479,354
Total Funds Available	690,957	700,121	857,861
Expenditures			
Debt Service	313,553	321,414	323,378
Services & Charges	200	200	200
Total Expenditures	313,753	321,614	323,578
Excess Revenues over Expenditures	13,363	1,303	155,776
Ending Fund Balance	$ 377,204	$ 378,507	$ 534,283

City of Sherman
STORMWATER FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 1,722,589	$ 1,524,698	$ 105,867
Revenues			
Sales & Service	448,520	450,000	452,000
Fines & Penalties	-	5,000	5,000
Grant Revenue	-	1,718	-
Interest Income	920	1,000	1,000
Total Revenues	449,440	457,718	458,000
Total Funds Available	2,172,029	1,982,416	563,867
Expenditures			
Personnel	77,656	77,660	123,340
Supplies	7,178	4,109	4,109
Repair & Maintenance	29,900	61,500	62,750
Information Technology	2,127	3,510	1,740
Services & Charges	7,000	3,540	3,540
Capital Expenses	254,470	1,450,000	-
Vehicle Usage	-	7,230	8,300
Transfers Out	269,000	269,000	273,000
Fleet Services & Charges	-	-	-
Total Expenditures	647,331	1,876,549	476,779
Excess Revenues over Expenditures	(197,891)	(1,418,831)	(18,779)
Ending Fund Balance	$ 1,524,698	$ 105,867	$ 87,088

City of Sherman
EMERGENCY 9-1-1 FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 322,985	$ 437,935	$ 290,623
Revenues			
Sales & Service	299,418	300,000	300,000
Interest Income	952	1,000	1,000
Total Revenues	300,370	301,000	301,000
Total Funds Available	623,355	738,935	591,623
Expenditures			
Personnel	108,465	108,312	108,310
Supplies	-	-	-
Repair & Maintenance	93	-	-
Services & Charges	76,862	180,000	180,673
Capital Expenses	-	160,000	-
Total Expenditures	185,420	448,312	288,983
Excess Revenues over Expenditures	114,950	(147,312)	12,017
Ending Fund Balance	$ 437,935	$ 290,623	$ 302,640

City of Sherman
COURT SECURITY & TECHNOLOGY FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 58,265	$ 62,114	$ 83,864
Revenues			
Fines & Penalties	29,011	30,250	30,250
Interest Income	199	200	100
Total Revenues	29,210	30,450	30,350
Total Funds Available	87,475	92,564	114,214
Expenditures			
Supplies	528	6,300	5,000
Repair & Maintenance	23,092	600	372
Services & Charges	1,742	1,800	3,700
Capital Expenses	-	-	-
Total Expenditures	25,362	8,700	9,072
Excess Revenues over Expenditures	3,849	21,750	21,278
Ending Fund Balance	$ 62,114	$ 83,864	$ 105,142

City of Sherman
PARKS PRIDE FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 19,813	$ 17,786	$ 8,311
Revenues			
Miscellaneous Revenue	21,648	22,500	21,500
Interest Income	107	25	25
Total Revenues	21,755	22,525	21,525
Total Funds Available	41,568	40,311	29,836
Expenditures			
Services & Charges	7,397	32,000	20,000
Capital Expenses	16,386	25,705	-
Total Expenditures	23,782	57,705	20,000
Excess Revenues over Expenditures	(2,027)	(35,180)	1,525
Ending Fund Balance	$ 17,786	$ 8,311	$ 9,836

City of Sherman
POLICE PRIDE FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 8,038	$ 16,648	$ 22,698
Revenues			
Miscellaneous Revenue	10,398	10,000	10,500
Interest Income	48	50	50
Total Revenues	10,446	10,050	10,550
Total Funds Available	18,484	26,698	33,248
Expenditures			
Supplies	-	-	-
Services & Charges	1,836	4,000	5,000
Capital Expenses	-	-	18,000
Total Expenditures	1,836	4,000	23,000
Excess Revenues over Expenditures	8,610	6,050	(12,450)
Ending Fund Balance	$ 16,648	$ 22,698	$ 10,248

City of Sherman
DONATIONS FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 5,687	$ 7,997	$ 5,022
Revenues			
Miscellaneous Revenue	11,212	12,000	12,000
Interest Income	33	25	25
Total Revenues	11,245	12,025	12,025
Total Funds Available	16,932	20,022	17,047
Expenditures			
Supplies	8,935	15,000	15,000
Excess Revenues over Expenditures	2,310	(2,975)	(2,975)
Ending Fund Balance	$ 7,997	$ 5,022	$ 2,047

City of Sherman
HOTEL/MOTEL TAX FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ (46,190)	$ 8,755	$ 137,761
Revenues			
Hotel-Motel Taxes	608,253	689,000	733,000
Fines & Penalties	2	-	-
Miscellaneous Revenue	250	-	-
Interest Income	2	20	-
Sales & Service	69,222	65,000	70,000
Rentals	15,875	24,000	24,000
Grant Revenue	2,406	5,886	-
Transfers In	210,000	260,000	-
Total Revenues	906,010	1,043,906	827,000
Total Funds Available	859,820	1,052,661	964,761
Expenditures			
Personnel	202,586	225,710	232,800
Supplies	15,814	27,550	17,600
Repair & Maintenance	18,243	25,000	34,000
Utilities	35,441	27,570	30,720
Information Technology	3,191	15,770	15,590
Services & Charges	467,299	486,300	443,600
Vehicle Usage	-	-	13,510
Capital Expenses	-	-	-
Transfers Out	108,490	107,000	109,000
Total Expenditures	851,065	914,900	896,820
Excess Revenues over Expenditures	54,945	129,006	(69,820)
Ending Fund Balance	$ 8,755	$ 137,761	$ 67,941

City of Sherman
DRUG ENFORCEMENT FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 205,702	$ 215,820	$ 115,351
Revenues			
Fines & Penalties	17,500	100,000	100,000
Interest Income	544	400	400
Total Revenues	18,044	100,400	100,400
Total Funds Available	223,746	316,220	215,751
Expenditures			
Supplies	3,599	6,100	80,700
Repair & Maintenance	-	-	27,000
Services & Charges	4,328	4,000	5,000
Capital Expenses	-	190,769	-
Fleet Services & Charges	-	-	-
Total Expenditures	7,927	200,869	112,700
Excess Revenues over Expenditures	10,118	(100,469)	(12,300)
Ending Fund Balance	$ 215,820	$ 115,351	$ 103,051

City of Sherman
MUNICIPAL AIRPORT FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 153,381	$ 58,747	$ 3,397
Revenues			
Interest Income	524	250	250
Rentals	90,376	131,000	134,000
Sales & Service	375,303	425,000	425,000
Grant Revenue	19,304	50,000	50,000
Miscellaneous Revenue	-	-	-
Total Revenues	485,506	606,250	609,250
Total Funds Available	638,887	664,997 -	612,647
Expenditures			
Supplies	357,612	396,200	396,250
Repair & Maintenance	7,223	19,170	8,995
Services & Charges	84,441	135,820	86,105
Utilities	14,612	10,410	11,490
Vehicle Usage	-	-	-
Capital Expenses	116,252	100,000	100,000
Total Expenditures	580,140	661,600	602,840
Excess Revenues over Expenditures	(94,634)	(55,350)	6,410
Ending Fund Balance	$ 58,747	$ 3,397	$ 9,807

City of Sherman
EMPLOYEE INSURANCE FUND
2022-2023 Annual Budget

	Actual 2020-2021	Budget 2021-2022	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 122,163	$ 374,093	$ 511,656	$ 310,306
Revenues				
Employer Contributions	4,303,701	4,294,170	4,443,150	4,847,750
Employee Contributions	963,713	960,000	975,000	975,000
Retiree Contributions	213,089	211,000	200,000	200,000
COBRA Contributions	885	-	5,000	2,000
Miscellaneous Revenue	-	-	-	-
Interest Income	2,406	-	2,500	2,500
Total Revenues	5,483,794	5,465,170	5,625,650	6,027,250
Total Funds Available	5,605,957	5,839,263	6,137,306	6,337,556
Expenditures				
Health Insurance Claims	4,018,305	4,300,000	4,665,000	4,929,000
Administration & Premiums	1,039,769	1,125,000	1,125,000	1,233,000
Life Insurance Premiums	36,227	42,000	37,000	43,000
Transfers Out	-	-	-	-
Total Expenditures	5,094,301	5,467,000	5,827,000	6,205,000
Excess Revenues over Expenditures	389,493	(1,830)	(201,350)	(177,750)
Ending Fund Balance	$ 511,656	$ 372,263	$ 310,306	$ 132,556

City of Sherman
INFORMATION TECHNOLOGY FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 101,433	$ 125,564	$ 141,128
Revenues			
Technology Services:			
General Fund	715,897	1,180,775	1,259,265
Stormwater	2,127	3,510	1,740
Tourism	3,191	15,770	15,590
Equipment Services Fund	32,976	52,570	60,630
Utility Fund	203,174	332,940	332,630
Solid Waste Fund	57,442	98,120	100,470
Interest Income	230	200	-
Grant Revenue	-	15,064	-
Miscellaneous Revenue	4,325	300	-
Total Revenues	1,019,362	1,699,249	1,770,325
Total Funds Available	1,120,796	1,824,813	1,911,453
Expenditures			
Personnel	600,473	829,800	1,003,640
Supplies	53,068	76,409	76,547
Repair & Maintenance	132,463	183,545	173,113
Utilities	38,463	42,620	54,230
Services & Charges	68,281	323,382	284,294
Capital Expenses	102,483	227,929	178,500
Total Expenditures	995,232	1,683,685	1,770,324
Excess Revenues over Expenditures	24,131	15,564	1
Ending Fund Balance	$ 125,564	$ 141,128	$ 141,129

City of Sherman
EQUIPMENT SERVICES FUND
2022-2023 Annual Budget

	Actual 2020-2021	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ 5,353	$ (3,984)	$ 67,065
Revenues			
Internal Service Revenue	3,506,623	3,999,647	4,374,490
Interest Income	-	-	-
Grant Revenue	-	26,719	-
Miscellaneous Revenue	-	600	-
Total Revenues	3,506,623	4,026,966	4,374,490
Total Funds Available	3,511,976	4,022,982	4,441,555
Expenditures			
Personnel	999,317	1,103,090	1,209,950
Supplies	798,926	1,179,675	1,276,649
Repair & Maintenance	1,304,490	1,225,318	1,354,439
Utilities	16,141	14,940	16,000
Information Technology	32,976	52,570	60,630
Services & Charges	336,693	327,324	357,259
Capital Expenses	27,416	53,000	11,000
Fleet Services & Charges	-	-	75,000
Vehicle Usage	-	-	-
Total Expenditures	3,515,960	3,955,917	4,360,927
Excess Revenues over Expenditures	(9,337)	71,049	13,563
Ending Fund Balance	$ (3,984)	$ 67,065	$ 80,628

City of Sherman
FLEET REPLACEMENT FUND
2022-2023 Annual Budget

	Actual 2020-2021	Adjusted Budget 2021-2022	Projected 2021-2022	Requested 2022-2023
Beginning Fund Balance	$ (244,409)	$ 1,767,693	$ 1,421,678	$ 86,427
Revenues				
Fleet Replacement Revenue	1,612,036	1,865,386	2,313,454	2,213,380
Property Tax	400,949	-	698,333	1,472,000
Interest Income	1,552	200	2,500	-
Debt Proceeds	1,980,000	1,434,352	1,758,688	4,873,103
Miscellaneous Revenue	187,586	-	-	-
Total Revenues	4,182,123	3,299,938	4,772,975	8,558,483
Total Funds Available	3,937,715	5,067,631	6,194,653	8,644,910
Expenditures				
Debt Service	758,985	758,984	1,456,768	2,230,185
Supplies	-	-	8,652	-
Services & Charges	32,731	-	-	-
Capital Expenses	1,724,321	4,006,627	4,642,806	6,327,498
Total Expenditures	2,516,037	4,765,611	6,108,226	8,557,683
Excess Revenues over Expenditures	1,666,087	(1,465,673)	(1,335,251)	800
Ending Fund Balance	$ 1,421,678	$ 302,020	$ 86,427	$ 87,227

BUDGET FY22/23

FUND	DETAILS	*Expense TRANSFER FROM* Debit	*Revenue TRANSFER TO* Credit
100	From fund 700 5% franchise, admin cost		$ 2,775,000.00
	From fund 790, dept 243, 244		$ 912,000.00
	From 790, CSW truck debt service		$ 185,716.00
	From 700, Utility equip debt service		$ 152,112.00
	From fund 222, CIP crew		$ 224,914.00
100	To fund 222, capital projects	$ 375,000.00	
222	To fund 100, capital projects	$ 224,914.00	
	To fund 100, capital projects		$ 375,000.00
241	To fund 300, debt service	$ 289,200.00	
242	To fund 300, debt service	$ 225,400.00	
243	To fund 300, debt service	$ 177,400.00	
300	From fund 420, debt service		$ 273,000.00
	From fund 241, debt service		$ 289,200.00
	From fund 242, debt service		$ 225,400.00
	From fund 243, debt service		$ 177,400.00
	From fund 460, debt service		$ 109,000.00
330	To Fund 700, downtown imp debt service	$ 200,000.00	
420	To fund 300, debt service	$ 273,000.00	
460	To fund 300, debt service	$ 109,000.00	
	From fund 100, fund balance		
700	To fund 100 5% franchise, admin cost	$ 2,775,000.00	
700	From fund 790, admin cost		$ 206,000.00
	From fund 330, downtown imp debt service		$ 200,000.00
700	To fund 100, utility equip debt service	$ 152,112.00	
750	To fund 770, capital improvements	$ 1,000,000.00	
751	To fund 770, capital improvements	$ 600,000.00	
770	From fund 750 & 751, capital improvements		$ 1,600,000.00
790	To fund 100 8% franchise, admin cost RSW	$ 251,000.00	
790	To fund 100 8% franchise, admin cost CSW	$ 661,000.00	
790	To fund 700 admin cost	$ 206,000.00	
790	To fund 100, CSW truck debt service	$ 185,716.00	
	TOTALS	$ 7,704,742.00	$ 7,704,742.00
			$ -

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 4.**

Meeting Date: 07/18/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Final Plat approval of Three Oaks Addition Section 2, being 50.908 acres in the Preston Kitchens Survey, Abstract No. 667; Kirk Allen, Three Oaks Development & Construction, Owner and Underwood Drafting & Surveying, Inc., Surveyor (300-400 Blocks East Sherman Street)

Issue:

To consider Final Plat approval of Three Oaks Addition Section 2, being 50.908 acres in the Preston Kitchens Survey, Abstract No. 667; Kirk Allen, Three Oaks Development & Construction, Owner and Underwood Drafting & Surveying, Inc., Surveyor (300-400 Blocks East Sherman Street)

Background:

The property is located in the 300-400 blocks of East Sherman Street between South East and South Crockett Streets and is zoned R-1 (One-Family Residential) District. The owner would like to plat the property into 82 lots for residential development. They are also requesting a Specific Use Permit and Site Plan approval to allow Patio homes in an R-1 (One-Family Residential) District.

Origination:

Kirk Allen, Three Oaks Development & Construction (Owner)
Underwood Drafting & Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted unanimously to recommend to the City Council that the final plat be approved subject to the Staff Review Letter. Staff also recommends that this plat be approved conditional on the approval of the Specific Use Permit for Patio Homes in item E. 6., Ordinance No. 6504

Alternatives:

None

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Final Plat
Staff Review Letter
P&Z Communication

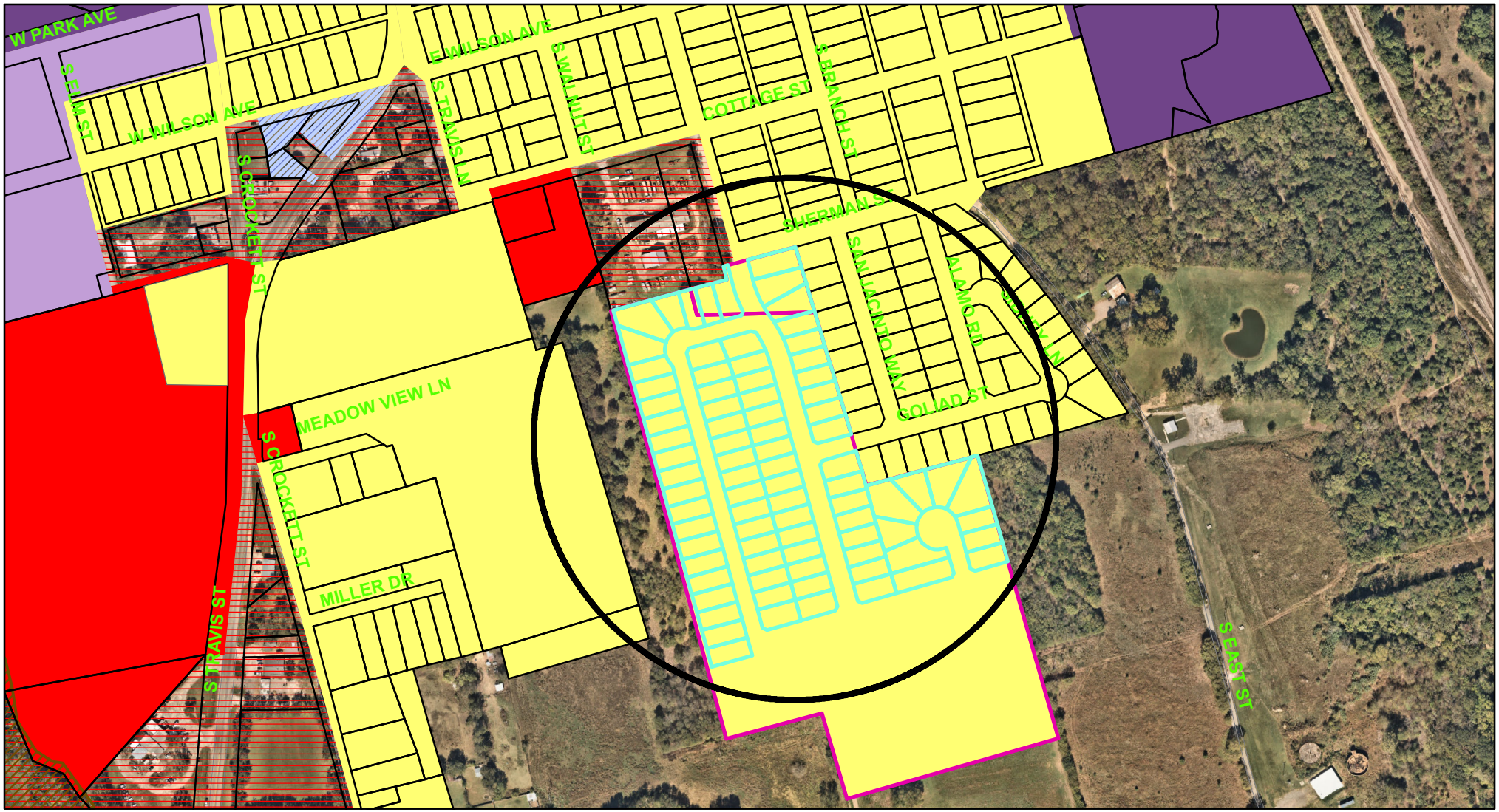
Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

300-400 BLOCKS E. SHERMAN ST. & 2200 BLOCK S. MONTGOMERY ST.

NOT TO SCALE

1 in = 275 ft



Zoning - 300-400 Blocks East Sherman Street & 2200 Block S. Montgomery Street

Legend

Special Districts Overlay
DISTRICT_NAME
- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor
Representation: ShermGIS.DBO.TransportationCorridor_Rep_1
- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts
Representation: ShermGIS.DBO.ZoningDistrict_Rep
- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

NOT TO SCALE

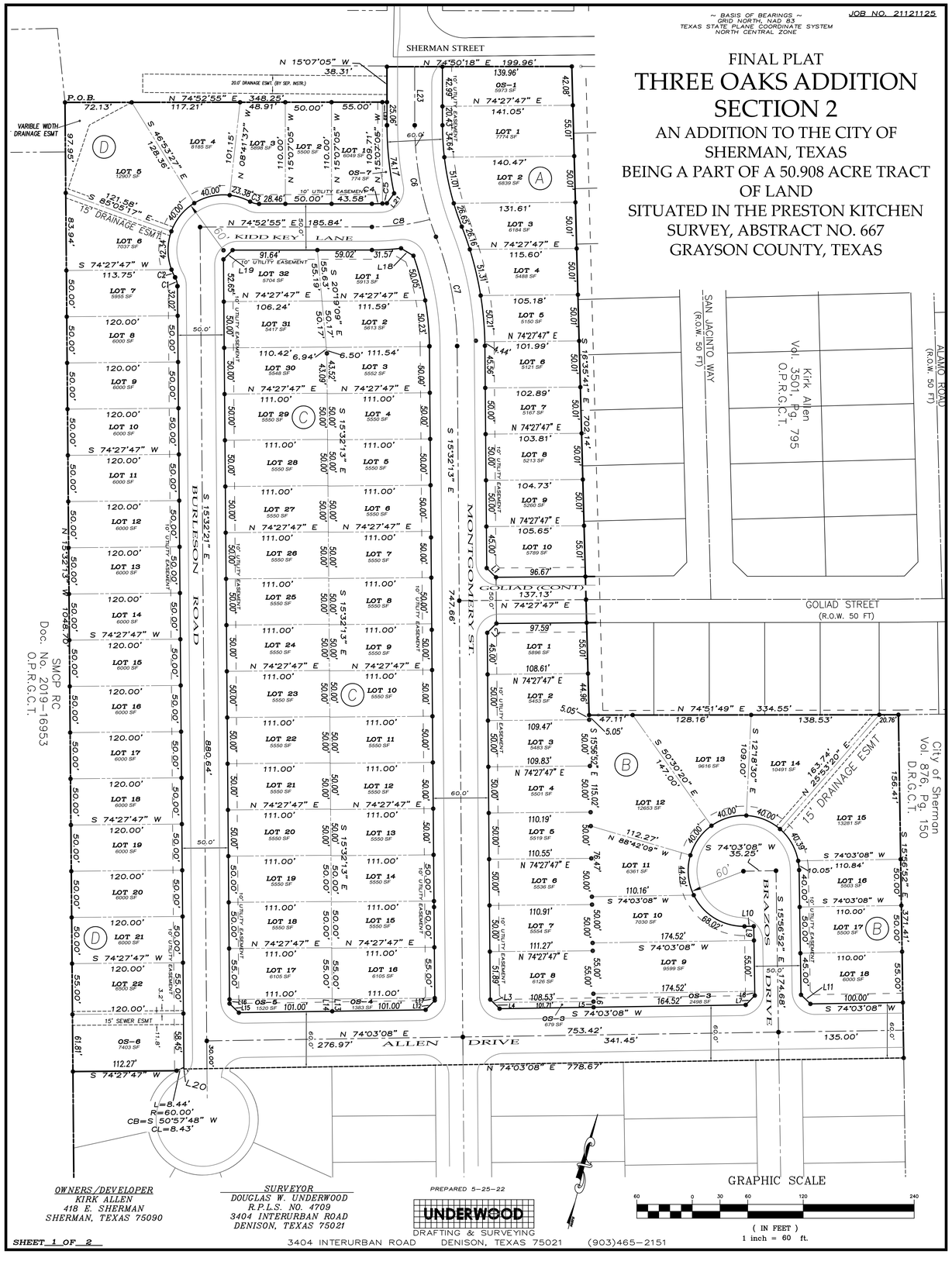
1 in = 400 ft

300-400 E. SHERMAN ST.

JOB NO. 21121125

~ BASIS OF BEARINGS ~
GRID NORTH, NAD 83
TEXAS STATE PLANE COORDINATE SYSTEM
NORTH CENTRAL ZONE

FINAL PLAT
THREE OAKS ADDITION SECTION 2
AN ADDITION TO THE CITY OF SHERMAN, TEXAS
BEING A PART OF A 50.908 ACRE TRACT OF LAND
SITUATED IN THE PRESTON KITCHEN SURVEY, ABSTRACT NO. 667
GRAYSON COUNTY, TEXAS



CURVE TABLE				
CURVE	RADIUS	ARC	CHORD BEARING	CHORD	DELTA ANGLE
C1	20.00'	10.04'	N 29°54'47" W	9.93'	28°45'07"
C2	59.99'	9.19'	N 39°54'11" W	9.18'	8°46'22"
C3	20.00'	10.04'	N 89°15'29" E	9.93'	28°45'07"
C4	225.07'	11.42'	N 73°25'40" E	11.42'	2°54'27"
C5	225.25'	4.85'	N 71°27'27" E	4.85'	1°14'01"
C6	330.00'	123.52'	S 25°50'29" E	122.80'	21°26'48"
C7	330.00'	91.11'	S 42°31'11" E	90.83'	15°49'40"
C8	250.00'	63.24'	N 67°38'05" E	63.07'	14°29'40"

OWNERS/DEVELOPER
KIRK ALLEN
418 E. SHERMAN
SHERMAN, TEXAS 75090

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS 75021

PREPARED 5-25-22

UNDERWOOD DRAFTING & SURVEYING
3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

JOB NO. 21121125

LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, being a part of the Preston Kitchens Survey, Abstract No. 667, and being a part of that same tract of land described as 50.908 acres conveyed to Harold and Patsy Falk by deed recorded in Volume 1616, Page 664, Deed Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows:

Beginning at a set 1/2" steel rod at the northwest corner of said 50.908 acre tract;

Thence with the north line of said 50.908 acre tract the following calls and distances:
North 74°52'55" East a distance of 348.25 feet to a set 1/2" steel rod;
North 15°07'05" West a distance of 38.31 feet to a set 1/2" steel rod;
North 74°50'18" East a distance of 199.96 feet to a set 1/2" steel rod;

Thence South 16°35'41" East a distance of 702.14 feet to a set 1/2" steel rod;

Thence North 74°51'49" East a distance of 334.55 feet to a set 1/2" steel rod;

Thence South 15°56'52" East a distance of 371.41 feet to a set 1/2" steel rod;

Thence South 74°03'08" West a distance of 778.67 feet to a set 1/2" steel rod;

Thence North 15°32'13" West a distance of 1.55 fee to a set 1/2" steel rod ;

Thence with a non-tangent curve to the left having a radius of 60.00 feet, (chord bears South 50°57'48" West, a distance of 8.43 feet) an arc length of 8.44 feet to a set 1/2" steel rod ;

Thence South 74°27'47" West a distance of 112.27 feet to a set 1/2" steel rod;

Thence North 15°32'13" West a distance of 1048.70 to the Point of Beginning and containing 16.421 acres of land.

ACCEPTANCE

Approved this _____ day of _____,2022, by Operation of the Law.

_____ _____
Chairman Secretary

CERTIFICATE OF ACCEPTANCE OF DEDICATION

Accepted by the City Council of the City of Sherman

_____ _____
Mayor, City of Sherman, Texas Date

CERTIFICATE OF COMPLIANCE

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, THREE OAKS ADDITION SECTION 2, an addition to the City of Sherman, Texas, was submitted to the City Council on the ___day of _____ 2022, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as herein above subscribed.

Witness my hand this_____day of _____ ,2022.

_____
Clerk, City of Sherman, Texas

AVIGATION RELEASE

THE STATE OF TEXAS
COUNTY OF GRAYSON

WHEREAS, THREE OAKS DEVELOPMENT AND CONSTRUCTION, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as THREE OAKS ADDITION SECTION 2, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed for navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER'S described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property, and OWNER does hereby fully remise and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at THREE OAKS ADDITION SECTION 2, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

EXECUTED THIS _____ DAY OF _____, 2022

BY: THREE OAKS DEVELOPMENT AND CONSTRUCTION

BY: _____

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 60°32'13" W	14.14'
L2	N 29°27'47" E	14.14'
L3	S 60°44'33" E	4.42'
L4	S 60°44'33" E	9.67'
L5	N 15°56'52" W	8.09'
L6	N 15°56'52" W	14.60'
L7	N 29°15'08" E	14.14'
L8	N 15°56'52" W	4.60'
L9	N 15°56'52" W	15.40'
L10	N 74°03'08" E	10.00'
L11	S 60°56'52" E	14.14'
L12	S 29°15'08" W	14.19'
L13	N 15°32'13" W	13.31'
L14	S 15°32'13" E	13.74'
L15	N 60°44'33" W	14.09'
L16	N 15°32'13" W	4.54'
L17	N 15°32'13" W	6.21'
L18	N 74°27'47" E	15.63'
L19	N 29°40'21" W	14.09'
L20	N 15°32'13" W	1.55'
L21	N 29°52'25" E	13.23'
L22	N 74°52'55" E	5.00'
L23	S 15°07'05" E	63.37'

OWNERS/DEVELOPER
KIRK ALLEN
418 E. SHERMAN
SHERMAN, TEXAS 75090

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS 75021

JOB NO. 21121125

OWNERS DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

THAT We, Kirk Allen and Kari Allen do hereby adopt this plat designating the hereinabove property as the THREE OAKS ADDITION SECTION 2, an addition to the City of Sherman, and do hereby dedicate to the public use forever the streets and easements shown on this plat for the mutual use and accommodation of all public and private utilities desiring to use or using same. Any public or private utility shall have the right to remove and keep removed all or part or any buildings, fences, trees, shrubs or other improvements or growths which in anyway endanger or interfere with the construction, maintenance, or efficiency of its respective systems on any of these easements strips and any public or private utility shall, at all times, have a right of ingress and egress to and from and upon the said easement strips for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or part of its respective system without the permission of anyone. This plat approved subject to all ordinances, rules regulations and resolutions of the City of Sherman, Texas.

WITNESS MY HAND this_____ day of_____ ,2022

_____
Kirk Allen

_____
Kari Allen, by Kirk Allen (by Power of Attorney)

STATE OF TEXAS
COUNTY OF GRAYSON

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE this___day of_____, 2022.

_____
Notary Public in and for
the State of Texas
Commission Expires: _____

CERTIFICATE OF ACCEPTANCE

Approved by Operation of Law on _____

_____ _____
Mayor, City of Sherman, Texas Date

The undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing plat of Three Oaks Addition Section 2, an addition to the City of Sherman has thereby been authorized to accept the dedication of streets, alleys, easements and public places as shown and set forth in and upon said map or plat and further authorized the Mayor to note the acceptance thereof by signing his name as hereinabove subscribed.

Witness my hand this ___day of_____ , A.D. 2022.

_____
Clerk, City of Sherman, Texas

PLANNING AND ZONING COMMISSION CERTIFICATE OF ACCEPTANCE

Accepted this ___day of_____, 2022 , by the City Planning and Zoning Commission of the City of Sherman, Texas.

_____ _____
Chairman Secretary

SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

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

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

~ GENERAL NOTES ~

1. Water Supply to be provided by the City of Sherman.
2. Sewer Service to be provided by the City of Sherman
3. Electrical service is provided by Oncor Electrical Delivery.
4. Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the floodway is prohibited.
5. Any existing creeks or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
6. The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or drainage easements for the control of erosion.
7. Neither the City of Sherman nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
8. The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
9. Bearings are based on the City of Sherman Control Monument Network.
10. The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.
11. Part of the subject property lie's within a Federal Emergency Management Agency (FEMA) designated flood plain as shown by FIRM Map No. 48181C0405F, Dated September 29, 2010.
12. Offsite Detention to be owned and maintained by Home Owners Association.
13. Part of Branch Street has been abandoned by City of Sherman Ordinance 6293 (Instrument No. 2020-11854)
14. Part of East Street has been abandoned by City of Sherman Ordinance 6294 (Instrument No. 2020-11832 and corrected in 2020-33627)

FINAL PLAT
THREE OAKS ADDITION SECTION 2
AN ADDITION TO THE CITY OF SHERMAN, TEXAS
BEING A PART OF A 50.908 ACRE TRACT SITUATED IN THE PRESTON KITCHEN SURVEY, ABSTRACT NO. 667
GRAYSON COUNTY, TEXAS

PREPARED 05-25-22

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

June 10, 2022

Kirk Allen
418 E. Sherman
Sherman, TX 75090

Underwood Drafting & Surveying, Inc.
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request for approval of the Final Plat of Three Oaks Addition, Section 2 has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, June 21, 2022 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Check with United States Postal Service (972-393-6326) for establishing the method or mode of mail delivery, the type of mailbox and location of the mailbox for each street delivery address. Centralized delivery is the preferred method of mail delivery.
2. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*
3. Lot boundary lines not fully shown in Block B. Correct appropriately. *Code of Ordinances Chapter 10, Exhibit A, Sec.6(B)(7)*
4. Open Space lots to be owned and maintained by HOA with ownership and maintenance information shown in General Notes of plat.
5. Three Party Agreement required for Public Infrastructure.
6. Civil Engineering plans shall be provided to the Engineering Department for review and approval. Plat to reflect changes upon Engineering review. *Code of Ordinances Chapter 10, Exhibit A, Sec. 12, Code of Ordinances Chapter 10, Exhibit A, Sec. 15.*
7. Off-site easements required per Engineering review shall be filed via separate instrument and filing information to be shown on plat.
8. Dimensions of variable width Drainage Easement in Lot 5, Block D to be shown on plat. Coordinate with Engineering Department.
9. Verify cul-de-sacs and knuckles meet standard. *Code of Ordinances Chapter 3.02.002(c)(37)*
10. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.

11. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*
12. Upon final staff approval, 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 16.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

300-400 BLOCKS EAST SHERMAN STREET

The request of Kirk Allen, Three Oaks Development & Construction (Owner) and Underwood Drafting & Surveying, Inc. (Surveyor) concerning the property in the 300-400 Blocks East Sherman Street, being 50.908 acres in the Preston Kitchens Survey, Abstract No. 667, as follows:

Planning and Zoning Commission

A. Specific Use Permit and Site Plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow Patio Homes in an R-1 (One-Family Residential) District.
B. Final Plat approval of Three Oaks Addition Section 2.

Background:

The property is located in the 300-400 Blocks East Sherman Street between South East and South Crockett Streets and is zoned R-1 (One-Family Residential) District.
The owner would like to plat the property into 82 lots for residential development. They are also requesting a Specific Use Permit and Site Plan approval to allow Patio homes in an R-1 (One-Family Residential) District.

Adjacent Zoning:

R-1 (One Family Residential) District
C-2 (General Commercial) District
Extra Territorial Jurisdiction (ETJ)

Origination:

Kirk Allen, Three Oaks Development & Construction (Owner)
Underwood Drafting & Surveying, Inc. (Surveyor)

Master Plan Designation:

Not included in the Master Plan

Number of notices mailed:
12

Objections Received:
0

Development Review Meeting:
Yes

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Final Plat
Site Plan
Staff Review Letter-SUP
Staff Review Letter-PLAT

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 5.**

Meeting Date: 07/18/2022

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

**** OTHER BUSINESS***

Approve Quarterly Investment Report for Quarter Ended June 30, 2022

Issue:

To approve the Investment Report for the quarterly period ended June 30, 2022

Background:

These reports are being presented in accordance with the state law that requires at least quarterly presentation to the Council. A separate report is included for the debt proceeds as required by the Investment Policy. The reports were given to the Investment Committee prior to submittal to the Council.

As of June 30, 2022, the portfolios were in compliance with applicable state laws and the Investment Policy. The operating investment portfolio had a book value of about $25.4 million, an increase of about $2.2 million from prior quarter of $23.2 million, due to purchases of $1 million in U.S. Agencies, $0.3 million in Texas political subdivision securities and maturities of $1.5 million in Certificates of Deposit, $1.0 million in U.S. Agency Securities and withdrawals of $0.8 million from FDIC Insured Investments. The underlying investments were adequately diversified among six different types of securities. This portfolio is appropriately liquid; and its weighted-average maturity was about 421 days, a decrease from 467 days at the end of last quarter. The portfolio yield of 0.59% is the below the benchmark yield of 2.8%. Market value approximates book value.

The debt proceeds portfolio balance of $28.4 million was invested in Local Government Investment Pools, an FDIC insured investment account and U.S. Agency securities. Transactions in this portfolio consist of payments for capital projects and the receipt of interest income. The yield of 0.58% was below the benchmark yield of 1.28%. Market value approximates book value.

Origination:

Finance Department

Financial Consideration:

None

Staff Recommendation:

It is recommended that the Council accept the Investment Report as presented.

Alternatives:

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

Attachments

2022-06-30 Investment Reports

Sherman
CLASSIC TOWN. BROAD HORIZON.

memorandum

DATE: Tuesday, July 12, 2022

TO: The City of Sherman Investment Committee
Councilman Juston Dobbs
Deputy Mayor Pam Howeth
Robby Hefton, City Manager

FROM: Mary Lawrence, Director of Finance ml

SUBJECT: Investment Reports for the Quarter Ended June 30, 2022

Enclosed is a copy of the quarterly investment reports for June 30, 2022. As of that date, the City was in compliance with all applicable state laws and internal policies for the portfolio.

The total operating portfolio market value of about $25.4 million increased by about $2.2 million from the previous quarter due to deposits of $4.2 million placed in Local Government Investment Pools, and purchases of $1.0 million in U.S. Agency Securities, $0.3 million in State of Texas Policitical Subdivision Obligations and maturities of $1.5 million in Certificates of Deposit, $1.0 million in U.S. Agency Securities and withdrawals of $0.8 million from FDIC Insured Investments. The underlying investments were adequately diversified among six different types of securities. The portfolio's weighted-average maturity of 421 days decreased from 467 days last quarter. The portfolio yield of .59% was 221 basis point below our benchmark 1-year Constant Maturity Treasury Index. Book value approximated market value.

The debt proceeds portfolio balance of $28.4 million had decreased by about $7.0 million due to payments for capital projects. The portfolio includes a Local Government Investment Pool, an FDIC insured investment account and U.S. Agencies. The portfolio's weighted-average maturity of 60 days increased from 53 days last quarter. The portfolio yield of 0.58% was 70 basis points below the benchmark yield for this portfolio, the 4-week Constant Maturity Index, of 1.28%. Book value approximated market value.

The investment reports will be on the July 18, 2022 City Council agenda for their review and approval. Please call me if you have any questions about this item.

attachment (as stated above)

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CITY OF SHERMAN, TEXAS
INVESTMENT PORTFOLIO SUMMARY
For the Quarter Ending June 30, 2022

Total Portfolio Summary

	Current Quarter 06/30/2022	Prior Quarter 3/31/2022	Change From Prior Quarter
Book Value	$ 25,395,529	$ 23,231,842	$ 2,163,687
Market Value	$ 24,941,632	$ 22,877,334	$ 2,064,298
Weighted Average Maturity - Days	421	467	(46)
Weighted Average Yield	0.59%	0.57%	0.02%
Earned Income	$ 50,824	$ 22,678	$ 28,146
Earned Income - Year-to-Date	$ 92,252	$ 41,428	$ 50,824

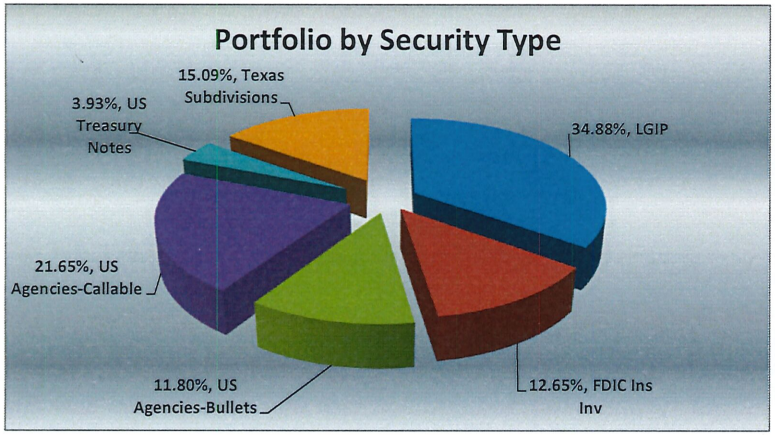
This report complies with the requirements of the public funds investment law and covers all the funds of the City of Sherman that are subject to that law.

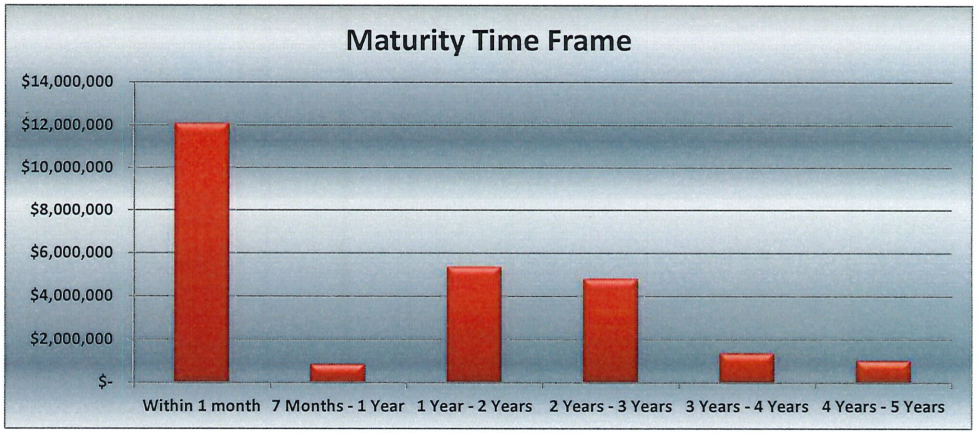
As of June 30 2022, the City's portfolio had a book value of $25.4 million and a market value of $24.9 million. Of this amount, approximately $8.9 million was held in Local Government Investment Pools (LGIP), $3.2 million was held in an FDIC Insured Investment Account, $8.5 million was held in U.S. Agency Securities, $1.0 million was held in U.S. Treasury Notes and $3.8 million was held in State of Texas political subdivision obligations.

The portfolio value increased by $2.2 million from the previous quarter due to deposits of $4.2 million placed in Local Government Investment Pools, and purchases of $1 million in US Agency Securities and $0.3 million in State of Texas political subdivision obligations. Maturities included $1.5 million in Certificates of Deposit and $1.0 million in U.S. Agency Securities. Withdrawals included $0.8 million from FDIC Insured Investments.

The weighted average yield of the portfolio was .59%, which is 221 basis points less than the 1-year Constant Maturity Treasury Index of 2.8%, and 2 basis points above the previous quarter.

The weighted average maturity of the portfolio decreased from 467 days at March 31, 2022, to 421 days at June 30, 2022.





Mary Lawrence

Mary Lawrence, Finance Director and City of Sherman Investment Officer

Jana Walker

Jana Walker, Controller and City of Sherman Investment Officer

Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN, TX
Investments Outstanding
As of 6/30/2022

CUSIP	Settlement Date	Security Type	Security Description	CPN Rate	Maturity Date	Credit Rating	Par Value	Purchase Price	Original Cost	Book Value	Market Price	Market Value	Days to Maturity	YTM
TexPool		LGIP	TexPool		7/1/2022	AAAm	$ 305,677	100.00	$ 305,677	$ 305,677	100.00	$ 305,677	1	0.68%
TexStar		LGIP	TexSTAR		7/1/2022	AAAm	111,389	100.00	111,389	111,389	100.00	111,389	1	0.65%
TexPool ARPA		LGIP	TexPool ARPA		7/1/2022	AAAm	8,441,660	100.00	8,441,659	8,441,659	100.00	8,441,659	1	0.02%
Landing Rock		FDIC Ins Inv	Landing Rock		7/1/2022		3,211,569	100.00	3,211,569	3,211,569	100.00	3,211,569	1	0.20%
977810JU5	01/05/21	Texas Subdivision	City of Wolfforth TX GO	4.00%	2/15/2023	AA-	250,000	107.58	268,955	255,612	101.46	253,640	230	0.39%
498730AX8	03/09/21	Texas Subdivision	Klondike TX ISD GO	1.00%	2/15/2023	AAA	360,000	101.74	366,253	362,022	99.56	358,429	230	0.10%
639285PW9	02/10/22	Texas Subdivision	Navarro ISD GO	5.00%	2/15/2023	AAA	200,000	104.60	209,198	205,670	102.12	204,234	230	0.46%
448474TM8	12/17/20	Texas Subdivision	City of Hutto, TX Ref Series B	2.00%	8/1/2023	AA	400,000	104.17	416,676	406,889	98.94	395,772	397	0.40%
340405MW6	12/22/20	Texas Subdivision	City of Floresville TX Elec Light Ref	4.00%	8/15/2023	A+	525,000	109.30	573,841	545,756	102.39	537,526	411	0.46%
413946PC2	06/25/20	Texas Subdivision	Harris Cnty TX MUD #278 Ref	4.00%	9/1/2023	AA	420,000	108.17	457,439	433,786	102.35	429,863	428	1.14%
02301EED9	06/16/21	Texas Subdivision	Amarillo Potter TX	4.00%	11/15/2023	AA+	445,000	108.73	483,826	467,116	102.79	457,437	503	0.37%
9128CBM2	02/22/21	US Treasury Note	US Treasury Note B Class	0.13%	2/15/2024	AA+	1,000,000	99.76	997,578	998,694	95.61	956,055	595	0.21%
3133EMVD1	04/05/21	Agency Callable	FFCB	0.33%	4/5/2024	AA+	1,000,000	100.00	1,000,000	1,000,000	95.49	954,946	645	0.33%
3130ARPN5	04/26/22	Agency Bullet	FHLB	2.61%	4/26/2024	AA+	1,000,000	100.00	1,000,000	1,000,000	99.29	992,924	666	2.61%
3130AMLM2	06/07/21	Agency Callable	FHLB	0.38%	6/7/2024	AA+	500,000	100.00	500,000	500,000	95.38	476,913	708	0.38%
811275HB5	11/23/21	Texas Subdivision	Scurry Rosser TX ISD	3.00%	8/15/2024	Aa3	205,000	106.91	219,155	216,027	101.51	208,102	777	0.45%
3136G43H4	03/29/21	Agency Callable	FHLB	0.40%	9/16/2024	AA+	1,000,000	99.850	998,500	999,043	94.53	945,275	809	0.44%
3130APNE1	11/18/21	Agency Callable	FHLB	0.90%	11/18/2024	AA+	1,000,000	100.000	1,000,000	1,000,000	95.01	950,077	872	0.90%
386166JC7	02/24/22	Texas Subdivision	Grand Praire TX TXbl Ref	3.00%	1/1/2025	AA	310,000	103.887	322,050	320,560	97.78	303,123	916	1.60%
983064YX8	03/11/21	Texas Subdivision	City of Wylie, TX GO	3.00%	2/15/2025	AA	250,000	110.740	276,852	267,946	102.00	254,999	961	0.25%
3133ENPY0-A	02/25/22	Agency Bullet	FFCB	1.75%	2/25/2025	AA+	1,000,000	99.966	999,660	999,699	97.37	973,679	971	1.76%
3133ENPY0-B	03/11/22	Agency Bullet	FFCB	1.75%	2/25/2025	AA+	1,000,000	99.513	995,913	996,415	97.00	969,995	971	1.92%
3130ARCN9	03/29/22	Agency Callable	FHLB	2.00%	9/29/2025	AA+	1,000,000	100.000	1,000,000	1,000,000	97.12	971,177	1,187	2.00%
79625GFC2	04/13/22	Texas Subdivision	San Antonio Tx Elec & Gas TXBl	3.15%	2/1/2026	AA+	350,000	100.000	350,000	350,000	97.97	342,896	1,312	3.15%
3130AMMJ8	06/06/21	Agency Callable	FHLB	0.40%	6/9/2026	AA+	1,000,000	100.000	1,000,000	1,000,000	93.43	934,277	1,440	0.40%
Total							**$ 25,285,295**		**$ 25,506,190**	**$ 25,395,529**		**$ 24,941,632**		

Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN, TX
Market Value Summary
As of 6/30/2022

CUSIP	Settle Date	Security Description	Maturity Date	Market Value 3/31/2021	Change in Market Value	Market Value 6/30/2022
TexPool		TexPool		$ 305,188	$ 489	$ 305,677
TexStar		TexStar		111,209	180	111,389
Landing Rock		Landing Rock		4,096,833	(885,264)	3,211,569
TexPool ARPA		TexPool ARPA		4,220,233	4,221,426	8,441,659
CD 197781065	6/1/2021	Simmons Bank	6/1/2022	1,501,347	(1,501,347)	-
3134GBRT1	6/29/2017	FHLMC	6/29/2022	1,003,051	(1,003,051)	-
977810JU5	1/5/2021	City of Wolfforth, TX GO	2/15/2023	255,175	(1,535)	253,640
498730AX8	3/9/2021	Klondike, TX ISD GO	2/15/2023	357,870	559	358,429
639285PW9	2/10/2022	Navarro ISD GO	2/15/2023	206,006	(1,772)	204,234
448474TM8	12/17/2020	City of Hutto, TX GO	8/1/2023	399,951	(4,179)	395,772
340405MW6	12/22/2020	City of Floresville, TX Electr	8/15/2023	540,502	(2,976)	537,526
413946PC2	6/25/2020	Harris Cnty, TX MUD #278 GO	9/1/2023	432,142	(2,279)	429,863
02301EED9	6/25/2020	Amarillo Potter TX	11/15/2023	459,962	(2,525)	457,437
9128CBM2	2/22/2021	US Treasury Note B Class	2/15/2024	960,898	(4,843)	956,055
3133EMVD1	4/5/2021	FHLB	4/5/2024	960,855	(5,909)	954,946
3130ARPN5	4/26/2022	FHLB	4/26/2024	-	992,924	992,924
3130AMLM2	6/7/2021	FHLB	6/7/2024	480,326	(3,413)	476,913
811275HB5	11/23/202/21	Scurry Rosser TX ISD	8/15/2024	209,958	(1,856)	208,102
3136G43H4	3/29/2021	FHLB	9/16/2024	954,970	(9,695)	945,275
3130APNE1	11/18/2021	FHLB	11/18/2024	958,987	(8,910)	950,077
386166JC7	2/24/2022	Grand Praire TX Txbl Ref	1/1/2025	311,822	(8,699)	303,123
983064YX8	3/11/2021	City of Wylie, TX GO	2/15/2025	256,921	(1,922)	254,999
3133ENPYO-A	2/25/2022	FFCB	2/25/2025	982,179	(8,500)	973,679
3133ENPYO-B	3/10/2022	FFCB	2/25/2025	978,180	(8,185)	969,995
3130ARCN9	3/29/2022	FHLB	9/29/2025	984,641	(13,464)	971,177
79625GFC2	4/13/2022	San Antonio Tx Elec & Gas TXBI	2/1/2026	-	342,896	342,896
3130AMMJ8	6/6/2021	FHLB	6/9/2026	948,128	(13,851)	934,277
Total				**$ 22,877,334**	**$ 2,064,298**	**$ 24,941,632**

Sherman
CLASSIC TOWN. BROAD HORIZON.

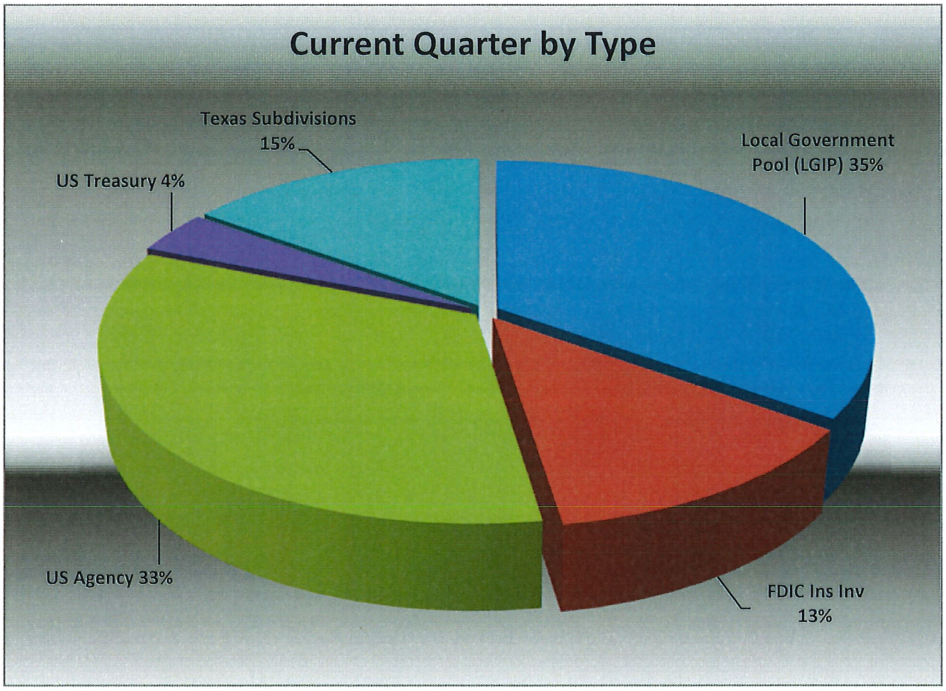
CITY OF SHERMAN, TX
Investment Transaction Report
As of 6/30/2022

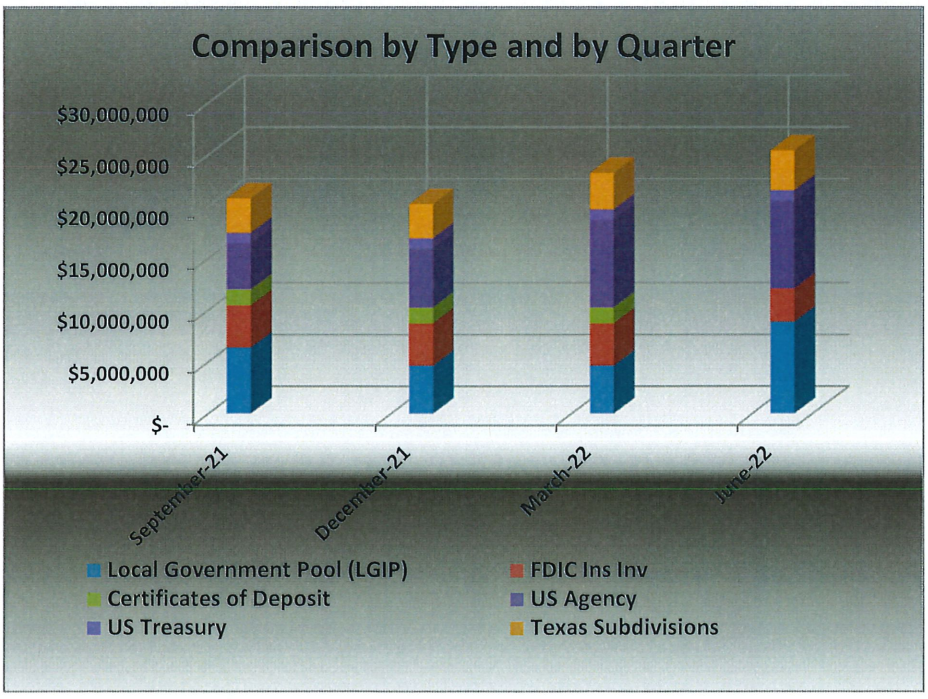
Trade Date	Settle Date	CUSIP	Security Description	Coupon	Maturity Date	Call Date	Par Value	Principal Amount	Interest Purchased/ Received	Total Amount	YTM
Maturities, Calls and Withdrawals											
	4/7/2022	Landing Rock	FDIC Ins Inv	0.20%	7/1/2022		$ 888,173	$ 888,173	$ -	$ 888,173	0.20%
	5/4/2022	Texpool-ARPA	LGIP	0.62%	7/1/2022		6,714	6,714	-	6,714	0.62%
	6/29/2022	31346BRTI	Freddie Mac	2.00%	6/29/2022		1,000,000.00	1,000,000.00	10,000.00	1,010,000.00	2.00%
	6/29/2022	CD 197781065	Simmons Bank	0.12%	6/1/2022		1,500,000.00	1,500,000.00	454.00	1,500,454.00	0.12%
Purchases											
	4/13/2022	79625FGC2	San Antonio Tx Elec & Gas TXBI	3.15%	2/1/2026		350,000	350,000	-	350,000	3.15%
	4/26/2022	3130ARPNK	FHLB	2.61%	4/26/2024		1,000,000	1,000,000	-	1,000,000	2.61%
	6/10/2022	Texpool-ARPA	LGIP	0.95%	7/1/2022		4,218,678	4,218,678	-	4,218,678	0.95%
Income Payments											
	6/30/2022	TexPool	LGIP	0.30%					489	489	0.30%
	6/30/2022	TexStar	LGIP	0.32%					181	181	0.32%
	6/30/2022	Landing Rock	FDIC Ins Inv	0.20%					2,909	2,909	0.20%
	6/30/2022	TexPool-ARPA	LGIP	0.30%					9,463	9,463	0.30%
	4/5/2022	3133EMVD1	FFCB	0.33%	4/5/2024				1,650	1,650	0.33%
	5/15/2022	02301EED9	Amarillo Potter TX	4.00%	11/15/2023				8,900	8,900	0.37%
	5/18/2022	3130APNE1	FHLB	0.90%	11/18/2024	2/22/2022			4,500	4,500	0.90%
	6/7/2022	3130AMLM2	FHLB	0.38%	6/7/2024				938	938	0.38%
	6/9/2022	3130AMMJI	FHLB	0.40%	6/9/2021	6/9/2023			2,000	2,000	0.40%
Total									**$ 41,484**		

Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN, TX
Comparison by Type
As of 6/30/2022

Cash/Investment Type	Balance 9/30/2021	Balance 12/31/2021	Balance 3/31/2022	Balance 6/30/2022	Percent of Portfolio	Portfolio Cap
Local Government Pool (LGIP)	$ 6,385,177	$ 4,635,529	$ 4,636,630	$ 8,858,725	35%	50.00%
FDIC Ins Inv	4,092,750	4,094,813	4,096,833	3,211,569	13%	50.00%
Certificates of Deposit	1,500,454	1,500,903	1,501,347	-	0%	50.00%
US Agency	4,498,718	5,717,448	8,494,609	8,495,157	33%	50.00%
US Treasury	998,068	998,291	998,492	998,694	4%	50.00%
Texas Subdivisions	3,293,613	3,275,215	3,503,931	3,831,384	15%	50.00%
Total	**$ 20,768,780**	**$ 20,222,199**	**$ 23,231,842**	**$ 25,395,529**	**100.00%**	





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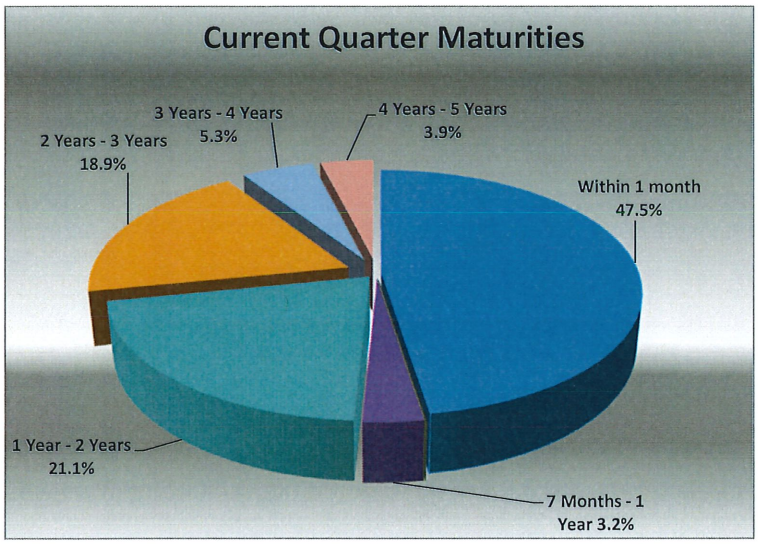
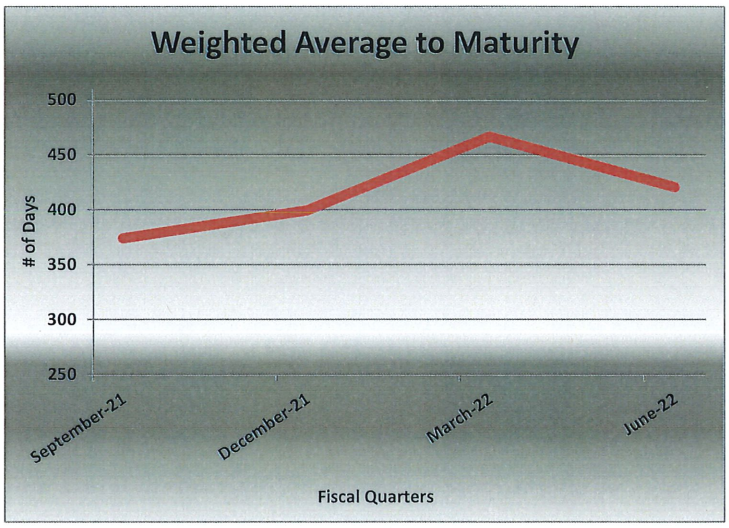
CITY OF SHERMAN, TX
Portfolio by Maturity
As of 6/30/2022

Maturity Time Frame	Balance 9/30/2021	Balance 12/31/2021	Balance 3/31/2022	Balance 6/30/2022	Percent of Portfolio
Within 1 month	$ 10,477,927	$ 8,730,342	$ 8,733,463	$ 12,070,294	47.5%
2-3 Months	-	500,236	2,501,347	-	0.0%
4-6 Months	500,708	2,500,903	-	-	0.0%
7 Months - 1 Year	2,500,454	-	828,624	823,303	3.2%
1 Year - 2 Years	2,040,652	2,503,615	2,865,203	5,352,242	21.1%
2 Years - 3 Years	3,975,966	4,715,739	6,303,205	4,799,689	18.9%
3 Years - 4 Years	273,073	271,364	1,000,000	1,350,000	5.3%
4 Years - 5 Years	1,000,000	1,000,000	1,000,000	1,000,000	3.9%
	$ 20,768,780	**$ 20,222,199**	**$ 23,231,842**	**$ 25,395,529**	**100.00%**

Liquidity Indicator					Maximum Allowable
Weighted Average Maturity	**374.56**	**399.66**	**466.90**	**420.97**	**500.00**





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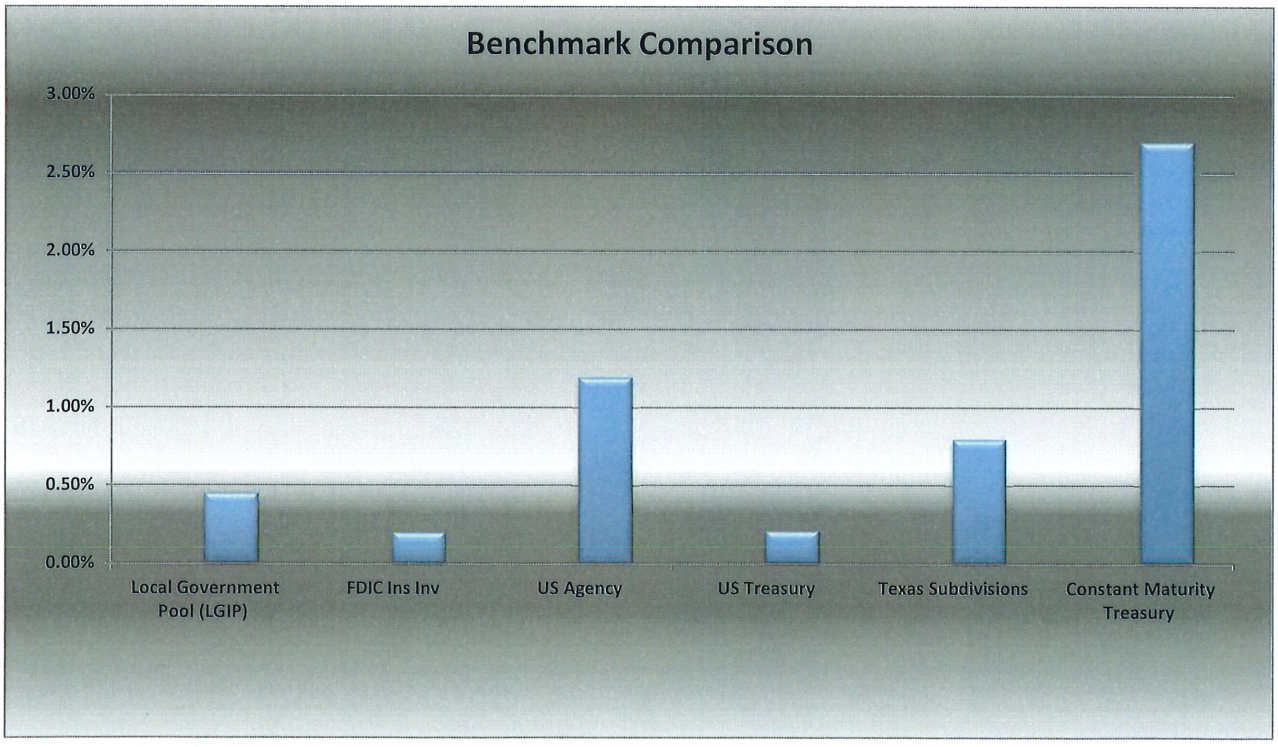
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN, TX
Earned Income
As of 6/30/2022

Date Received/ Purchased	CUSIP	Security Description	Coupon	YTM	Interest Purchased/ Received	Accrued Interest/ Amortization	Income Earned
6/30/2022	TexPool	TexPool			$ 489	$ -	$ 489
6/3/2022	TexStar	TexStar			181	-	181
6/30/2022	Landing Rock	Landing Rock			2,909	-	2,909
6/30/2022	TexPool-ARPA	TexPool			9,463	-	9,463
6/1/2022	CD 197781065	Simmons Bank	0.12%	0.12%	454	(10)	444
4/5/2022	3133EMVD1	FFCB	0.33%	0.33%	1,650	(825)	825
5/15/2022	02301EED9	Amarillo Potter TX	4.00%	0.37%	8,900	(8,471)	429
5/18/2022	3130APNE1	FHLB	0.90%	0.90%	4,500	(2,250)	2,250
6/7/2022	3130AMLM2	FHLB	0.38%	0.38%	938	(470)	468
6/9/2022	3130AMMJ8	FHLB	0.40%	0.40%	2,000	(1,000)	1,000
6/29/2022	31346BRT1	Freddie Mac	2.00%	2.00%	10,000	(5,000)	5,000
6/30/2022	448474TM8	City of Hutto, TX GO	2.00%	0.40%	-	410	410
6/30/2022	639285PW9	Navarro ISD GO	5.00%	0.46%	-	232	232
6/30/2022	498730AX8	Klondike TX ISD GO	1.00%	0.10%	-	91	91
6/30/2022	983064YX8	City of Wylie, TX GO	3.00%	0.25%	-	166	166
6/30/2022	340405MW6	City of Floresville, TX Elec Light Re	4.00%	0.46%	-	638	638
6/30/2022	3130ARPN5	FHLB	2.61%	2.61%	-	4,640	4,640
6/30/2022	977810JU5	City of Wolfforth TX GO	4.00%	0.39%	-	255	255
6/30/2022	9128CBM2	US Treasury Note B Class	0.13%	0.21%	-	514	514
6/30/2022	386166JC7	Grand Praire TX TXbl Ref	3.00%	1.60%	-	1,269	1,269
6/30/2022	3133ENPY0-A	FFCB	1.75%	1.76%	-	4,403	4,403
6/30/2022	413946PC2	Harris Cnty TX MUD #278 GO	4.00%	1.14%	-	1,260	1,260
6/30/2022	3136G43H4	FMNA	0.40%	0.44%	-	1,108	1,108
6/30/2022	811275HB5	Scurry Rosser TX ISD	3.00%	0.45%	-	240	240
6/30/2022	3133ENPY0-B	FFCB	1.75%	1.92%	-	4,786	4,786
6/30/2022	3130ARCN9	FHLB	2.00%	2.02%	-	5,000	5,000
6/30/2022	7625GFC2	San Antonio Tx Elec & Gas TXBI	3.15%	3.15%	-	2,354	2,354
					$ 41,484	**$ 9,341**	**$ 50,824**



Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN, TEXAS
DEBT PROCEEDS PORTFOLIO SUMMARY
For the Quarter Ending June 30, 2022

Total Portfolio Summary

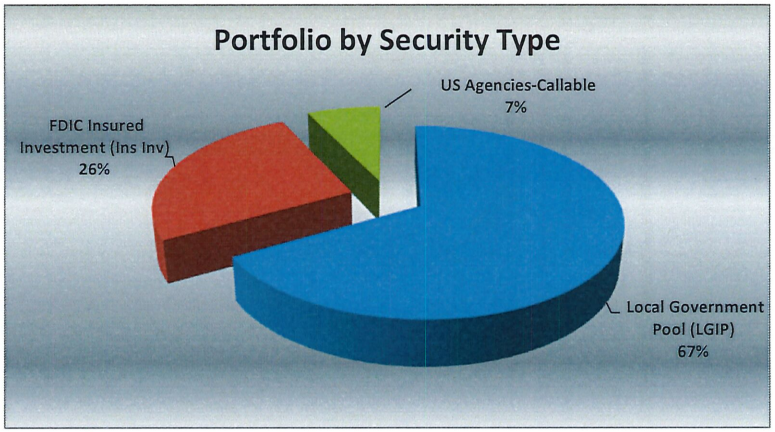
	Current Quarter 6/30/2022	Prior Quarter 3/31/2022	Change From Prior Quarter
Book Value	$ 28,406,088	$ 35,409,064	$ (7,002,976)
Market Value	$ 28,294,707	$ 35,313,405	$ (7,018,698)
Weighted Average Maturity - Days	60	53	7
Weighted Average Yield	0.58%	0.13%	0.45%
Earned Income	$ 43,938	$ 11,594	$ 32,344
Earned Income - Year-to-Date	$ 64,144	$ 20,206	$ 43,938

This report complies with the requirements of the public funds investment law and covers all the funds of the City of Sherman that are subject to that law.

As of June 30, 2022, the City of Sherman's debt proceeds portfolio had a book value of about $28.4 million, which approximates the market value. Of this amount, $19 million was held in Local Government Investment Pools (LGIP), $7.4 million was held in FDIC Insured Investment Accounts (Ins Inv), and $2 million was held in U.S. Agency Securities.

The portfolio value decreased by $7 million from the previous quarter due to draws for project payments.

The weighted average yield on the portfolio was 0.58%, 70 basis points below the 4-week Constant Maturity Treasury Index of 1.28%, and 45 basis points above the previous quarter.



Mary Lawrence, Finance Director and City of Sherman Investment Officer

Jana Walker, Controller and City of Sherman Investment Officer

Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN, TX
Investments Outstanding
AS of 6/30/2022

Name/CUSIP	Debt Issuance	Settlement Date	Security Type	Security Description	Maturity Date	Par Value	Purchase Price	Original Cost	Book Value	Market Price	Market Value	Days to Maturity	YTM
TexPool	2017A Stormwater Certificates of Obligation		LGIP	TexPool	7/1/2022	$ 1,674,239	100.00	$ 1,674,239	$ 1,674,239	100.00	$ 1,674,239	1	0.68%
TexPool	2021 Certificates of Obligation		LGIP	TexPool	7/1/2022	17,314,679	100.00	17,314,679	17,314,679	100.00	17,314,679	1	0.68%
Landing Rock	2017 Certificates of Obligation		Ins Inv	Landing Rock	7/1/2022	2,407,120	100.00	2,407,120	2,407,120	100.00	2,407,120	1	0.55%
Landing Rock	2021 Certificates of Obligation		Ins Inv	Landing Rock	7/1/2022	5,010,050	100.00	5,010,050	5,010,050	100.00	5,010,050	1	0.28%
31300AMZQ8	2021 Certificates of Obligation	06/30/21	US Agency-Callable	FHLB	8/30/2024	1,000,000	100.00	1,000,000	1,000,000	94.60	946,041	792	0.51%
3130AMHGO	2021 Certificates of Obligation	05/27/21	US Agency-Callable	FHLB	11/26/2024	1,000,000	100.00	1,000,000	1,000,000	94.26	942,578	880	0.48%
Total						**$ 28,406,088**		**$28,406,088**	**$ 28,406,088**		**$ 28,294,707**		

Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN, TX
Market Value Summary
AS of 6/30/2022

CUSIP	Security Type / Description	Maturity Date	Market Value 3/31/2022	Change in Market Value	Market Value 6/30/2022
TexPool 2017A Stormwater CO	LGIP		$ 1,671,560	$ 2,679	$ 1,674,239
TexPool 2019 CO	LGIP		1,318,336	(1,318,336)	-
TexPool 2021 CO	LGIP		23,008,787	(5,694,108)	17,314,679
Landing Rock 2017 CO	Ins Inv		2,404,823	2,297	2,407,120
Landing Rock 2021 CO	Ins Inv		5,005,558	4,492	5,010,050
31300AMZQ8-FHLB 2021 CO	US Agency-Callable	8/30/2024	953,409	(7,368)	946,041
3130AMHGO-FHLB 2021 CO	US Agency-Callable	11/26/2024	950,932	(8,354)	942,578
Total			**$ 35,313,405**	**$ (7,018,698)**	**$ 28,294,707**

Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN, TX
Investment Transaction Report
AS of 6/30/2022

Settle Date	Name	Security Description	Coupon	Maturity Date	Par Value	Price	Principal Amount	Interest Purchased/ Received	Total Amount	YTM
Project Payments/Draws										
5/3/2022	TexPool 2017 CO	LGIP			$ 1,318,666		$ 1,318,666	$ 35	$ 1,318,701	
5/4/2022	TexPool 2021 CO	LGIP			954,254		954,254		954,254	
5/16/2022	TexPool 2021 CO	LGIP			2,833,027		2,833,027		2,833,027	
6/22/2022	TexPool 2021 CO	LGIP			1,938,468		1,938,468		1,938,468	
Deposits/Purchases										
Income Payments										
4/30/2022	Landing Rock 2017 CO	Ins Inv	0.25%					$ 494	494	0.25%
4/30/2022	Landing Rock 2021 CO	Ins Inv	0.20%					823	823	0.20%
4/30/2022	TexPool 2017A Stormwater CO	LGIP	0.30%					418	418	0.30%
4/30/2022	TexPool 2019 CO	LGIP	0.30%					330	330	0.30%
4/30/2022	TexPool 2021 CO	LGIP	0.30%					5,753	5,753	0.30%
5/31/2022	Landing Rock 2017 CO	Ins Inv	0.45%					781	781	0.45%
5/31/2022	Landing Rock 2021 CO	Ins Inv	0.45%					1,543	1,543	0.45%
5/31/2022	TexPool 2017A Stormwater CO	LGIP	0.62%					884	884	0.62%
5/31/2022	TexPool 2021 CO	LGIP	0.62%					10,677	10,677	0.62%
6/30/2022	Landing Rock 2017 CO	Ins Inv	0.95%					1,022	1,022	0.95%
6/30/2022	Landing Rock 2021 CO	Ins Inv	0.20%					2,127	2,127	0.20%
6/30/2022	TexPool 2017A Stormwater CO	LGIP	1.11%					1,377	1,377	1.11%
6/30/2022	TexPool 2021 CO	LGIP	1.11%					15,211	15,211	1.11%
Total								**$ 41,474**		

Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN, TX
Comparison by Type
AS of 6/30/2022

Cash / Investment Type	Balance 9/30/2021	Balance 12/31/2021	Balance 3/31/2022	Balance 6/30/2022	Percent of Portfolio	Portfolio Cap
Local Government Pool (LGIP)	$ 29,468,184	$ 28,690,194	$ 25,998,683	$ 18,988,918	66.85%	100.00%
FDIC Insured Investment (Ins Inv)	7,403,615	7,407,020	7,410,381	7,417,170	26.11%	100.00%
US Agency-Callable	2,000,000	2,000,000	2,000,000	2,000,000	7.04%	100.00%
Total	**$ 38,871,799**	**$ 38,097,214**	**$ 35,409,064**	**$ 28,406,088**	**100.00%**	

Sherman
CLASSIC TOWN. BROAD HORIZON.

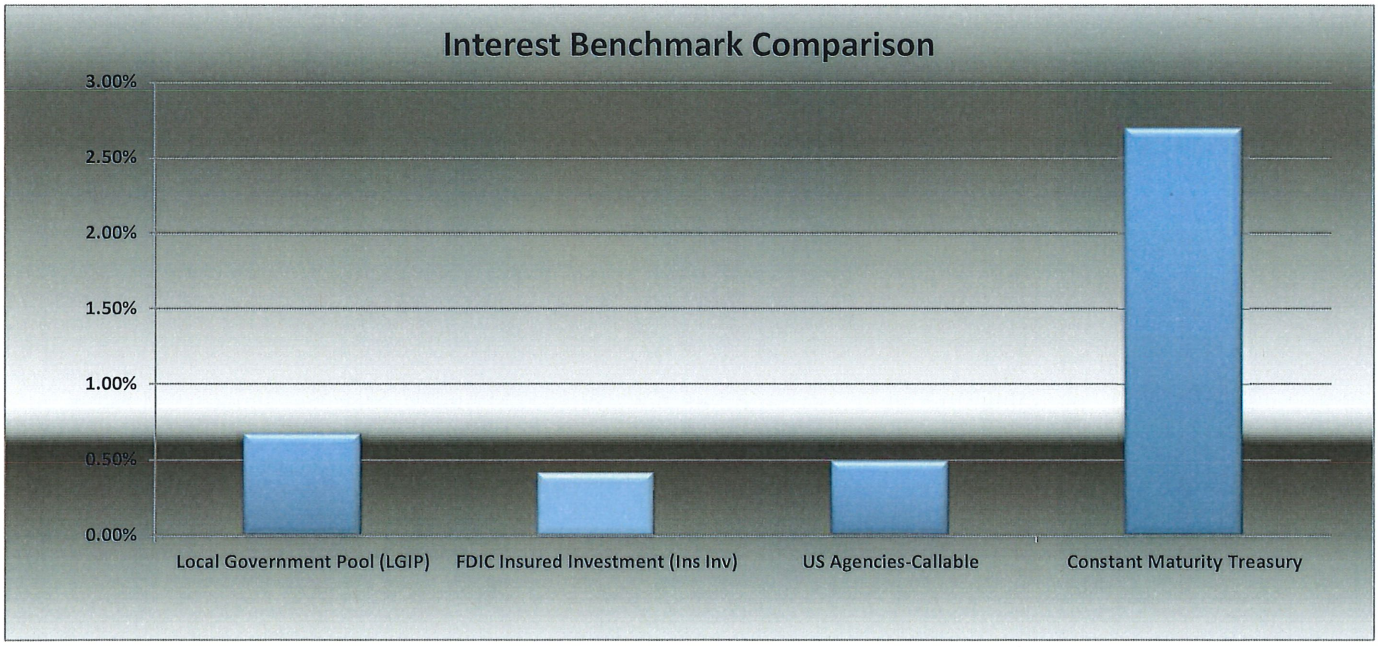
CITY OF SHERMAN, TX
Portfolio by Maturity
AS of 6/30/2022

Maturity Time Frame	Balance 9/30/2021	Balance 12/31/2021	Balance 3/31/2022	Balance 6/30/2022	Percent of Portfolio	Maximum Allowable
Within 1 month	$ 36,871,799	$ 36,097,214	$ 33,409,064	$ 26,406,088	93.0%	100%
2 years - 3 years	1,000,000	2,000,000	2,000,000	2,000,000	7.0%	
3 years - 4 years	1,000,000	-	-	-	0.0%	
	$ 38,871,799	**$ 38,097,214**	**$ 35,409,064**	**$ 28,406,088**		
Liquidity Indicator						
Weighted Average Maturity	**58.01**	**54.34**	**53.30**	**59.79**		

Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN, TX
Earned Income
AS of 6/30/2022

Date Received/ Purchased	Name	Security Description	Coupon	YTM	Interest Purchased/ Received	Accrued Interest/ Amortization	Income Earned
4/30/2022	Landing Rock 2017 CO	Insured Investment		0.25%	$ 494	$ -	$ 494
4/30/2022	Landing Rock 2021 CO	Insured Investment		0.20%	823	-	823
4/30/2022	TexPool 2017A Stormwater CO	LGIP		0.30%	418	-	418
4/30/2022	TexPool 2019 CO	LGIP		0.30%	330	-	330
4/30/2022	TexPool 2021 CO	LGIP		0.30%	5,753	-	5,753
5/3/2022	TexPool 2019 CO	LGIP		0.62%	35	-	35
5/31/2022	Landing Rock 2017 CO	Insured Investment		0.45%	781	-	781
5/31/2022	Landing Rock 2021 CO	Insured Investment		0.45%	1,543	-	1,543
5/31/2022	TexPool 2017A Stormwater CO	LGIP		0.62%	884	-	884
5/31/2022	TexPool 2021 CO	LGIP		0.62%	10,677	-	10,677
6/30/2022	Landing Rock 2017 CO	Insured Investment		0.25%	1,022	-	1,022
6/30/2022	Landing Rock 2021 CO	Insured Investment		0.20%	2,127	-	2,127
6/30/2022	TexPool 2017A Stormwater CO	LGIP		0.30%	1,377	-	1,377
6/30/2022	TexPool 2021 CO	LGIP		0.30%	15,211	-	15,211
6/30/2022	31300AMZQ8-FHLB 2021 CO	US Agency-Callable		0.51%	-	1,275	1,275
6/30/2022	3130AMHGO-FHLB 2021 CO	US Agency-Callable		0.48%	-	1,188	1,188
					$ 41,474	**$ 2,463**	**$ 43,938**



SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 6.**

Meeting Date: 07/18/2022

Approved By: Robby Hefton, City Manager

Caption:

**** OTHER BUSINESS***

Consider Calling a Special Meeting of the City Council for Tuesday, September 5, 2022, due to Conflict with a Federal Holiday

Issue:

This agenda item considers calling a special meeting of the City Council for **5:00 p.m.** on Tuesday, September 5, 2022, 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 6th. The City will be closed this day to observe the Federal Holiday, Labor Day. Federal holidays are traditionally respected by not holding regular City Council meetings on those dates. 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. The Charter states, "In the case of a holiday, the regular meeting shall be held on the Tuesday immediately following said holiday."

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 6, 2022.

Alternatives:

No alternatives are recommended.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 7.**

Meeting Date: 07/18/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

***** OTHER BUSINESS***

Replat approval of Covas Addition, being part of J.B. McAnair Survey, Abstract No. 763 and being part of Lot 3, Block 9, G.W. Bond's Second Addition, containing 0.133 acres; M & G Home Builders, LLC, Owner and Helvey-Wagner Surveying, Inc., Surveyor (515 North East Street)

Issue:

To consider Replat approval of Covas Addition, being part of J.B. McAnair Survey, Abstract No. 763 and being part of Lot 3, Block 9, G.W. Bond's Second Addition, containing 0.133 acres; M & G Home Builders, LLC, Owner and Helvey-Wagner Surveying, Inc., Surveyor (515 North East Street)

Background:

The property is located at 515 North East Street near the southwest corner of East Pacific and North East Streets and is zoned an R-1 (One-Family Residential) District. The owner would like to plat the property into 1 lot for residential development. They are also requesting a variance to allow a 48' lot width in lieu of the required 60'.

Origination:

M & G Home Builders, LLC (Owner)
Helvey-Wagner Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Staff Review Letter
P&Z Communication

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Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
Location Map
(515 N East St)

N
W E
S

Date: 4/28/2022 10:07 AM

Scale: 1:757

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Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development
- Subject Locations
- Parcels

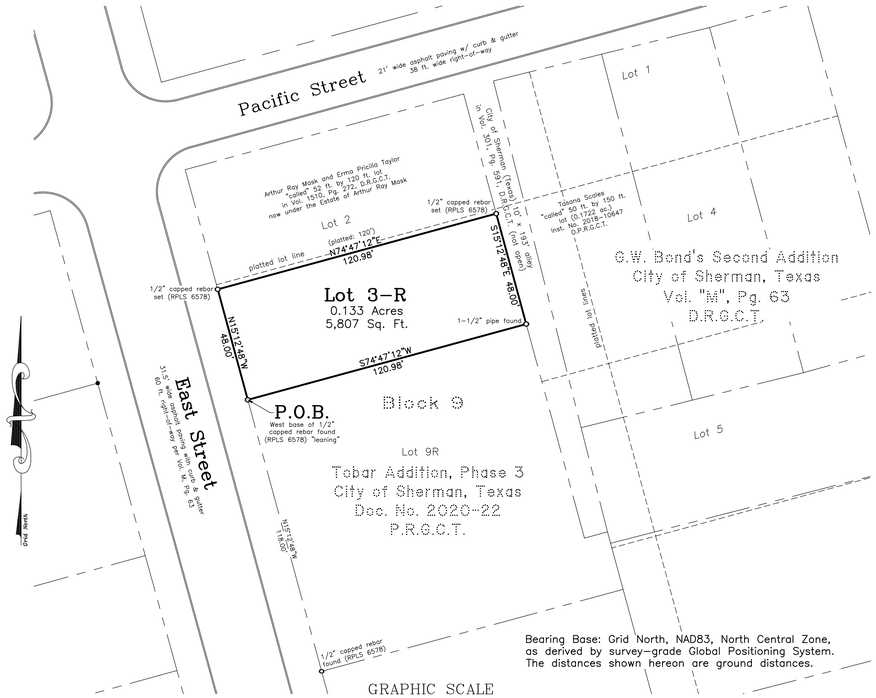
CITY OF SHERMAN
Zoning Location Map
(515 N East St)

N
W E
S

Scale: 1:604

Date: 4/28/2022 10:07 AM

515 N. East Street



Covas Addition

(being a Replat of a part of Lot 3, Block 9, G.W. Bond's 2nd Addition)

to

City of Sherman
Grayson County, Texas

0.133 Acres

in the

J.B. McAnair Survey
Abstract No. 763

General Notes:

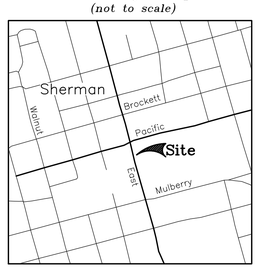
1. Water Supply to be provided by the City of Sherman.
2. Sewer service to be provided by the City of Sherman.
3. Electrical service is provided by Oncor Electric Delivery Co.
4. Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the floodway is prohibited.
5. Any existing creeks or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
6. The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or for the control of erosion.
7. The property shown on the plat hereon lies within a Zone "X" (areas determined to be outside 500-year floodplain) Designation, as shown on the Flood Insurance Rate Map for Grayson County, Texas and Incorporated Areas, Map No. 48181C0290 F, Revised Date: September 29, 2010.
8. Neither the City of Sherman nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
9. The owners and builders must comply with all other state and federal regulations regarding developments of this type.

Job No. CGS340422

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owner:
M & G Home Builders, LLC
1218 N Brents Avenue
Sherman, Texas 75090

Vicinity map
(not to scale)



Z:\Shared Projects\Land Projects R2\515-N-East-Street-Sherman\Drawing\Plat.dwg 4/21/2022 8:54 AM

FIELD NOTES

SITUATED in the City of Sherman, County of Grayson, State of Texas, and being a part of the J. B. McAnair Survey, Abstract No. 763, and being a part of Lot 3, Block 9, G. W. Bond's Second Addition to the City of Sherman, Texas, as per plat of record in Volume "M", Page 63, Deed Records, Grayson County, Texas, being the same property conveyed by Sheriff's Tax Deed to M & G Home Builders on September 29, 2021 and recorded in Instrument No. 2021-35944, Official Public Records, Grayson County, Texas and being further described as a "called" 48 ft. by 120 ft. tract of land conveyed in Volume 2195, Page 787, Real Property Records, Grayson County, Texas and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at the West base of a 1/2 inch capped rebar found, stamped "RPLS 6578" (leaning) in the East right-of-way line of East Street, a public street, in the West line of said Lot 3, at the Northwest corner of Lot 9R, Block 9, Tobar Addition, Phase 3 to the City of Sherman, Texas as per plat of record in Doc. No. 2020-22, Plat Records, Grayson County, Texas and the Southwest corner of said M & G Home Builders tract, FROM which a ½ inch capped rebar found, stamped "RPLS 6578" at the Southwest corner of said Lot 9R bears South 15 deg. 12 min. 48 sec. East, 118.00 ft.;

THENCE North 15 deg. 12 min. 48 sec. West, with the East right-of-way line of said East Street and the West line of said Lot 3, a distance of 48.00 ft. to a ½ inch capped rebar set, stamped "RPLS 6578" at the Southeast corner of the Arthur Ray Mask and Erma Priscilla Taylor "called" 52 ft. by 120 ft. lot conveyed in Volume 1510, Page 272, said Deed Records and the Northwest corner of said M & G Home Builders lot;

THENCE North 74 deg. 47 min. 12 sec. East, over and across said Lot 3, with the South line of said Mask tract and the North line of said M & G Home Builders lot, a distance of 120.98 ft. to a ½ inch capped rebar set, stamped "RPLS 6578" in the West lien of the City of Sherman 10 ft. by 193 ft. alley conveyed in Volume 301, Page 591, said Deed Records, at the Southeast corner of said Mask tract and the Northeast corner of said M & G Home Builders lot;

THENCE South 15 deg. 12 min. 48 sec. East, continuing over and across said Lot 3, with the West line of said City of Sherman alley and the East line of said M & G Home Builders lot, a distance of 48.00 ft. to a 1-1/2 inch pipe found at the most Northern Northeast corner of said Lot 9R and the Southeast corner of said M & G Home Builders lot;

THENCE South 74 deg. 47 min. 12 sec. West, with the North line of said Lot 9R and the South line of said M & G Home Builders lot, a distance of 120.98 ft. to the **PLACE OF BEGINNING** and containing **0.133 ACRES** of land.

KNOW ALL MEN BY THESE PRESENTS:

THAT I, Kate A. Wagner, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments shown thereon were properly placed under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

_____
Kate A. Wagner, R. P. L. S. No. 6578 Date:

STATE OF TEXAS
REGISTERED
KATE A. WAGNER
6578
PROFESSIONAL
LAND SURVEYOR

I, M & G Home Builders, LLC, sole owner of Covas Addition to the City of Sherman, Texas, do hereby dedicate the streets, easements, alleys, rights-of-way, parks, school sites and other public places shown hereon to the public use forever.

_____
Martin Covarrubias
Authorized Agent for M & G Home Builders, LLC

AVIGATION RELEASE

WHEREAS, M & G Home Builders, LLC, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as Covas Addition, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed or navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER's described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property; and OWNER does hereby fully remiss and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at Covas Addition, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

Executed this _____ day of _____, 2022.

By: _____

By: Martin Covarrubias, Authorized Representative for M & G Home Builders, LLC, Owner

Before me the undersigned, a notary public in and for said County and State, on this day personally appeared Martin Covarrubias, 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 and in the capacity therein stated.

Given under my hand and seal of office this _____ day of _____, 2022

_____
Notary Public, Grayson County, Texas

This, the final plat of Covas Addition to the City of Sherman, Texas, is hereby approved this _____ day of _____, 2022, by the Planning and Zoning Commission of the City of Sherman, Texas.

_____ _____
Chairman Secretary

This, the final plat of Covas Addition to the City of Sherman, Texas, is hereby approved this _____ day of _____, 2022, by the City Council of the City of Sherman, Texas.

ACCEPTED BY THE CITY COUNCIL OF SHERMAN, TEXAS: _____
MAYOR, CITY OF SHERMAN, TEXAS DATE

The undersigned, the City Clerk of the City of Sherman, Texas, does hereby certify that the foregoing final plat of Covas Addition to the City of Sherman, Texas, was submitted to the City Council of Sherman, Texas, on the _____ day of _____, 2022, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as hereinabove subscribed.

WITNESS MY HAND THIS _____ DAY OF _____, 2022, BY _____
CITY CLERK, CITY OF SHERMAN, TEXAS

Covas Addition
(being a Replat of a part of Lot 3, Block 9, G.W. Bond's 2nd Addition)
to
City of Sherman
Grayson County, Texas
0.133 Acres
in the
J.B. McAnair Survey, Abstract No. 763

Job No. CGS340422

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owner:
M & G Home Builders, LLC
1218 N Brents Avenue
Sherman, Texas 75090

Z:\Shared Projects\Land Projects R2\515-N-East-Street-Sherman\Drawing\Plat.dwg 4/21/2022 8:54 AM

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

June 10, 2022

M&G Home Builders, LLC
1218 N. Brents Avenue
Sherman, TX 75090

Helvey-Wagner Surveying, Inc.
222 W. Main St.
Denison, TX 75020

Dear Applicants,

The request for approval of the Final Plat of Covas Addition has been scheduled to be heard by the Planning and Zoning Commission on the day of Tuesday, June 21, 2022 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*
2. Dedicate a 10' Utility Easement along East Street. *Code of Ordinances Chapter 10, Exhibit A, Sec. 12(D)*
3. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*
4. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
5. Upon final staff approval, 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 7.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

515 NORTH EAST STREET

The request of M & G Home Builders, LLC (Owner) and Helvey-Wagner Surveying, Inc. (Surveyor) concerning the property at 515 North East Street, being part of J.B. McAnair Survey, Abstract No. 763 and being part of Lot 3, Block 9, G.W. Bond's Second Addition, containing 0.133 acres, as follows:

Board of Adjustments

Variance under Ordinance No. 2280, Section 6.3, Subsection (1) to allow a 48' lot width in lieu of the required 60' in an R-1 (One-Family Residential) District.

Planning and Zoning Commission

Replat approval of Covas Addition.

Background:

This Item came before the commission May 17, 2022 and no action was taken. The property is located at 515 North East Street near the southwest corner of East Pacific and North East Streets and is zoned an R-1 (One-Family Residential) District. The owner would like to plat the property into 1 lot for residential development. They are also requesting a variance to allow a 48' lot width in lieu of the required 60'.

Adjacent Zoning:

R-1 (One-Family Residential) District
R-2 (Multi-Family Residential) District

Origination:

M & G Home Builders, LLC (Owner)
Helvey-Wagner Surveying, Inc. (Surveyor)

Master Plan Designation:

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

Number of notices mailed:

64

Objections Received:

0

Development Review Meeting:

No

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Site Plan
Elevations
Staff Review Letter - Variance
Staff Review Letter - Replat

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 8.**

Meeting Date: 07/18/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

***** OTHER BUSINESS***

Replat approval of Eileen's Addition, being part of Samuel Blagg Survey, Abstract No. 56, being the South 26 ft. of Lot 4, the North 24 ft. of Lot 5, Block 6 of Robert A King's Addition, containing 0.161 acres; M & G Home Builders, LLC, Owner and Helvey-Wagner Surveying, Inc., Surveyor (922 South Montgomery Street)

Issue:

To consider Replat approval of Eileen's Addition, being part of Samuel Blagg Survey, Abstract No. 56, being the South 26 ft. of Lot 4, the North 24 ft. of Lot 5, Block 6 of Robert A King's Addition, containing 0.161 acres; M & G Home Builders, LLC, Owner and Helvey-Wagner Surveying, Inc., Surveyor (922 South Montgomery Street)

Background:

The property is located at 922 South Montgomery Street near the northwest corner of South Montgomery and East Spring Streets and is zoned an R-2 (Multi-Family Residential) District. The owner would like to plat the property into 1 lot for residential development.

Origination:

M & G Home Builders, LLC (Owner)
Helvey-Wagner Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Staff Review Letter
P&Z Communication

dlagrone H:\ENGINEER\GIS\ArcGIS Pro Projects\Planning\Public Notification.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
Location Map
(922 S Montgomery St)

N
W E
S

Date: 4/28/2022 11:02 AM

Scale: 1:757

dlagrone H:\ENGINEERING\GIS\ArcGIS Pro Projects\Planning\Public Notification.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development
- Subject Locations
- Parcels

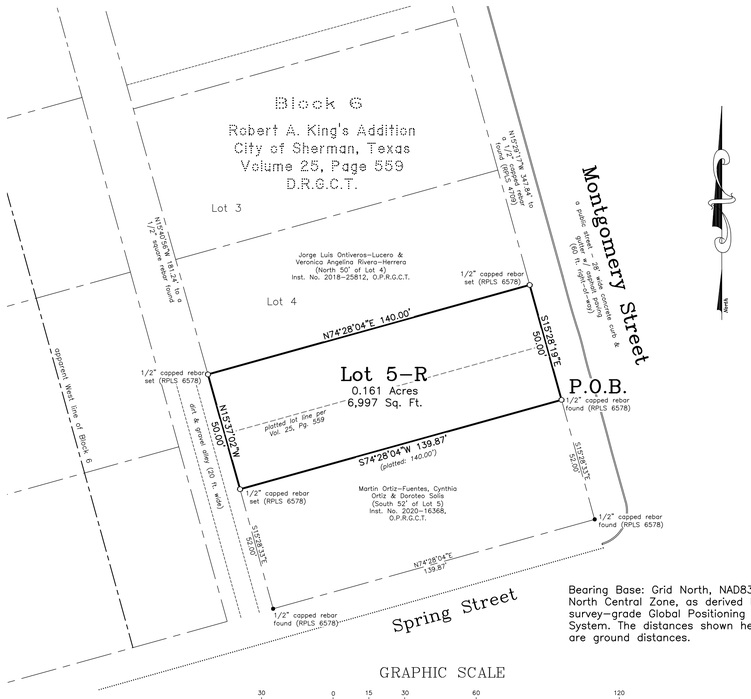
CITY OF SHERMAN
Zoning Location Map
(922 S Montgomery St)

N W E S

Scale: 1:604

Date: 4/28/2022 11:02 AM

922 S MONTGOMERY ST.



Bearing Base: Grid North, NAD83, North Central Zone, as derived by survey-grade Global Positioning System. The distances shown hereon are ground distances.

GRAPHIC SCALE

30 0 15 30 60 120

(IN FEET)
1 inch = 30 ft.

Eileen's Addition

(being a Replat of a part of Lots 4 & 5, Block 6, Robert A. Kings Addition) to the City of Sherman Grayson County, Texas

0.161 Acres

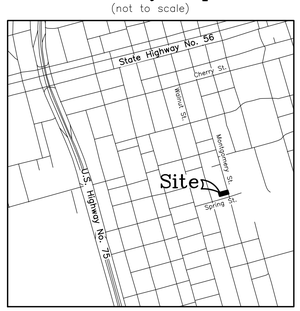
in the

Samuel Blagg Survey Abstract No. 56

General Notes:

1. Water Supply to be provided by the City of Sherman.
2. Sewer service to be provided by the City of Sherman.
3. Electrical service is provided by Oncor Electrical Delivery.
4. Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the floodway is prohibited.
5. Any existing creeks or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
6. The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or for the control of erosion.
7. The property shown on the plat hereon lies within a Zone "X" (areas determined to be outside 500-year floodplain) Designation, as shown on the Flood Insurance Rate Map for Grayson County, Texas and Incorporated Areas, Map No. 48181C0290 F, Revised Date: September 29, 2010.
8. Neither the City of Sherman nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
9. The owners and builders must comply with all other state and federal regulations regarding developments of this type.

Vicinity Map
(not to scale)



Job No. CGS350422

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owner
M & G Home Builders, LLC
1218 N. Brents Avenue
Sherman, Texas 75090

Z:\Shared Projects\Land Projects R2\922-S-Montgomery-Street-Sherman\Civil 3D\Replat.dwg 4/21/2022 9:33 AM

FIELD NOTES

SITUATED in the City of Sherman, County of Grayson, State of Texas, being a part of the Samuel Blagg Survey, Abstract No. 56, being the South 26 ft. of Lot 4 the North 24 ft. of Lot 5, Block 6 of Robert A. King's Addition to the City of Sherman, Texas, as per plat of record in Volume 25, Page 559, Deed Records, Grayson County, Texas, being the same tract of land conveyed by Sheriff's Tax Deed from William R. Becker and Mary J. Becker to M & G Home Builders, LLC on April 9, 2018, as recorded in Instrument No. 2018-10646, Official Public Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a 1/2 inch capped rebar found (RPLS 6578), lying in the West right-of-way line of Montgomery Street, a generally North-South street, and the East line of said Lot 5, being the Northeast corner of the tract of land known as the South 52 ft. of Lot 5, Block 6, of said Robert A. King's Addition as conveyed by Warranty Deed to Martin Ortiz-Fuentes, Cynthia Ortiz, and Doroteo Solis, as recorded in Instrument No. 2020-16368, said Official Public Records and being the Southeast corner of said M & G Homes Builders tract;

THENCE South 74 deg. 28 min. 04 sec. West, with the North line of said Ortiz tract and the South line of said M & G Home Builders tract, a distance of 139.87 ft. (platted: 140.00 ft.) to a 1/2 inch capped rebar set (RPLS 6578) in the East line of a 20 ft. wide alley and the West line of said Lot 5, at the Northwest corner of said Ortiz tract and the Southwest corner of said M & G Home Builders tract;

THENCE North 15 deg. 37 min. 02 sec. West, with the East line of said 20 ft. alley and the West line of said Lots 4 and 5, a distance of 50.00 ft. to a 1/2 inch capped rebar set (RPLS 6578) at the Southwest corner of the tract of land known as the North 50 ft. of Lot 4, Block 6, of said Robert A. Kin's Addition as conveyed by Warranty Deed to Jorge Luis Ontiveros-Lucero and Veronica Angelina Rivera-Herrera, as recorded in Inst. No. 2018-25812, said Official Public Records, and being the Northwest corner of said M & G Home Builders tract;

THENCE North 74 deg. 28 min. 04 sec. East, with the South line of said Rivera-Herrera tract and the North line of said M & G Home Builders tract,, a distance of 140.00 ft. to a 1/2 inch capped rebar set (RPLS 6578) lying in the West line of said Montgomery Street and the East line of said Lot 4, at the Southeast corner of said Rivera-Herrera tract and the Northeast corner of said M & G Home Builders tract;

THENCE South 15 deg. 28 min. 19 sec. East, with the West line of said Montgomery Street and the East line of said Lots 4 and 5, a distance of 50.00 ft. to the **PLACE OF BEGINNING** and containing **0.161 ACRES** of land.

KNOW ALL MEN BY THESE PRESENTS:

THAT I, Kate A. Wagner, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments shown thereon were properly placed under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

_____
Kate A. Wagner, R. P. L. S. No. 6578 Date:

STATE OF TEXAS · REGISTERED · KATE A. WAGNER · 6578 · PROFESSIONAL LAND SURVEYOR

I, M & G Home Builders, LLC, sole owner of Eileen's Addition to the City of Sherman, Texas, do hereby dedicate the streets, easements, alleys, rights-of-way, parks, school sites and other public places shown hereon to the public use forever.

_____
Martin Covarrubias
Authorized Agent for M & G Home Builders, LLC

AVIGATION RELEASE

WHEREAS, M & G Home Builders, LLC, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as Eileen's Addition, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed or navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER's described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property; and OWNER does hereby fully remiss and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at Eileen's Addition, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

Executed this _____ day of _____, 2022.

By: _____

By: Martin Covarrubias, Authorized Representative for M & G Home Builders, LLC, Owner

Before me the undersigned, a notary public in and for said County and State, on this day personally appeared Martin Covarrubias, 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 and in the capacity therein stated.

Given under my hand and seal of office this _____ day of _____, 2022

_____
Notary Public, Grayson County, Texas

Sherman
CLASSIC TOWN. BROAD HORIZON.

This, the final plat of Eileen's Addition to the City of Sherman, Texas, is hereby approved this _____ day of _____, 2022, by the Planning and Zoning Commission of the City of Sherman, Texas.

_____ _____
Chairman Secretary

This, the final plat of Eileen's Addition to the City of Sherman, Texas, is hereby approved this _____ day of _____, 2022, by the City Council of the City of Sherman, Texas.

ACCEPTED BY THE CITY COUNCIL OF SHERMAN, TEXAS: _____
MAYOR, CITY OF SHERMAN, TEXAS DATE

The undersigned, the City Clerk of the City of Sherman, Texas, does hereby certify that the foregoing final plat of Eileen's Addition to the City of Sherman, Texas, was submitted to the City Council of Sherman, Texas, on the _____ day of _____, 2022, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as hereinabove subscribed.

WITNESS MY HAND THIS _____ DAY OF _____, 2022, BY _____
CITY CLERK, CITY OF SHERMAN, TEXAS

Eileen's Addition
(being a Replat of a part of Lots 4 & 5, Block 6, Robert A. Kings Addition) to the City of Sherman Grayson County, Texas
0.161 Acres
in the
Samuel Blagg Survey Abstract No. 56

Job No. CGS350422

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owner
M & G Home Builders, LLC
1218 N. Brents Avenue
Sherman, Texas 75090

Z:\Shared Projects\Land Projects R2\922-S-Montgomery-Street-Sherman\Civil 3D\Replat.dwg 4/21/2022 9:33 AM

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

June 10, 2022

M&G Home Builders, LLC
1218 N. Brents Avenue
Sherman, TX 75090

Helvey-Wagner Surveying, Inc.
222 W. Main St.
Denison, TX 75020

Dear Applicants,

The request for approval of the Final Plat of Eileen's Addition has been scheduled to be heard by the Planning and Zoning Commission on the day of Tuesday, June 21, 2022 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*
2. Dedicate a 10' Utility Easement along Montgomery Street. *Code of Ordinances Chapter 10, Exhibit A, Sec. 12(D)*
3. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*
4. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
5. Upon final staff approval, 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 8.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

922 SOUTH MONTGOMERY STREET

The request of M & G Home Builders, LLC (Owner) and Helvey-Wagner Surveying, Inc. (Surveyor) concerning the property at 922 South Montgomery Street, being part of Samuel Blagg Survey, Abstract No. 56, being the South 26 ft. of Lot 4, the North 24 ft. of Lot 5, Block 6 of Robert A King's Addition, containing 0.161 acres, as follows:

Board of Adjustments

Variance under Ordinance No. 2280, Section 6.3, Subsection (1) to allow a 50' lot width in lieu of the required 60' in an R-2 (Multi-Family Residential) District.

Planning and Zoning Commission

Replat approval of Eileen's Addition.

Background:

This Item came before the commission May 17, 2022 and no action was taken.The property is located at 922 South Montgomery Street near the northwest corner of South Montgomery and East Spring Streets and is zoned an R-2 (Multi-Family Residential) District. The owner would like to plat the property into 1 lot for residential development. They are also requesting a variance to allow a 50' lot width in lieu of the required 60'.

Adjacent Zoning:

R-2 (Multi-Family Residential) District

Origination:

M & G Home Builders, LLC (Owner)
Helvey-Wagner Surveying, Inc. (Surveyor)

Master Plan Designation:

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

Number of notices mailed:

51

Objections Received:

0

Development Review Meeting:

No

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Site Plan
Elevations
Staff Review Letter - Variance
Staff Review Letter - Replat

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 9.**

Meeting Date: 07/18/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

***** OTHER BUSINESS***

Replat approval of Vela-Aguilar Addition, being 0.648 acres and being part of the Robert Thompson Survey, Abstract No. 1200, and being Lot 1 of Alvarado-Vela Addition; Francisco Vela & Cindy Aguilar, Owners and Underwood Drafting & Surveying, Surveyor (2400 South First Street)

Issue:

To consider Replat approval of Vela-Aguilar Addition, being 0.648 acres and being part of the Robert Thompson Survey, Abstract No. 1200, and being Lot 1 of Alvarado-Vela Addition; Francisco Vela & Cindy Aguilar, Owners and Underwood Drafting & Surveying, Surveyor (2400 South First Street)

Background:

The property is located at 2400 South First Street at the intersection of South First Street and East Ida Road and is zoned R-1 (One-Family Residential) District. The owner would like to plat the property into two lots for residential development.

The following has been approved for this location:
March 9, 1993 - Exception to allow the location of a mobile home on the property with the stipulation the County Health Dept approve the septic system, the structure be underpinned and that a dust free driveway be installed.
March 12, 1996 - Variance to allow a 12 ft 6 inch rear setback in lieu of the required 25'

Origination:

Francisco Vela & Cindy Aguilar (Owners)
Underwood Drafting & Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Staff Review Letter
P&Z Communication

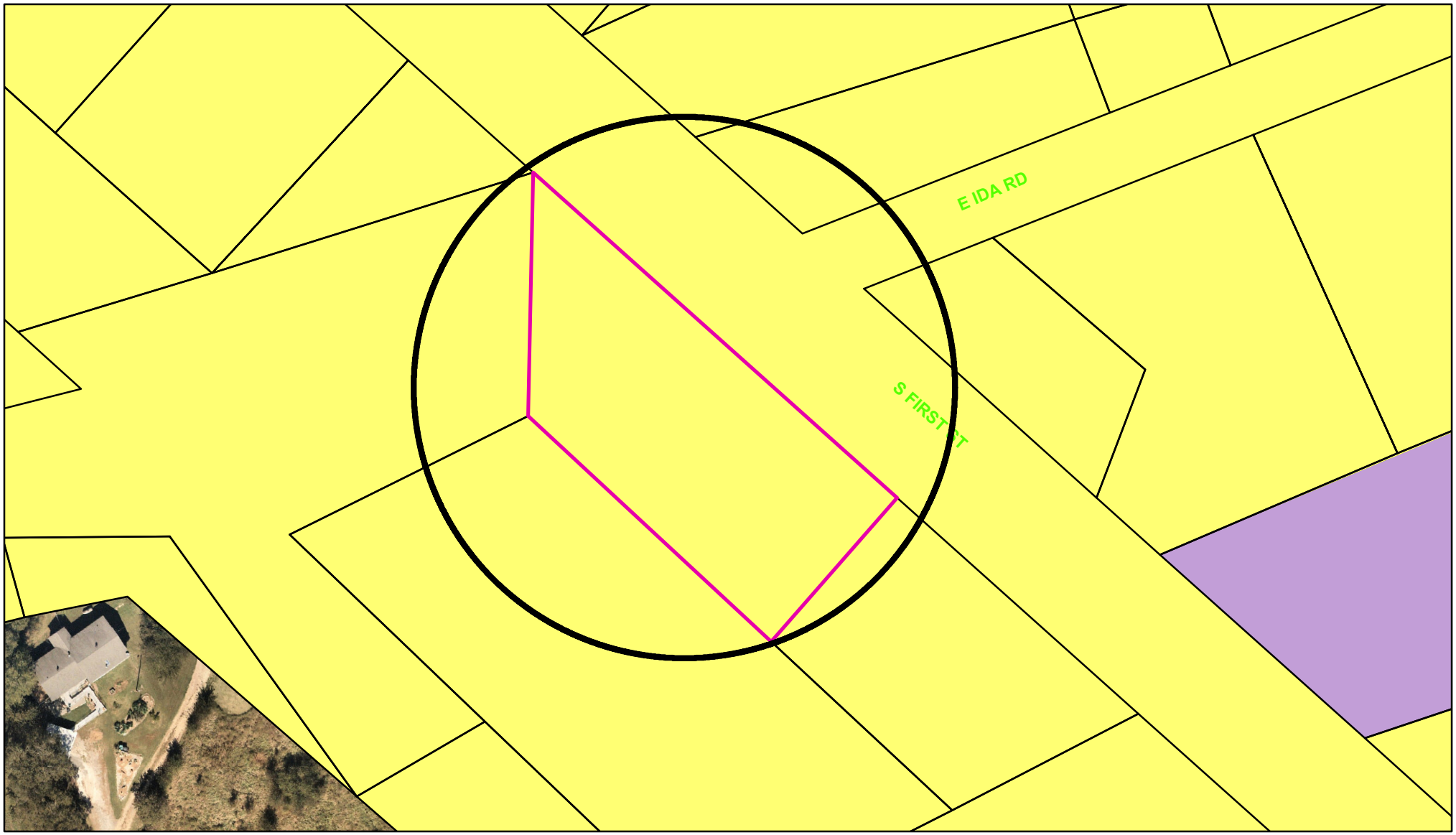
Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

2400 South First Street

NOT TO SCALE

1 in = 300 ft



Zoning - 2400 South First Street

Legend

Special Districts Overlay
DISTRICT_NAME
- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor
Representation: ShermGIS.DBO.TransportationCorridor_Rep_1
- FM 1417
- Sam Raybum Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts
Representation: ShermGIS.DBO.ZoningDistrict_Rep
- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development

Sherman
CLASSIC TOWN. BROAD HORIZON.

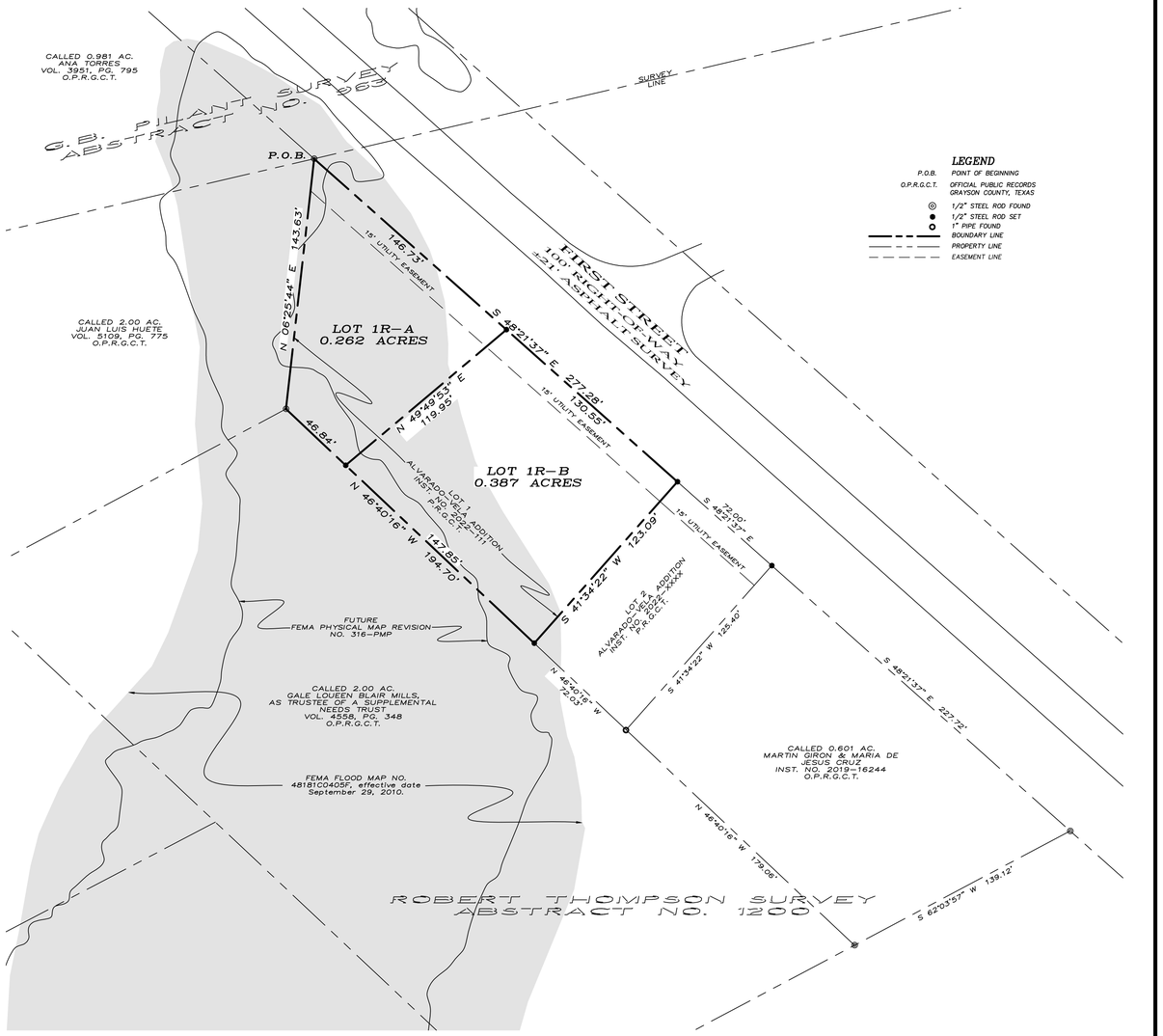
City of Sherman, Texas
Development Services Department

NOT TO SCALE

1 in = 100 ft

2400 S. FIRST ST.

JOB NO. 22050506



FINAL PLAT
VELA-AGUILAR ADDITION
A REPLAT OF LOT 1 OF ALVARADO-VELA ADDITION
Being a part of the Robert Thompson Survey, Abstract Number 1200. Being in the City of Sherman, Grayson County, Texas. Containing 0.648 acres of land

GRAPHIC SCALE

40 0 20 40 80 160

(IN FEET)
1 inch = 40 ft.

05-16-22

OWNERS/DEVELOPER
FRANCISCO VELA &
CYNTHIA AGUILAR
2400 SOUTH FIRST STREET
SHERMAN, TEXAS 75090

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

UNDERWOOD
DRAFTING & SURVEYING
3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, being a part of the Robert Thompson Survey, Abstract No. 1200, and being Lot 1 of Alvarado-Vela Addition, according to the plat thereof recorded in Instrument No. 2022-111, Plat Records, Grayson County, Texas, and being described by metes and bounds as follows:

Beginning at a 1/2" steel rod found for the most northerly corner of said Lot 1, and on the southwesterly right-of-way line of First Street;

Thence South 48°21'37" East, with the northeasterly line of said Lot 1, and with the southwesterly right-of-way line of said First Street, a distance of 277.28 feet to a 1/2" steel rod previously set for the most easterly corner of said Lot 1, common to the northerly corner of Lot 2 of aforesaid Alvarado-Vela Addition;

Thence South 41°34'22" West, with the southeasterly line of said Lot 1, and with the northwesterly line of said Lot 2, and leaving said First Street, a distance of 123.09 feet to a 1/2" steel rod previously set for the most southerly corner of said Lot 1, common to the most westerly corner of said Lot 2;

Thence North 46°40'16" West, with the southwesterly line of said Lot 1, a distance of 194.70 feet to a 1/2" steel rod previously set for the most westerly corner of said Lot 1;

Thence North 06°25'63" East, with the westerly line of said Lot 1, a distance of 143.63 feet to the Point of Beginning and containing 0.648 acres (28,246 square feet) of land, more or less.....

CERTIFICATE OF COMPLIANCE

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, VELA-AGUILAR ADDITION, an addition to the City of Sherman, Texas, was submitted to the City Council on the_____day of _____, 2022, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as herein above subscribed.

Witness my hand this_____day of _____, 2022.

_____
Clerk, City of Sherman, Texas

SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

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

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

ACCEPTANCE

Approved this _____ day of _____, 2022, by the City Planning Commission to the City of Sherman, Texas.

_____ _____
Chairman Secretary

CERTIFICATE OF ACCEPTANCE OF DEDICATION

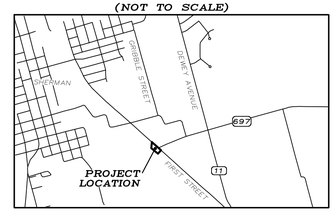
Accepted by the City Council of the City of Sherman

_____ _____
Mayor, City of Sherman, Texas Date

~ GENERAL NOTES ~

1. Water Supply to be provided by the City of Sherman.
2. Sewer Service to be provided by a Private Sewer System approved by Grayson County or extension of sewer main by developer is required.
3. Electrical service is provided by Oncor Electrical Delivery.
4. Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the floodway is prohibited.
5. Any existing creeks or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
6. The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or drainage easements for the control of erosion.
7. Neither the City of Sherman nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
8. The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
9. Bearings are based on the City of Sherman Control Monument Network.
10. The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.
11. Part of the property does lie within a Federal Emergency Management Agency (FEMA) designated flood plain as shown by Firm Map No. 48181C0405F, effective date September 29, 2010.

LOCATION MAP
(NOT TO SCALE)



JOB NO. 22050506

OWNERS DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

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

WITNESS MY HAND this_____day of _____, 2022.

_____
FRANCISCO VELA

_____
CYNTHIA AGUILAR

STATE OF TEXAS
COUNTY OF GRAYSON

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE this___day of_____, 2022.

_____
Notary Public in and for
the State of Texas
Commission Expires: _____

STATE OF TEXAS
COUNTY OF GRAYSON

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE this___day of_____, 2022.

_____
Notary Public in and for
the State of Texas
Commission Expires: _____

AVIGATION RELEASE

THE STATE OF TEXAS
COUNTY OF GRAYSON

WHEREAS, RICCY ALVARADO, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as VELA-AGUILAR ADDITION, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed or navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER'S described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property; and OWNER does hereby fully remiss and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at VELA-AGUILAR ADDITION, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

EXECUTED THIS_____DAY OF_____, 2022

BY: FRANCISCO VELA & CYNTHIA AGUILAR

_____

_____

FINAL PLAT
VELA-AGUILAR ADDITION
A REPLAT OF LOT 1 OF ALVARADO-VELA ADDITION
Being a part of the Robert Thompson Survey, Abstract Number 1200. Being in the City of Sherman, Grayson County, Texas. Containing 0.648 acres of land

05-16-22

OWNERS/DEVELOPER
FRANCISCO VELA &
CYNTHIA AGUILAR
2400 SOUTH FIRST STREET
SHERMAN, TEXAS 75090

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

UNDERWOOD
DRAFTING & SURVEYING
3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

June 10, 2022

Francisco Vela & Cynthia Aguilar
2400 S. First St.
Sherman, TX 75090

Underwood Drafting & Surveying, Inc.
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request for approval of the Final Plat of Vela-Aguilar Addition has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, June 21, 2022 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Metes and bounds must match drawing, i.e. Northwest boundary line of Lot 1R-A. *Code of Ordinances Chapter 10, Exhibit A, Sec.6(B)(7)*
2. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*
3. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
4. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*
5. Upon final staff approval, 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 13.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

*** 2400 SOUTH FIRST STREET**

The request of Francisco Vela & Cindy Aguilar (Owners) and Underwood Drafting & Surveying (Surveyor) concerning the property at 2400 South First Street, being 0.648 acres and being part of the Robert Thompson Survey, Abstract No. 1200, and being Lot 1 of Alvarado-Vela Addition, as follows:
Planning and Zoning Commission
Replat Vela-Aguilar Addition.

Background:

The property is located at 2400 South First Street at the intersection of South First Street and East Ida Road and is zoned R-1 (One-Family Residential) District. The owner would like to plat the property into two lots for residential development.

The following has been approved for this location:
March 9, 1993 - Exception to allow the location of a mobile home on the property with the stipulation the County Health Dept approve the septic system, the structure be underpinned and that a dust free driveway be installed.
March 12, 1996 - Variance to allow a 12 ft 6 inch rear setback in lieu of the required 25'

Adjacent Zoning:

R-1 (One-Family Residential) District

Origination:

Francisco Vela & Cindy Aguilar (Owners)
Underwood Drafting & Surveying (Surveyor)

Master Plan Designation:

Estate – Estate is a large lot residential use (1-5 acres) with open space and a rural street network (ditches and no sidewalk). These homes are unlikely to have access to full service public utilities, especially sewer service.

Number of notices mailed:

13

Objections Received:

0

Development Review Meeting:

No

Attachments

Location Map

Zoning Map

Zoning Sign Photo

Replat

Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 10.**

Meeting Date: 07/18/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

***** OTHER BUSINESS***

Final Plat of Hidden Meadows, being 43.369 acres in the W.M. Thompson Survey, Abstract 1210 and the Fielding Bacon Survey, Abstract No. 119; Lennar Homes of Texas Land and Construction, LTD, Owners and Michael Carlisle, Kimley-Horn and Associates, Inc, Representative/Engineer/Surveyor (3800 Block West Houston Street)

Issue:

To consider Final Plat of Hidden Meadows, being 43.369 acres in the W.M. Thompson Survey, Abstract 1210 and the Fielding Bacon Survey, Abstract No. 119; Lennar Homes of Texas Land and Construction, LTD, Owners and Michael Carlisle, Kimley-Horn and Associates, Inc, Representative/Engineer/Surveyor (3800 Block West Houston Street)

Background:

The property is located in the 3800 block of West Houston Street between Ridgeview Road and North Friendship Road and is zoned an R-1 (One-Family Residential) District. The owner would like to plat the property into 149 lots for residential development: 145 residential Lots and 4 homeowners association (HOA) lots.

The owner is also requesting four (4) variances for reduced lot width frontage for four (4) lots where knuckles are present.

The following has been approved for this location:

- September 9, 1986 - 3800-4400 Block West Houston Street - Zone Change from R-1 to C-2 (General Commercial) District.
- November 16, 2021 - 3800 Blk West Houston Street - Zone Change from C-2 (General Commercial) District to R-1 (One-Family Residential) District.

Origination:

Lennar Homes of Texas Land and Construction, LTD (Owners)
Michael Carlisle, Kimley-Horn and Associates, Inc (Representative/Engineer/Surveyor)

Financial Consideration:

None

Staff Recommendation:

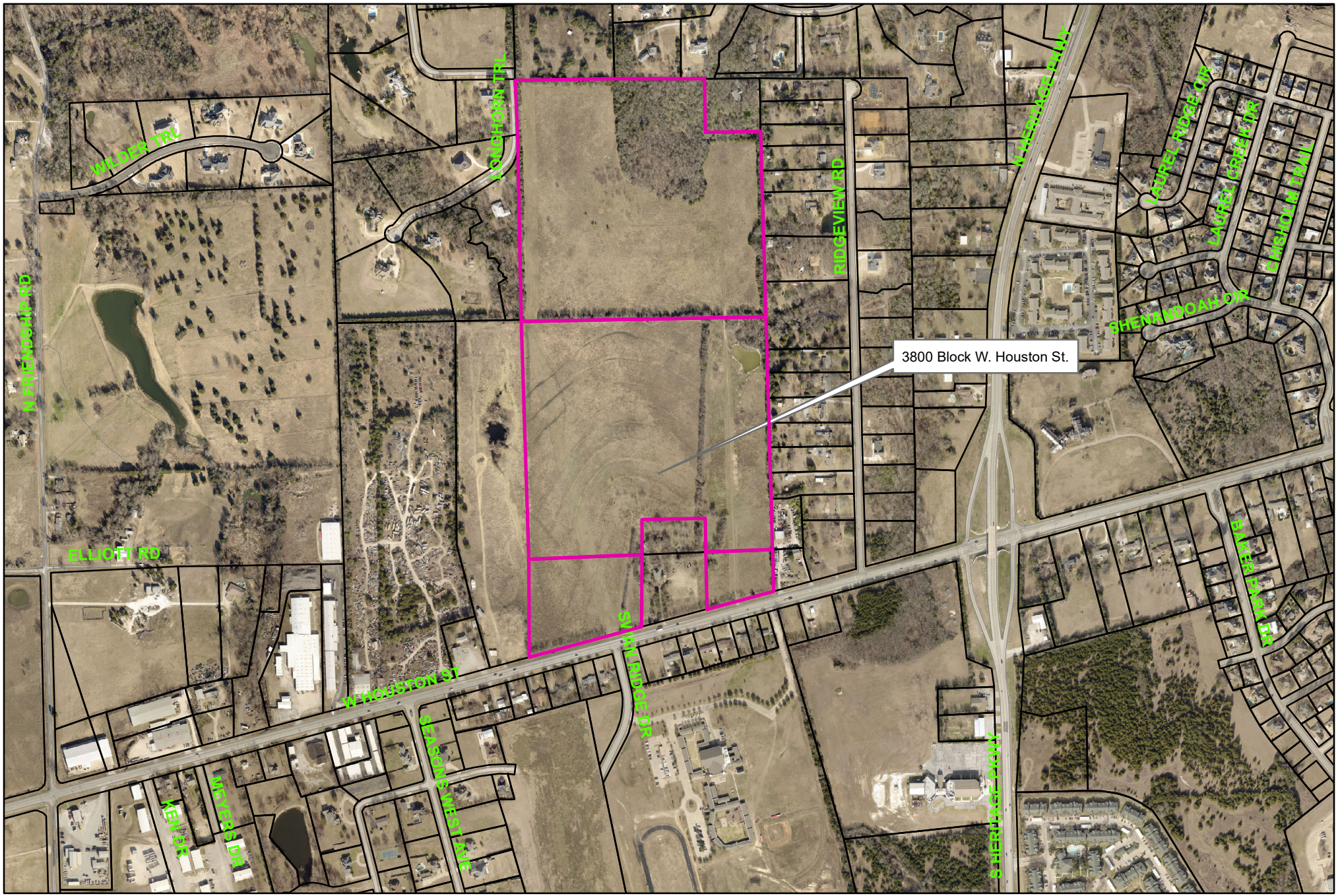
At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted unanimously to recommend to the City Council that the final plat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Final Plat
Staff Review Letter
P&Z Communication



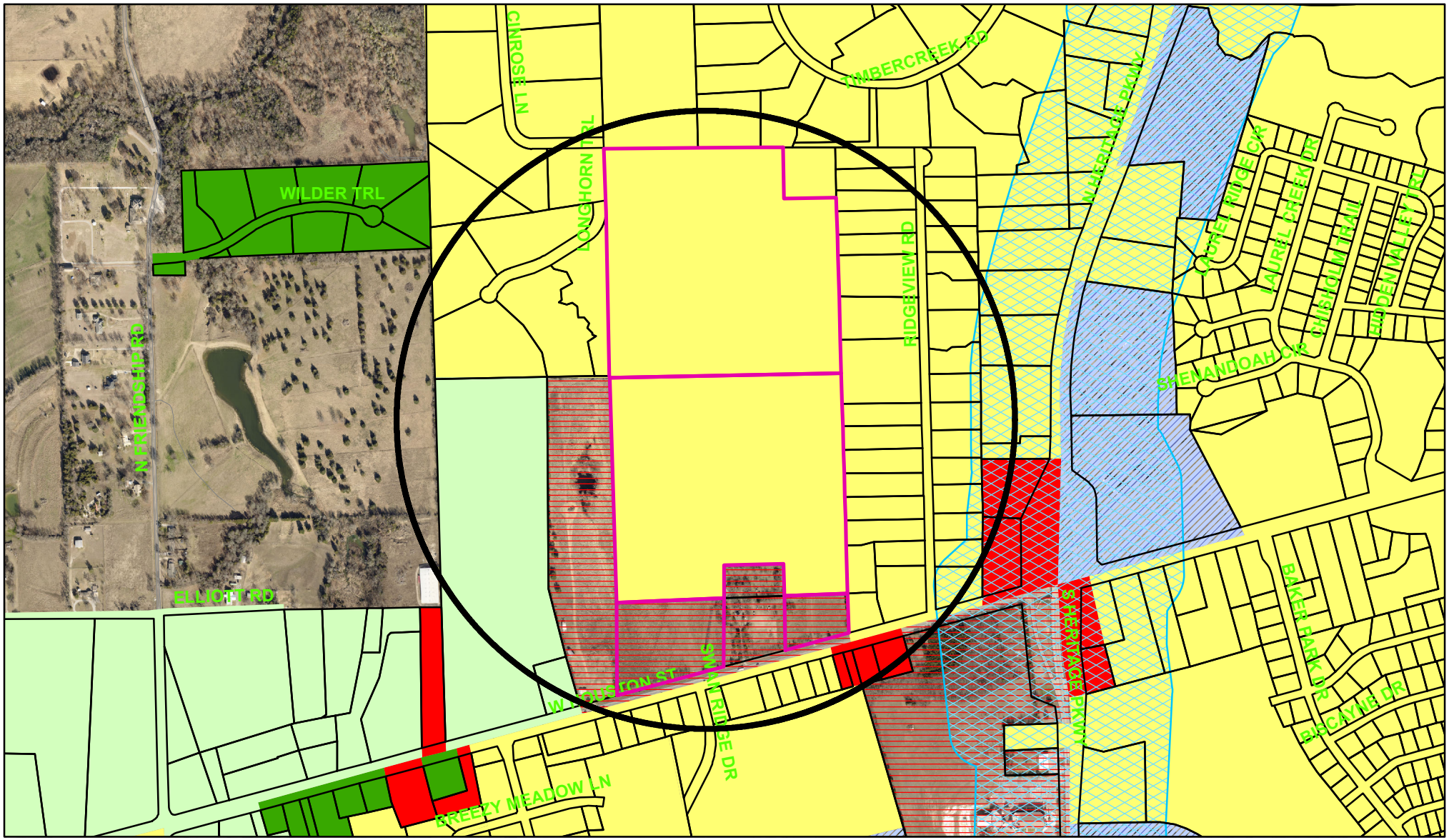
Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

3800 Block West Houston Street

NOT TO SCALE

1 in = 700 ft



Zoning - 3800 Block West Houston Street

Legend

Special Districts Overlay
DISTRICT_NAME
- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor
Representation: ShermGIS.DBO.TransportationCorridor_Rep_1
- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts
Representation: ShermGIS.DBO.ZoningDistrict_Rep
- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development

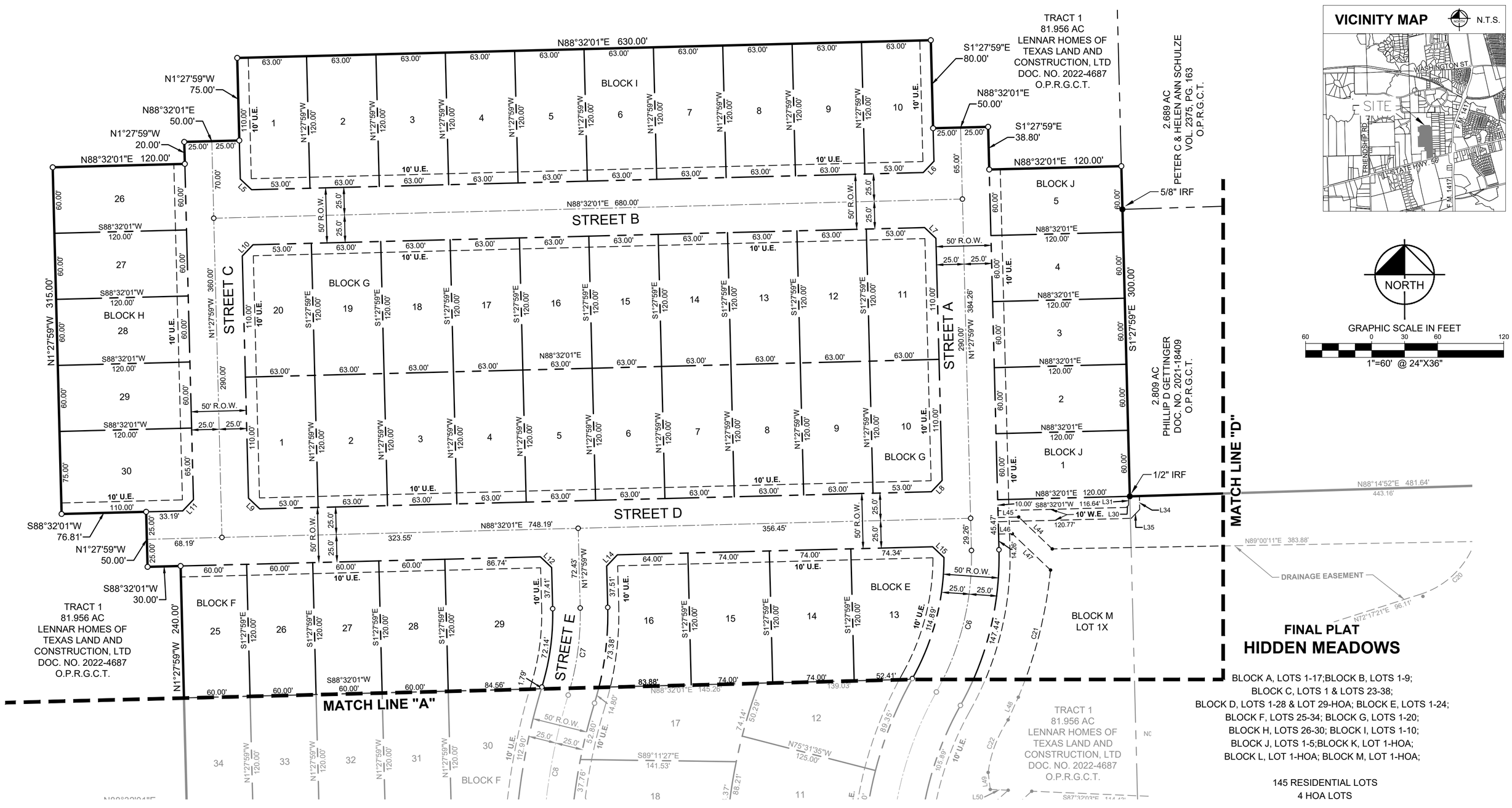
Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

NOT TO SCALE

1 in = 800 ft

3800 BLOCK W HOUSTON ST


TRACT 1
81.956 AC
LENNAR HOMES OF TEXAS LAND AND CONSTRUCTION, LTD
DOC. NO. 2022-4687
O.P.R.G.C.T.
2.689 AC
PETER C & HELEN ANN SCHULZE
VOL. 2375, PG. 163
O.P.R.G.C.T.
2.809 AC
PHILLIP D GETTINGER
DOC. NO. 2021-18409
O.P.R.G.C.T.
STREET A
STREET B
STREET C
STREET D
STREET E
STREET F
STREET G
STREET H
BLOCK I
BLOCK J
BLOCK G
BLOCK H
BLOCK F
BLOCK E
BLOCK M
LOT 1X
BLOCK C
BLOCK D
BLOCK A
MATCH LINE "A"
MATCH LINE "B"
MATCH LINE "D"
1/2" IRF
5/8" IRF
3/8" IRF
1/2" IRFC
"PRESTON TRAILS
RPLS 6585"
WATER EASEMENT
ACCESS AND UTILITY EASEMENT
DRAINAGE EASEMENT
20' UTILITY & DRAINAGE EASEMENT VOL. 5, PG. 11 D.R.G.C.T.
TIMBER VIEW ESTATES
VOL. 5, PG. 11 D.R.G.C.T.
50' R.O.W.
10' U.E.
10' W.E.
30' S.S.E
N88°32'01"E 630.00'
N88°32'01"E 680.00'
N88°32'01"E 748.19'
N88°32'01"E 435.67'
N88°14'52"E 481.64'
N89°00'11"E 383.88'
S88°30'20"W 625.25'
S88°30'20"W 627.93'
S88°30'33"W 482.25'
N1°27'59"W 315.00'
S1°27'59"E 300.00'
N1°27'59"W 700.00'
S88°32'01"W 76.81'
N1°27'59"W 50.00'
S88°32'01"W 30.00'
N88°32'01"E 39.37'
N1°27'59"W 50.00'
N88°32'01"E 80.00'
S1°27'59"E 80.00'
N88°32'01"E 50.00'
S1°27'59"E 38.80'
N1°27'59"W 75.00'
N88°32'01"E 50.00'
N1°27'59"W 20.00'
N88°32'01"E 120.00'
S88°32'01"W 120.00'
N1°27'59"W 360.00'
N1°27'59"W 290.00'
N1°27'59"W 384.26'
N1°27'59"W 240.00'
N1°27'59"W 580.00'
S1°27'59"E 120.00'
N1°27'59"W 120.00'
S1°27'59"E 110.19'
S1°27'59"E 122.15'
N1°27'59"W 110.00'
S1°27'59"E 110.00'
N88°32'01"E 120.00'
S88°32'01"W 120.00'
N88°32'01"E 139.72'
N88°32'01"E 147.84'
N88°32'01"E 126.75'
S88°32'01"W 116.64'
S87°32'03"E 114.43'
N0°00'00"E 10.03'
S89°11'27"E 141.53'
N75°31'35"W 125.00'
N89°50'48"E 129.59'
N86°10'02"W 125.00'
S83°11'32"W 125.00'
S72°33'06"W 125.00'
S41°41'43"E 159.57'
N57°48'54"E 109.47'
R50.0'
R=475.00'
C5
C6
C17
C21
C24
L1
L2
L3
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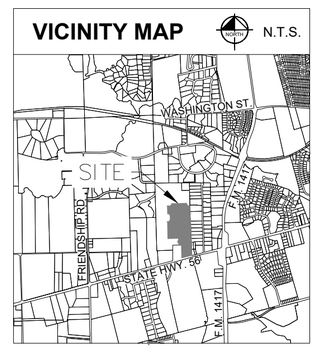
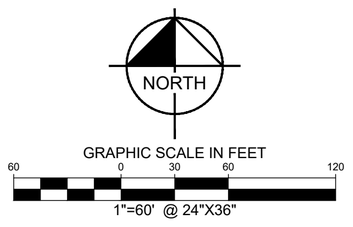




TRACT 1
81.956 AC
LENNAR HOMES OF
TEXAS LAND AND
CONSTRUCTION, LTD
DOC. NO. 2022-4687
O.P.R.G.C.T.

FINAL PLAT
HIDDEN MEADOWS

BLOCK A, LOTS 1-17;BLOCK B, LOTS 1-9;
BLOCK C, LOTS 1 & LOTS 23-38;
BLOCK D, LOTS 1-28 & LOT 29-HOA; BLOCK E, LOTS 1-24;
BLOCK F, LOTS 25-34; BLOCK G, LOTS 1-20;
BLOCK H, LOTS 26-30; BLOCK I, LOTS 1-10;
BLOCK J, LOTS 1-5;BLOCK K, LOT 1-HOA;
BLOCK L, LOT 1-HOA; BLOCK M, LOT 1-HOA;

145 RESIDENTIAL LOTS
4 HOA LOTS

43.369 ACRES SITUATED IN THE
W.M. THOMPSON SURVEY, ABSTRACT NO. 1210
AND FIELDING BACON SURVEY, ABSTRACT NO. 119,
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS

SEE SHEET No. 5 FOR
LINE & CURVE TABLES

LEGEND

	BOUNDARY LINE
	EASEMENT LINE
IRF	IRON ROD FOUND
IRFC	IRON ROD FOUND WITH CAP
IRSC	IRON ROD SET WITH CAP
INST. NO.	INSTRUMENT NUMBER
NTS	NOT TO SCALE
FND.	FOUND
P.R.G.C.T.	PLAT RECORDS OF GRAYSON COUNTY, TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS
XS	"X" CUT IN CONCRETE SET
XF	"X" CUT IN CONCRETE FOUND
P.O.B.	POINT OF BEGINNING
D.E.	DRAINAGE EASEMENT
S.S.E.	SANITARY SEWER EASEMENT
S.W.E.	SIDE WALK EASEMENT
U.E.	UTILITY EASEMENT
F.A.U.E.	FIRE LANE, ACCESS, AND UTILITY EASEMENT
W.E.	WATER EASEMENT
A.E.	ACCESS EASEMENT
E.E.	ELECTRIC EASEMENT

NOTES:

All corners are a 5/8-inch iron rod with plastic cap stamped "KHA" set, unless otherwise noted.

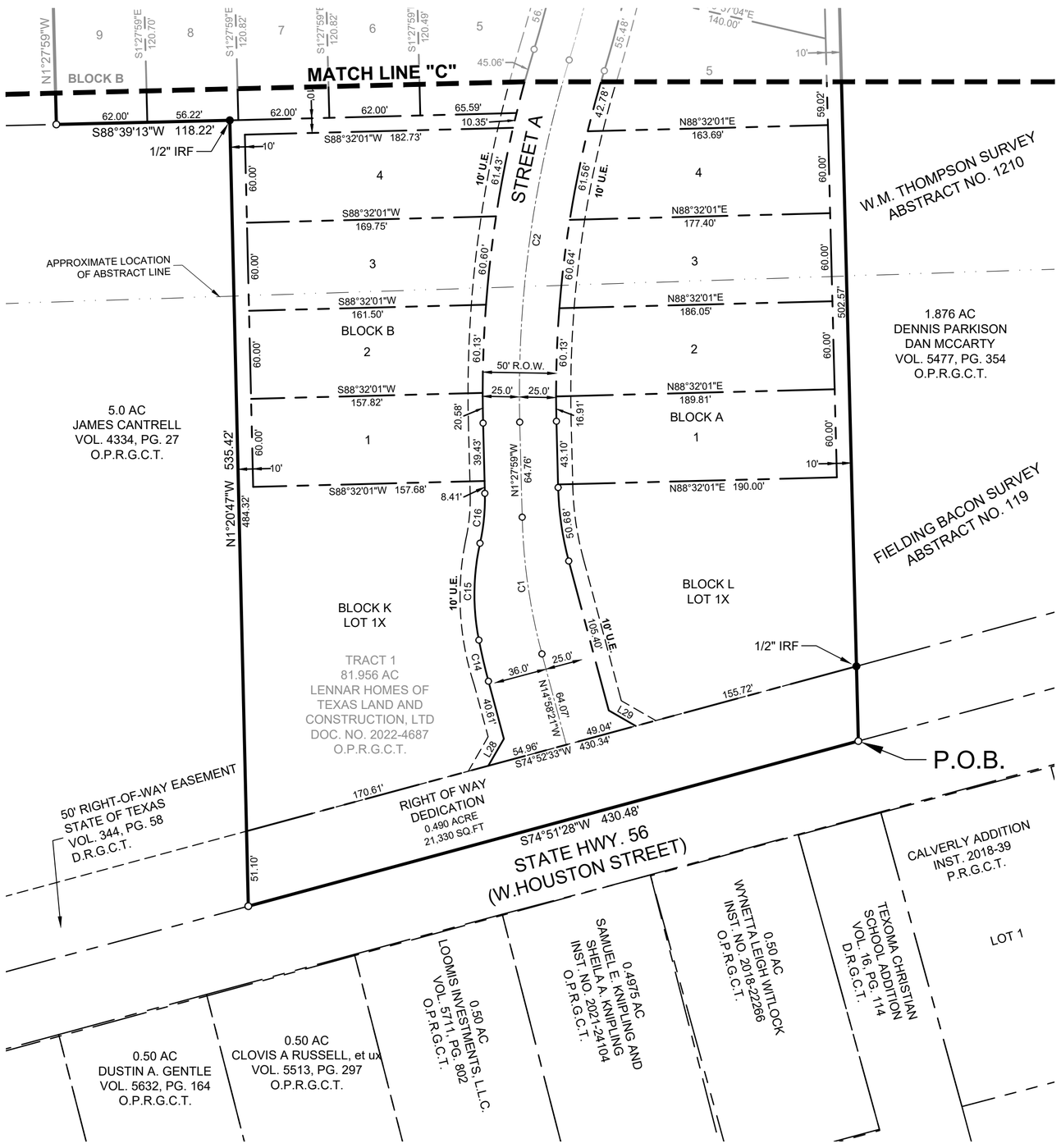
Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983. Distances shown are Surface values. To obtain Grid values, multiply the distance by the Project Combined Scale Factor (PCF) of 0.999890661049.

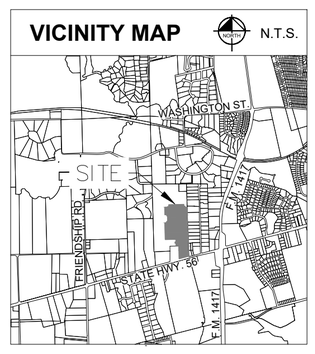
Phase 1 pond will be maintained by the HOA.

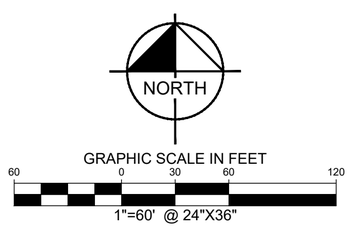
FLOOD STATEMENT: According to Federal Emergency Management Agency's Flood Insurance Rate Map No. 48181C0270F, for Grayson County, Texas and incorporated areas, dated September 29, 2010, this property is located within:

Zone X (unshaded) defined as "Areas determined to be outside the 0.2% annual chance floodplain"

If this site is not within an identified special flood hazard area, this flood statement does not imply that the property and/or the structures thereon will be free from flooding or flood damage. On rare occasions, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor.







FINAL PLAT
HIDDEN MEADOWS

BLOCK A, LOTS 1-17;BLOCK B, LOTS 1-9;
BLOCK C, LOTS 1 & LOTS 23-38;
BLOCK D, LOTS 1-28 & LOT 29-HOA; BLOCK E, LOTS 1-24;
BLOCK F, LOTS 25-34; BLOCK G, LOTS 1-20;
BLOCK H, LOTS 26-30; BLOCK I, LOTS 1-10;
BLOCK J, LOTS 1-5;BLOCK K, LOT 1-HOA;
BLOCK L, LOT 1-HOA; BLOCK M, LOT 1-HOA;

145 RESIDENTIAL LOTS
4 HOA LOTS

43.369 ACRES SITUATED IN THE
W.M. THOMPSON SURVEY, ABSTRACT NO. 1210
AND FIELDING BACON SURVEY, ABSTRACT NO. 119,
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS

LEGEND

	BOUNDARY LINE
	EASEMENT LINE
IRF	IRON ROD FOUND
IRFC	IRON ROD FOUND WITH CAP
IRSC	IRON ROD SET WITH CAP
INST. NO.	INSTRUMENT NUMBER
NTS	NOT TO SCALE
FND.	FOUND
P.R.G.C.T.	PLAT RECORDS OF GRAYSON COUNTY, TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS
XS	"X" CUT IN CONCRETE SET
XF	"X" CUT IN CONCRETE FOUND
P.O.B.	POINT OF BEGINNING
D.E.	DRAINAGE EASEMENT
S.S.E.	SANITARY SEWER EASEMENT
S.W.E.	SIDE WALK EASEMENT
U.E.	UTILITY EASEMENT
F.A.U.E.	FIRE LANE, ACCESS, AND UTILITY EASEMENT
W.E.	WATER EASEMENT
A.E.	ACCESS EASEMENT
E.E.	ELECTRIC EASEMENT

NOTES:

All corners are a 5/8-inch iron rod with plastic cap stamped "KHA" set, unless otherwise noted.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983. Distances shown are Surface values. To obtain Grid values, multiply the distance by the Project Combined Scale Factor (PCF) of 0.999890661049.

Phase 1 pond will be maintained by the HOA.

FLOOD STATEMENT: According to Federal Emergency Management Agency's Flood Insurance Rate Map No. 48181C0270F, for Grayson County, Texas and incorporated areas, dated September 29, 2010, this property is located within:

Zone X (unshaded) defined as "Areas determined to be outside the 0.2% annual chance floodplain"

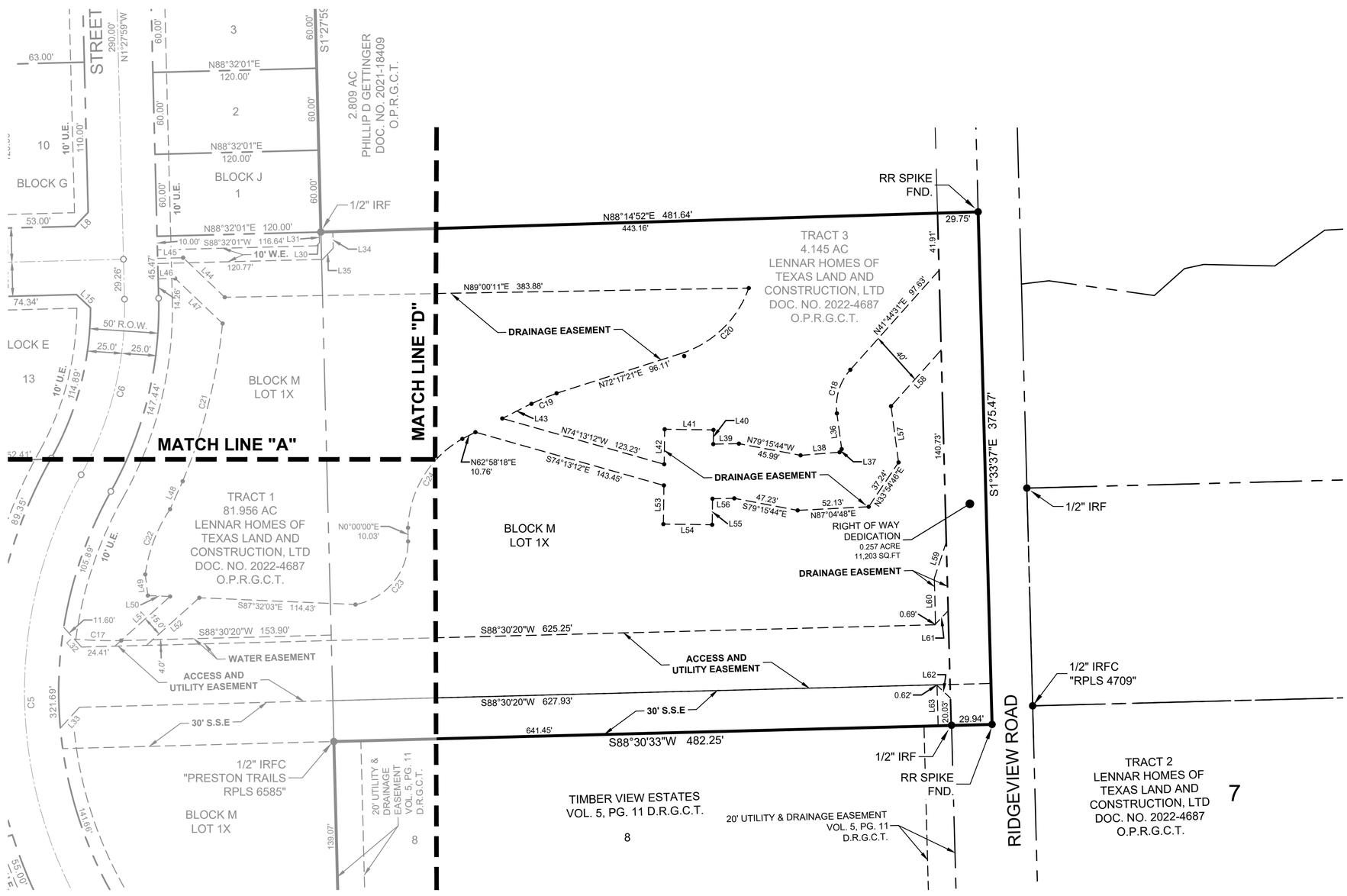
If this site is not within an identified special flood hazard area, this flood statement does not imply that the property and/or the structures thereon will be free from flooding or flood damage. On rare occasions, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor.

Kimley»Horn
6160 Warren Parkway, Suite 210
Frisco, Texas 75034
Tel. No. (972) 335-3580
FIRM # 10193822

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 60'	CDS	KHA	MAY 2022	063451851	3 OF 6

OWNER / APPLICANT:
Lennar Homes of Texas Land and Construction, LTD
1707 Market Place Blvd., Suit 100
Irving, Texas 75063
Contact : Annie Hepner, P.E.

SURVEYOR / ENGINEER:
Kimley-Horn and Associates, Inc.
260 E. Davis Street, Suite 100
McKinney, TX 75069
Ph: (972) 335-3580
Contact: Michael Carlisle, PE



NORTH

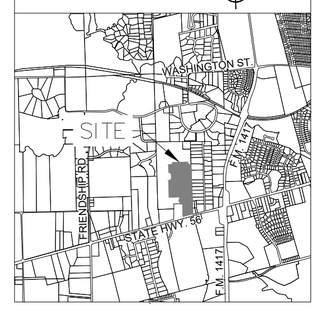
GRAPHIC SCALE IN FEET

60 0 30 60 120

1"=60' @ 24"X36"

VICINITY MAP

N.T.S.



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Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983. Distances shown are Surface values. To obtain Grid values, multiply the distance by the Project Combined Scale Factor (PCF) of 0.999890661049.

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LEGEND

	BOUNDARY LINE
	EASEMENT LINE
IRF	IRON ROD FOUND
IRFC	IRON ROD FOUND WITH CAP
IRSC	IRON ROD SET WITH CAP
INST. NO.	INSTRUMENT NUMBER
NTS	NOT TO SCALE
FND.	FOUND
P.R.G.C.T.	PLAT RECORDS OF GRAYSON COUNTY, TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS
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U.E.	UTILITY EASEMENT
F.A.U.E.	FIRE LANE, ACCESS, AND UTILITY EASEMENT
W.E.	WATER EASEMENT
A.E.	ACCESS EASEMENT
E.E.	ELECTRIC EASEMENT

LINE TABLE			LINE TABLE			LINE TABLE		
NO.	BEARING	LENGTH	NO.	BEARING	LENGTH	NO.	BEARING	LENGTH
L1	N39°58'09"W	19.17'	L22	S46°27'59"E	14.14'	L43	N62°58'18"E	23.90'
L2	S43°32'01"W	21.21'	L23	N53°52'20"E	13.86'	L44	S46°27'59"E	42.04'
L3	N44°07'51"E	21.44'	L24	N73°21'32"W	13.17'	L45	N88°32'01"E	18.67'
L4	S22°47'07"E	32.77'	L25	S43°32'01"W	14.14'	L46	N88°32'01"E	12.46'
L5	N46°27'59"W	14.14'	L26	S46°27'59"E	14.14'	L47	S46°27'59"E	47.90'
L6	S43°32'01"W	14.14'	L27	S33°50'08"E	13.86'	L48	S24°15'30"W	22.52'
L7	N46°27'59"W	14.14'	L28	S29°52'33"W	21.21'	L49	S07°07'59"E	15.57'
L8	N43°32'01"E	14.14'	L29	N60°07'27"W	21.21'	L50	S87°32'03"E	16.28'
L9	S46°27'59"E	14.14'	L30	N43°38'06"E	2.95'	L51	S48°02'32"W	54.43'
L10	S43°32'01"W	14.14'	L31	N01°23'28"W	7.92'	L52	S48°02'32"W	52.15'
L11	S43°32'01"W	14.14'	L32	N41°56'07"W	19.48'	L53	N00°46'48"E	28.31'
L12	S46°27'59"E	14.14'	L33	S42°24'14"W	20.80'	L54	N89°13'12"W	35.75'
L13	S43°34'11"W	14.15'	L34	S01°20'54"E	12.13'	L55	S00°46'48"W	19.05'
L14	S43°32'01"W	14.14'	L35	S43°38'06"W	11.21'	L56	N88°57'17"E	15.92'
L15	N46°34'31"W	14.17'	L36	N07°35'08"W	26.37'	L57	N07°35'08"W	41.53'
L16	N15°16'20"E	14.74'	L37	N33°54'46"E	2.78'	L58	N41°44'31"E	55.14'
L17	S46°27'59"E	14.14'	L38	N85°26'14"E	28.62'	L59	S18°19'45"W	27.88'
L18	S43°32'01"W	14.14'	L39	N88°57'17"E	18.77'	L60	S01°27'59"E	33.60'
L19	S46°27'59"E	14.14'	L40	S00°46'48"W	10.40'	L61	N43°29'12"E	14.14'
L20	S46°27'59"E	14.14'	L41	S89°13'12"E	35.75'	L62	S46°30'48"E	14.15'
L21	S43°32'01"W	14.14'	L42	N00°46'48"E	25.63'	L63	S01°27'59"E	29.49'

CURVE TABLE						CURVE TABLE					
NO.	DELTA	RADIUS	LENGTH	CHORD BEARING	CHORD	NO.	DELTA	RADIUS	LENGTH	CHORD BEARING	CHORD
C1	13°30'22"	400.00'	94.29'	S08°13'10"E	94.07'	C13	163°44'23"	50.00'	142.89'	S46°27'59"E	98.99'
C2	18°29'19"	775.00'	250.08'	S07°46'40"W	249.00'	C14	3°44'46"	440.00'	28.77'	S13°05'58"E	28.76'
C3	18°29'19"	775.00'	250.08'	N07°46'40"E	249.00'	C15	23°47'19"	160.00'	66.43'	S00°40'04"W	65.95'
C4	30°43'08"	250.00'	134.04'	N16°49'33"W	132.44'	C16	14°01'42"	140.00'	34.28'	N05°32'52"E	34.19'
C5	61°26'15"	325.00'	348.49'	S01°27'59"E	332.04'	C17	6°39'51"	295.00'	34.31'	S88°09'45"E	34.29'
C6	30°43'08"	250.00'	134.04'	N13°53'35"E	132.44'	C18	49°19'39"	40.00'	34.44'	S17°04'41"W	33.38'
C7	18°22'39"	250.00'	80.19'	N07°50'10"E	79.84'	C19	8°44'21"	131.00'	19.98'	S67°37'49"W	19.96'
C8	15°02'30"	540.00'	141.76'	S09°30'15"W	141.36'	C20	52°51'06"	77.06'	71.08'	N45°49'51"E	68.59'
C9	30°43'08"	250.00'	134.04'	N73°10'27"E	132.44'	C21	17°02'45"	402.05'	119.61'	N14°11'55"E	119.17'
C10	11°29'05"	500.00'	100.22'	N85°43'26"W	100.06'	C22	26°10'49"	112.82'	51.55'	S20°48'25"W	51.10'
C11	160°46'10"	50.00'	140.30'	N45°01'08"E	98.60'	C23	79°37'22"	47.00'	65.31'	N39°48'41"E	60.18'
C12	163°07'56"	50.00'	142.36'	N46°46'13"W	98.92'	C24	58°49'17"	77.68'	79.75'	S31°29'09"W	76.30'

FINAL PLAT
HIDDEN MEADOWS

BLOCK A, LOTS 1-17;BLOCK B, LOTS 1-9;
BLOCK C, LOTS 1 & LOTS 23-38;
BLOCK D, LOTS 1-28 & LOT 29-HOA; BLOCK E, LOTS 1-24;
BLOCK F, LOTS 25-34; BLOCK G, LOTS 1-20;
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BLOCK J, LOTS 1-5;BLOCK K, LOT 1-HOA;
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145 RESIDENTIAL LOTS
4 HOA LOTS

43.369 ACRES SITUATED IN THE
W.M. THOMPSON SURVEY, ABSTRACT NO. 1210
AND FIELDING BACON SURVEY, ABSTRACT NO. 119,
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS

Kimley»Horn
6160 Warren Parkway, Suite 210
Frisco, Texas 75034
Tel. No. (972) 335-3580
FIRM # 10193822

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 60'	CDS	KHA	MAY 2022	063451851	5 OF 6

OWNER / APPLICANT:
Lennar Homes of Texas Land and Construction, LTD
1707 Market Place Blvd., Suit 100
Irving, Texas 75063
Contact : Annie Hepner, P.E.

SURVEYOR / ENGINEER:
Kimley-Horn and Associates, Inc.
260 E. Davis Street, Suite 100
McKinney, TX 75069
Ph: (972) 335-3580
Contact: Michael Carlisle, PE

OWNER'S CERTIFICATE

STATE OF TEXAS §

COUNTY OF GRAYSON §

WHEREAS LENNAR HOMES OF TEXAS LAND AND CONSTRUCTION, LTD., is the owner of a tract of land situated in the W.M. Thompson Survey, Abstract No. 1210 and the Fielding Bacon Survey, Abstract No. 119, City of Sherman, Grayson County, Texas and being all of a called 4.145 acre tract of land described as "Tract 3" and a portion of a called 81.956 acre tract of land described as "Tract 1" in a deed to Lennar Homes of Texas Land and Construction, LTD as recorded in Document No. 2022-4687 of the Official Public Records of Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southeast corner of said "Tract 1", same being in the center line of State Hwy 56 (W. Houston St.), a 50' wide right of way as describe in a deed to the State of Texas, as described in Volume 344, Page 58, of the Deed Records of Grayson County, Texas;

THENCE South 74°51'28" West, along the southerly line of said Tract 1 and the centerline of said State Hwy 56, a distance of 430.48 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for an ell corner on the southerly line of said Tract 1, common to the southeast corner of a called 5.0 acre tract of land described in a deed to James Cantrell as recorded in Volume 4334 Page 27 of the Official Public Records of Grayson County, Texas, same being in the centerline of said State Hwy 56;

THENCE North 01°20'47" West, departing the centerline of said State Hwy 56, continuing along the southerly line of said Tract 1 and along the easterly line of said 5.0 acre tract, a distance of 535.42 feet to a 1/2 inch iron rod found for the northeast corner of said 5.0 acre tract, common to an ell corner on the southerly line of said Tract 1;

THENCE South 88°39'13" West, continuing along the southerly line of said Tract 1 and along the northerly line of said 5.0 acre tract, a distance of 118.22 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

THENCE departing the northerly line of said 5.0 acre tract and the southerly line of said Tract 1, and crossing said Tract 1, the following:

North 01°27'59" West, a distance of 120.57 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

South 88°32'01" West, a distance of 34.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 01°27'59" West, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 88°32'01" East, a distance of 34.38 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 01°27'59" West, a distance of 120.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

South 88°32'01" West, a distance of 447.56 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 01°27'59" West, a distance of 700.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 88°32'01" East, a distance of 80.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 01°27'59" West, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 88°32'01" East, a distance of 39.37 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 01°27'59" West, a distance of 240.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

South 88°32'01" West, a distance of 30.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 01°27'59" West, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

South 88°32'01" West, a distance of 76.81 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 01°27'59" West, a distance of 315.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 88°32'01" East, a distance of 120.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 01°27'59" West, a distance of 315.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 88°32'01" East, a distance of 120.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 01°27'59" West, a distance of 20.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 88°32'01" East, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 01°27'59" West, a distance of 75.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 88°32'01" East, a distance of 630.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

South 01°27'59" East, a distance of 80.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 88°32'01" East, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

South 01°27'59" East, a distance of 38.80 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner;

North 88°32'01" East, a distance of 120.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set on the easterly line of said Tract 1, same being on the westerly line of a called 2.689 acre tract of land described in a deed to Peter C & Helen Ann Schulze, as recorded in Volume 2375, Page 163 of the Official Public Records of Grayson County, Texas;

THENCE South 01°27'59" East, along the easterly line of said Tract 1, the westerly line of said 2.689 acre tract and a called 2.809 acre trat of land described in a deed to Phillip D. Gettinger, as recorded in Document No. 2021-18409 of the Official Public Records of Grayson County, Texas, a distance of 300.00 feet to a 1/2 inch iron rod found for the southwest corner of said 2.809 acre tract, common to the northwest corner of said Tract 3;

THENCE North 88°14'52" East, departing the easterly line of said Tract 1, and along the southerly line of said 2.809 acre tract and the northerly line of said Tract 3, a distance of 481.64 feet to a railroad spike found for corner found for the southeast corner of said 2.809 acre tract, common to the northeast corner of said Tract 3, same being in the centerline of Ridgeview Road;

THENCE South 01°33'37" East, along the easterly line of said Tract 3 and generally along the centerline of said Ridgeview Road, a distance of 375.47 feet a railroad spike found for the southeast corner of said Tract 3;

THENCE South 88°30'33" West, along the southerly line of said Tract 3 and the northerly line Timber View Estates, as recorded in Volume 5, Page 11, of the Deed Records of Grayson County, Texas of a distance of 482.25 feet to 1/2 inch iron rod with plastic cap stamped "Preston Trails RPLS 6585" found for the southwest corner of said Tract 3, common to the northwest corner of said Timber View Estates, same being on the easterly line of said Tract 1;

THENCE South 01°27'59" East, along the easterly line of said Tract 1, the westerly line of said Timber View Estates, and a called 1.876 acre tract of land described in a deed to Dennis Parkison and Dan McCarty as recorded in Volume 5477, Page 354 of the Official Public Records of Grayson County, Texas, a distance of 2,055.67 feet to the **POINT OF BEGINNING** and containing 43.369 acres (1,889,174 square feet) of land, more or less.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

THAT, **LENNAR HOMES OF TEXAS LAND AND CONSTRUCTION, LTD.**, acting herein by and through its duly authorized officers, does hereby certify and adopt this plat designating the herein above described property as **HIDDEN MEADOWS**, an addition to the City of Sherman, and does hereby dedicate to the public use forever, the streets and alleys shown thereon.

LENNAR HOMES OF TEXAS LAND AND CONSTRUCTION, LTD.., does herein certify the following:

1. The streets and alleys herein are dedicated in fee simple for street and alley purposes.
2. All public improvements and dedications shall be free and clear of all debt, liens, and/or encumbrances.
3. The easements and public use areas, as shown and created by this plat, are dedicated for the public use forever for the purposes indicated on this plat.
4. No buildings, fences, trees, shrubs or other improvements or growths shall be constructed or placed upon, over or across the easements as shown, except that landscape improvements may be place in landscape easements if approved by the City of Sherman.
5. The City of Sherman is not responsible for replacing any improvements in, under, or over any easements caused by maintenance or repair.
6. Utility easements may also be used for the mutual use and accommodation of all public utilities desiring to use or using the same unless the easement limits the use to particular utilities, said use by public utilities being subordinate to the public's and City of Sherman's use thereof.
7. The City of Sherman and public utilities shall have the right to remove and keep removed all or parts of any buildings, fences, trees, shrubs or other improvements or growths which may in any way endanger or interfere with the construction, maintenance, or efficiency of their respective systems in the easements.
8. The City of Sherman and public utilities shall at all times have the full right of ingress and egress to or from their respective easements for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining, reading meters, and adding to or removing all or parts of their respective systems without the necessity at any time procuring permission from anyone.
9. All modifications to this document shall be by means of plat and approved by the City of Sherman.

This plat approved subject to all platting ordinances, rules, regulations and resolutions of the City of Sherman, Texas.

WITNESS, my hand, this _____ day of _____, _____.

BY: **LENNAR HOMES OF TEXAS LAND AND CONSTRUCTION, LTD.**, a Texas limited liability company

By: _____
_____

STATE OF TEXAS §

COUNTY OF _____ §

BEFORE ME, the undersigned, a Notary Public in and for The State of Texas, on this day personally appeared _____, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

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

_____
Notary Public, State of Texas

AVIGATION RELEASE

THE STATE OF TEXAS §

COUNTY OF GRAYSON §

WHEREAS, **LENNAR HOMES OF TEXAS LAND AND CONSTRUCTION, LTD.**, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as **HIDDEN MEADOWS**, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purpose of this instrument as any contrivance now known or hereinafter invented, used or designed for navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to OWNER'S described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons or damages to or taking of property; and OWNER does hereby fully remiss and release any right or cause of action which it may now have or which it may in the future have against the CITY or the AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located in **HIDDEN MEADOWS**, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

Executed this _____ day of _____, AD, 2021.

BY: **LENNAR HOMES OF TEXAS LAND AND CONSTRUCTION, LTD.**, a Texas limited liability company

By: _____
_____

STATE OF TEXAS §

COUNTY OF _____ §

BEFORE ME, the undersigned, a Notary Public in and for The State of Texas, on this day personally appeared _____, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

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

_____
Notary Public, State of Texas

SURVEYOR'S CERTIFICATION

KNOW ALL MEN BY THESE PRESENTS:

That I, Michael B. Marx, do hereby certify that I prepared this plat and the field notes made a part thereof from an actual and accurate survey of the land and that the corner monuments shown thereon were properly placed under my personal supervision, in accordance with the Subdivision regulations of the City of Sherman, Texas.

_____
Michael B. Marx
Registered Professional Land Surveyor No. 5181
Kimley-Horn and Associates, Inc.
6160 Warren Pkwy, Suite 210
Frisco, Texas 75034
Phone 972-335-3580

PRELIMINARY
THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

STATE OF TEXAS §

COUNTY OF GRAYSON §

BEFORE ME, the undersigned, a Notary Public in and for The State of Texas, on this day personally appeared Michael B. Marx, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____, 2022.

_____
Notary Public, State of Texas

Approved this _____ day of _____, 20___, by the City Planning and Zoning Commission of the City of Sherman, Texas.

_____ _____
Chairman Secretary

Accepted by the City Council of the City of Sherman:

_____ _____
Mayor, City of Sherman, Texas Date

The undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing final _____ plat of Subdivision or Addition to the City of Sherman was submitted to the City Council on the _____ day of _____, 20___, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements, and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as hereinabove subscribed.

Witness my hand this _____ day of _____, A.D. 20___.

_____
City Clerk, City of Sherman, Texas

FINAL PLAT
HIDDEN MEADOWS

BLOCK A, LOTS 1-17;BLOCK B, LOTS 1-9;
BLOCK C, LOTS 1 & LOTS 23-38;
BLOCK D, LOTS 1-28 & LOT 29-HOA; BLOCK E, LOTS 1-24;
BLOCK F, LOTS 25-34; BLOCK G, LOTS 1-20;
BLOCK H, LOTS 26-30; BLOCK I, LOTS 1-10;
BLOCK J, LOTS 1-5;BLOCK K, LOT 1-HOA;
BLOCK L, LOT 1-HOA; BLOCK M, LOT 1-HOA;

145 RESIDENTIAL LOTS
4 HOA LOTS

43.369 ACRES SITUATED IN THE
W.M. THOMPSON SURVEY, ABSTRACT NO. 1210
AND FIELDING BACON SURVEY, ABSTRACT NO. 119,
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS

Kimley»Horn
6160 Warren Parkway, Suite 210
Frisco, Texas 75034
Tel. No. (972) 335-3580
FIRM # 10193822

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
N/A	CDS	KHA	MAY 2022	063451851	6 OF 6

OWNER / APPLICANT:
Lennar Homes of Texas Land and Construction, LTD
1707 Market Place Blvd., Suit 100
Irving, Texas 75063
Contact : Annie Hepner, P.E.

SURVEYOR / ENGINEER:
Kimley-Horn and Associates, Inc.
260 E. Davis Street, Suite 100
McKinney, TX 75069
Ph: (972) 335-3580
Contact: Michael Carlisle, PE

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

June 10, 2022

Lennar Homes of Texas Land
and Construction, LTD.
Attn: Annie Hepner, P.E.
1707 Market Place Blvd., Ste. 100
Irving, TX 75063

Kimley Horn
Attn: Michael Carlisle, P.E.
260 E. Davis St. Suite 100
McKinney, TX 75069

Dear Applicants,

The request for approval of the Final Plat of Hidden Meadows has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, June 21, 2022 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Dedicate 15'x15' Right of Way corner clips at all internal intersections. Existing corner clips are not sufficient in size. *Code of Ordinances Chapter 10, Exhibit A, Secs. 5(B)(5), (10); 5(C)(1); 6(B)(7)-(8), (14)-(15); 12(B)(1)(a); 12(B)(1)(k)(1)-(3); 12(B)(5)*
2. Modify 10' Utility Easements at all intersections to parallel right of way created by corner clips.
3. Verify cul-de-sacs and knuckles meet standard. *Code of Ordinances Chapter 3.02.002(c)(37)*
4. Lot 29X, Block D, to be removed and replaced with a 20' Public Drainage Easement. Drainage Easement to be incorporated into adjacent lots.
5. General Note on Plat shall indicate X Lots are owned and maintained by HOA, specifying the Lot and Block numbers of each lot.
6. The width of the right-of-way and pavement for streets shall be shown on the plat.
7. Proposed street names must be approved by the City of Sherman Development Services Department prior to filing the plat. *Code of Ordinances Chapter 10, Exhibit A, Sec. 12(B)(1)(h)*
8. Minimum lot width at property line is 60 feet. Variance required for all lots not meeting 60 feet. *Code of Ordinances Chapter 14, Sec. 6.3.1*
9. Water main must be extended in accordance with City criteria to serve proposed Lots. *Code of Ordinances Chapter 13, Sec. 13.07.282; Chapter 10, Exhibit A, Sec. 12(G)*
10. Sanitary Sewer main must be extended in accordance with City criteria to serve proposed Lots. Sewer capacity shall be verified for proposed use. *Code of Ordinances Chapter 13, Sec. 13.07.282; Chapter 10, Exhibit A, Sec. 12(H)*
11. Filing information of offsite Sanitary Sewer Easement to be shown on plat.
12. Civil Engineering plans shall be provided to the Engineering Department for review and approval. Plat to reflect changes upon Engineering review. *Code of Ordinances Chapter 10, Exhibit A, Sec. 12, Code of Ordinances Chapter 10, Exhibit A, Sec. 15.*

13. Proposed street names must be approved by the City of Sherman Development Services Department prior to filing the plat. *Code of Ordinances Chapter 10, Exhibit A, Sec. 12(B)(1)(h)*
14. Dedicate a 20'x20' Right of Way corner clip on street intersecting corners of proposed Lot 1X, Block K and Lot 1X, Block L. *Code of Ordinances Chapter 10, Exhibit A, Secs. 5(B)(5), (10); 5(C)(1); 6(B)(7)-(8), (14)-(15); 12(B)(1)(a); 12(B)(1)(k)(1)-(3); 12(B)(5)*
15. Graphic callout on Eastern boundary line does not match metes and bounds call. Correct appropriately. *Code of Ordinances Chapter 10, Exhibit A, Sec.6(B)(7)*
16. Remove Avigation Release from plat.
17. Drive approaches and sidewalks must conform to City of Sherman and TxDOT standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 15.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

3800 BLOCK WEST HOUSTON STREET

The request of Lennar Homes of Texas Land and Construction, LTD (Owners) and Michael Carlisle, Kimley-Horn and Associates, Inc (Representative/Engineer/Surveyor) concerning the property located in the 3800 Block West Houston Street, being 43.369 acres in the W.M. Thompson Survey, Abstract 1210 and the Fielding Bacon Survey, Abstract No. 119, as follows:

Board of Adjustments

A. Variance under Ordinance No. 2280, Section 6.3, Subsection (1) to allow the following lot widths in lieu of the required 60' lot width for residential dwellings in the Hidden Meadows, Phase 1 Subdivision in an R-1 (One-Family Residential) District:
   - Block D, Lot 5 – 50.00'
   - Block C, Lot 32 – 43.22'
   - Block E, Lot 19 – 42.29'
   - Block E, Lot 20 – 39.48'

Planning and Zoning Commission

B. Final Plat of Hidden Meadows.

Background:

The property is located in the 3800 block of West Houston Street between Ridgeview Road and North Friendship Road and is zoned an R-1 (One-Family Residential) District. The owner would like to plat the property into 149 lots for residential development: 145 residential Lots and 4 homeowners association (HOA) lots.

The owner is also requesting four (4) variances for reduced lot width frontage for four (4) lots where knuckles are present.

The following has been approved for this location:

- September 9, 1986 - 3800-4400 Block West Houston Street - Zone Change from R-1 to C-2 (General Commercial) District.
- November 16, 2021 - 3800 Blk West Houston Street - Zone Change from C-2 (General Commercial) District to R-1 (One-Family Residential) District.

Adjacent Zoning:

R-1 (One-Family Residential) District
C-2 (General Commercial) District

Origination:

Lennar Homes of Texas Land and Construction, LTD (Owners)
Michael Carlisle, Kimley-Horn and Associates, Inc (Representative/Engineer/Surveyor)

Master Plan Designation:

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

Number of notices mailed:

8

Objections Received:

0

Development Review Meeting:

Yes

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Final Plat
Lot Width Exhibit
Narrative - Variance
Staff Review Letter-Variance
Staff Review Letter-Plat

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 11.**

Meeting Date: 07/18/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

***** OTHER BUSINESS***

Final Plat approval of Barbara Lane Estates Phase Two, being 6.794 acres in the John McClenihan Survey, Abstract No. 789, in Sherman's Extraterritorial Jurisdiction (ETJ); William Smith, Owner and Cox Land Surveying Co., Surveyor (111 Barbara Lane)

Issue:

To consider Final Plat approval of Barbara Lane Estates Phase Two, being 6.794 acres in the John McClenihan Survey, Abstract No. 789, in Sherman's Extraterritorial Jurisdiction (ETJ); William Smith, Owner and Cox Land Surveying Co., Surveyor (111 Barbara Lane)

Background:

The property is located at 111 Barbara Lane near the intersection of Brown Road and Barbara Lane in Sherman's Extraterritorial Jurisdiction (ETJ). The owner would like to plat the property into two lots for residential development.

Origination:

William Smith (Owner)
Cox Land Surveying Co. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

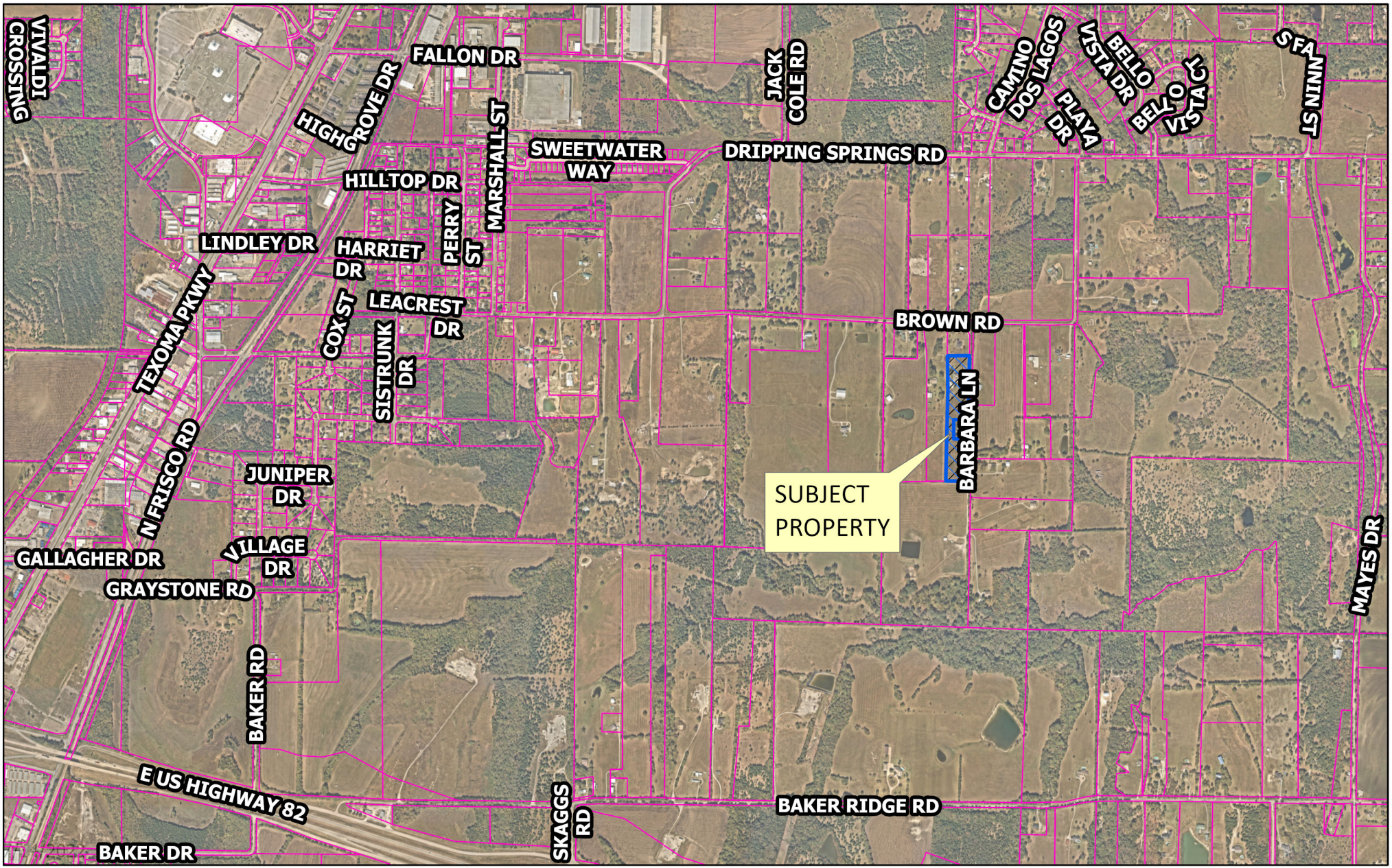
At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted unanimously to recommend to the City Council that the final plat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Final Plat
Staff Review Letter
P&Z Communication



dlagrone H:\ENGINEER\GIS\ArcGIS Pro Projects\Planning\Public Notification.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
(111 Barbara Ln)

N
W E
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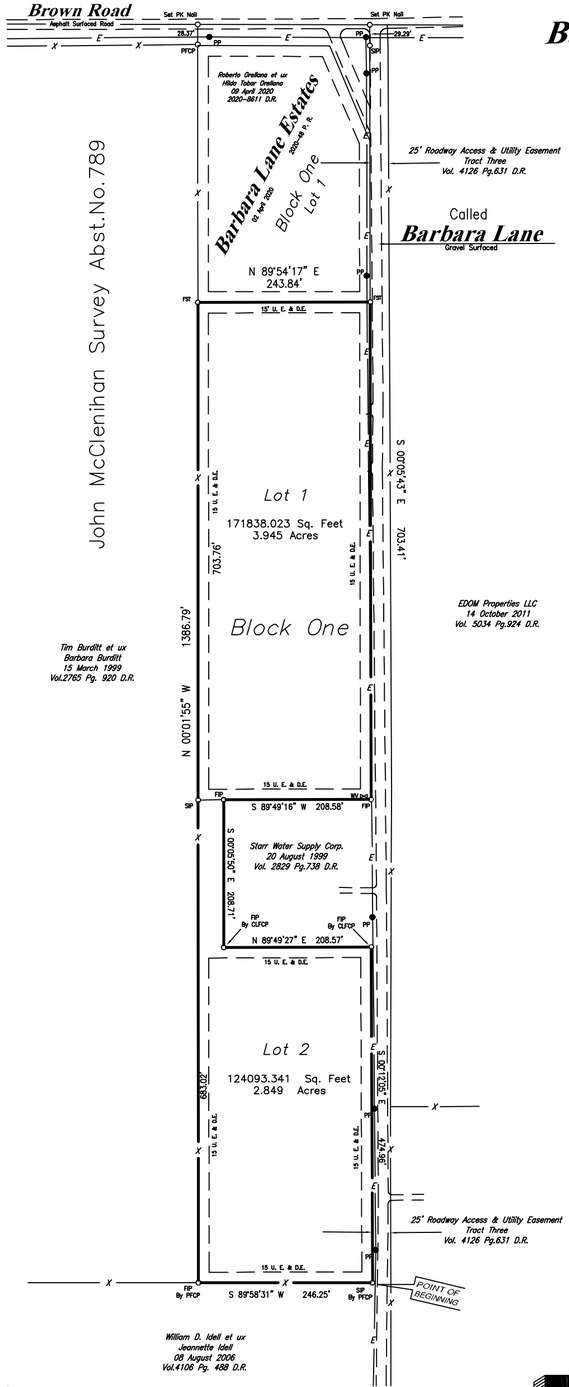
Date: 7/14/2022 3:26 PM

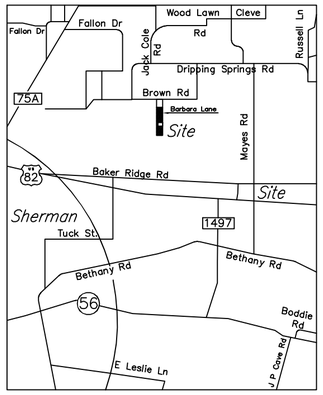
Scale: 1:17,661

FINAL PLAT of the

Barbara Lane Estates Phase Two

County of Grayson State of Texas





Location Map

Owner
William H. Smith Jr. and
Judy Smith
17 November 2015
Vol.5718 Pg. 263 D.R.
111 Barbara Lane
Sherman, Texas 75090

LEGEND

SJR = Set 3/4" Rod
FRP = Found Rebar
SSP = Set 1/2" Sq.Tubing
FST = Fd 1/2" Sq.Tubing
FSR = Fd Sq. Rod
ROW = Right-of-Way
-X- = Fence Line
( ) = Deed Calls
-E- = Electric Line
-T- = Telephone Line
-C- = TV Cable
GM = Gas Meter
PP = Power Pole
WM = Water Meter
AC = Air Cond.
BL = Building Line
UGT = Undergrd phone
WFCP = Wood Fence Corner Post
PFCP = Pipe Fence Corner Post
UE = Utility Easement
BC = Back of Curb

Copyright 2019, Cox Land Surveying Co.

SCALE: 1"= 100'

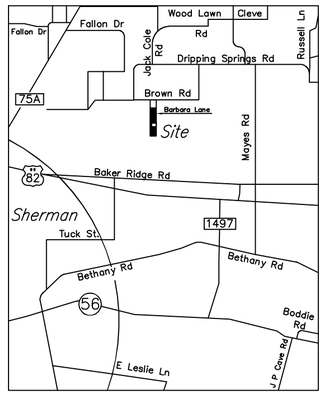
COX LAND SURVEYING CO.
P.O. BOX 597 108 N. MAIN ST. COLLINSVILLE, TEXAS 76233
COLLINSVILLE 903-429-6125 FAX 903-429-6971 E-mail: CLSC108@aol.com
Gainesville 940-612-LAND Denton 940-381-5070 McKinney 469-952-5070

FINAL PLAT of the
Barbara Lane Estates Phase Two
Lots 1 and 2 Block One, 6.794 Acres
John McClenihan Survey Abst.No.789
County of Grayson
State of Texas

Sheet One

Drawn by: MJC
Check by: DKC
Job No. 21-13672-F
Firm # 10005500
Date: 05 May 2022

Owner
William H. Smith Jr. and
Judy Smith
17 November 2015
Vol.5718 Pg. 263 D.R.
111 Barbara Lane
Sherman, Texas 75090



Location Map

Acceptance

Approved this _____ day of _____, 2022, *By the City Planning Commission to the City of Sherman, Texas.*

_____ Chairman

_____ Secretary

Certificate of Acceptance of Dedication

Accepted by the City Council of the City of Sherman.

_____ Mayor, City of Sherman, Texas

_____ Date

Certificate of Acceptance of Dedication

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, Final Plat of the Barbara Lane Estates, an addition to the City of Sherman, Texas was submitted to the City Council on the ____ day of _____ 2022, and the City Council by formal action then and there accepted the dediction of the street, alleys,easements and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as herein above subscribed.

Witness my hand this _____ day of _____, 2022

_____ Clerk, City of Sherman, Texas

LEGEND

SJR = Set 3/4" Rod
FRP = Found Rebar
SSP = Set 1/2" Sq.Tubing
FST = Fd 1/2" Sq.Tubing
FSR = Fd Sq. Rod
ROW = Right-of-Way
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( ) = Deed Calls
-E- = Electric Line
-T- = Telephone Line
-C- = TV Cable
GM = Gas Meter
PP = Power Pole
WM = Water Meter
AC = Air Cond.
BL = Building Line
UGT = Undergrd phone
WFCP = Wood Fence Corner Post
PFCP = Pipe Fence Corner Post
UE = Utility Easement
BC = Back of Curb

Copyright 2019, Cox Land Surveying Co.

SCALE: 1"= 100'

COX LAND SURVEYING CO.
P.O. BOX 597 108 N. MAIN ST. COLLINSVILLE, TEXAS 76233
COLLINSVILLE 903-429-6125 FAX 903-429-6971 E-mail: CLSC108@aol.com
Gainesville 940-612-LAND Denton 940-381-5070 McKinney 469-952-5070

FINAL PLAT of the
Barbara Lane Estates Phase Two
Lots 1 and 2 Block One, 6.794 Acres
John McClenihan Survey Abst.No.789
County of Grayson
State of Texas

Sheet Two

Drawn by: MJC
Check by: DKC
Job No. 21-13672-F
Firm # 10005500
Date: 05 May 2022

FINAL PLAT of the

Barbara Lane Estates Phase Two

County of Grayson State of Texas

*** * OWNERS DEDICATION * ***

State of Texas
County of Grayson

Whereas I, William H. Smith and Judy Smith, are the owners of that certain tract or parcel of land situated in the John McClenihan Survey, Abstract Number 789, County of Grayson, State of Texas, said tract being part of a tract as described in Deed to William H. Smith and Judy Smith, filed 17 November 2015, and Recorded in Volume 5718 Page 263 of the Deed Records of the County of Grayson, State of Texas, and being more fully described as follows:

Beginning for the southwest corner of the tract being described herein at a found ½ inch Steel Rebar by a pipe fence corner post, said post being the southwest corner of said Smith tract, and the southeast corner of a tract as described in deed to Tim Burditt et ux, Barbara Burditt, filed 15 March 1999, and Recorded in Volume 2765 Page 920 of said Deed Records, and being on the north line of a tract as described in deed to William D. Idell et ux, Jeannette Idell, filed 08 August 2006, and Recorded in Volume 4106 Page 488 of said Deed Records;

Thence: North 00 degrees 01 minutes 55 seconds West, with the west line of said Smith tract, and the east line of said Burditt tract, a distance of 1386.79 feet to a found ½ inch Steel Square Tubing for the northwest corner of this tract, and the southwest corner of Lot 1 Block One of the Barbara Lane Estates, filed 02 April 2020, Instrument Number 2020-48 of said Plat Records;

Thence: North 89 degrees 54 minutes 17 seconds East, with the south line of Lot 1 Block One, a distance of 243.84 feet to a found ½ inch Steel Square Tubing for the northeast corner of this tract, and the southeast corner of said Lot 1 Block One, and being on the west side of a 25 foot Roadway Access & Utility Easement, also Called Barbara Lane (gravel surfaced),

Thence: South 00 degrees 05 minutes 43 seconds East, with the east line of said Smith tract, and the west line of a 25 foot easement, a distance of 703.41 feet to a found ½ inch Steel Rebar for a corner of said Smith tract, and the northeast corner of a tract as described in deed to Starr Water Supply Corp, filed 20 August 1999, and Recorded in Volume 2829 Page 738 of said Deed Records,

Thence: South 89 degrees 49 minutes 16 seconds West, with the north line of said Starr Water tract, a distance of 208.58 feet to a found ½ inch Steel Rebar for a corner of this tract, and the northwest corner of Starr Water tract,

Thence: South 00 degrees 05 minutes 50 seconds East, with the west line of said Starr Water tract, a distance of 208.71 feet to a found ½ inch Steel Rebar by a chain link fence corner post for a corner of this tract, and the southwest corner of Starr Water tract,

Thence: North 89 degrees 49 minutes 27 seconds East, with the south line of said Starr Water tract, a distance of 208.57 feet to a found ½ inch Steel Rebar by a chain link fence corner post for a corner of this tract, and the northwest corner of Starr Water tract,

Thence: South 00 degrees 12 minutes 05 seconds East, with the east line of said Smith tract, a distance of 474.96 feet to a set ½ inch Steel Square Tubing by a pipe fence corner post for the southeast corner of said Smith tract,

Thence: South 89 degrees 58 minutes 31 seconds West, with the south line of said Smith tract, a distance of 246.25 feet to the POINT OF BEGINNING and containing 6.794 acres of land.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That William H. Smith and Judy Smith, *does hereby adopt this plat designating the herein described property as Lot 1, and Lot 2, Block One, of the* ***Barbara Lane Estates Phase Two*** *to the City of Sherman, County of Grayson, State of Texas, and does hereby dedicate to the public use forever the easements for the same purpose and consideration expressed hereon. All and any public utilities shall have the full right to remove and keep removed all growths which may endanger or interfere with the construction maintenance or efficiency of its respective system on the utility easement for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or part of its respective systems without the necessity at any time of procuring the permission of anyone.*

_____ William H. Smith

_____ Judy Smith

STATE OF TEXAS

Before me, the undersigned Notary Public for the State of Texas, on this day personally appeared **William H. Smith**, *known to me to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed and in the capacity stated.*

Given under my hand and seal of the office this the _____ day of _____2022.

_____ *Notary Public, State of Texas*

STATE OF TEXAS

Before me, the undersigned Notary Public for the State of Texas, on this day personally appeared **Judy Smith**, *known to me to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed and in the capacity stated.*

Given under my hand and seal of the office this the _____ day of _____2022.

_____ *Notary Public, State of Texas*

* * * SURVEYORS CERTIFICATION * * *

KNOW ALL MEN BY THESE PRESENTS:

That I, Don K. Cox, Texas Registered Professional Land Surveyor, do hereby state that this plat is based upon an on the ground survey, and that it is a true, correct and accurate representation of the property as surveyed; that the quantity of land therein has been accurately calculated; that the plat conforms to the Standards for Professional Land Surveyors as adopted by the Texas Board of Professional Land Surveying.

05 May 2022

_____
Don K. Cox, Texas Registered
Professional Land Surveyor
Number 4577

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

June 10, 2022

William H. Smith, Jr. and Judy Smith
111 Barbara Lane
Sherman, TX 75090

Cox Land Surveying Co.
P.O. Box 597
Collinsville, TX 76233

Dear Applicants,

The request for approval of the Final Plat of Barbara Lane Estates, Phase Two has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, June 21, 2022 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Relocate Point of Beginning to correct location on drawing. *Code of Ordinances Chapter 10, Exhibit A, Sec.6(B)(7)*
2. No City of Sherman water available to site. Property lies within Starr Water Supply Corporation Water CCN.
3. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*
4. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
5. Upon final staff approval, 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 25.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

* **111 BARBARA LANE**

The request of William Smith (Owner) and Cox Land Surveying Co. (Surveyor) concerning the property located at 111 Barbara Lane, being 6.794 acres in the John McClenihan Survey, Abstract No. 789, in Sherman's Extra Territorial Jurisdiction (ETJ), as follows:

Planning and Zoning Commission

Final Plat of Barbara Lane Estates Phase Two.

Background:

The property is located at 111 Barbara Lane near the intersection of Brown Road and Barbara Lane in Sherman's Extra Territorial Jurisdiction (ETJ). The owner would like to plat the property into two lots for residential development.

Adjacent Zoning:

Extra Territorial Jurisdiction (ETJ)

Origination:

William Smith (Owner)
Cox Land Surveying Co. (Surveyor)

Master Plan Designation:

Not part of the Master Plan.

Number of notices mailed:

Not Required.

Objections Received:

0

Development Review Meeting:
No

Attachments

Location Map
Final Plat
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 12.**

Meeting Date: 07/18/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

***** OTHER BUSINESS***

Final Plat approval of QT 1915 Addition, being 2.9654 acres in the Reuben Hendrix Survey, Abstract No. 504; QT LLC South, Owners; Corey Vaughan, Representative; Tommy Vilbig, Engineer; and Bowman Consulting Group, Ltd, Surveyor (2801 Texoma Parkway)

Issue:

To consider Final Plat approval of QT 1915 Addition, being 2.9654 acres in the Reuben Hendrix Survey, Abstract No. 504; QT LLC South, Owners; Corey Vaughan, Representative; Tommy Vilbig, Engineer; and Bowman Consulting Group, Ltd, Surveyor (2801 Texoma Parkway)

Background:

The property is located at 2801 Texoma Parkway, the northeast corner of U.S. Highway 82 and Texoma Parkway. The property is zoned a C-2 (General Commercial) District and located in the O-1 (75 & 82) Overlay District. The owner would like to plat the property into one lot for commercial development.

The following has been approved for this location:

- January 11, 2022 - Exception/Variance to allow a 63 square foot, 6'8.5" tall monument sign, 5' from the Texoma Parkway property line in lieu of 25' setback in a C-2 (General Commercial) District and O-1 (75 & 82) Overlay District.
- February 22, 2022 - Variance to allow an additional 392 square foot, 80' tall freestanding sign, 14' from the southwest property line along U.S. Highway 82 in lieu of one freestanding sign per development lot and the required 110' setback and the allowed 300 square foot, 50' tall in a C-2 (General Commercial) District./O-1 (75 & 82) Overlay District.
- April 19, 2022 - Variance under Ordinance No. 2280, Section 7, Subsection 6.13.1, Subsection (4)(b) to allow painted metal columns on a diesel canopy in lieu of the required masonry, masonry veneer, or concrete siding in a C-2 (General Commercial) District/O-1 (75 & 82) Overlay District.

Origination:

QT LLC South (Owners)
Corey Vaughan (Representative)
Tommy Vilbig (Engineer)
Bowman Consulting Group, Ltd (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted unanimously to recommend to the City Council that the final plat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Final Plat
Staff Review Letter
P&Z Communication

---

dlagrone H:\ENGINEERING\GIS\ArcGIS Pro Projects\Planning\Public Notification.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

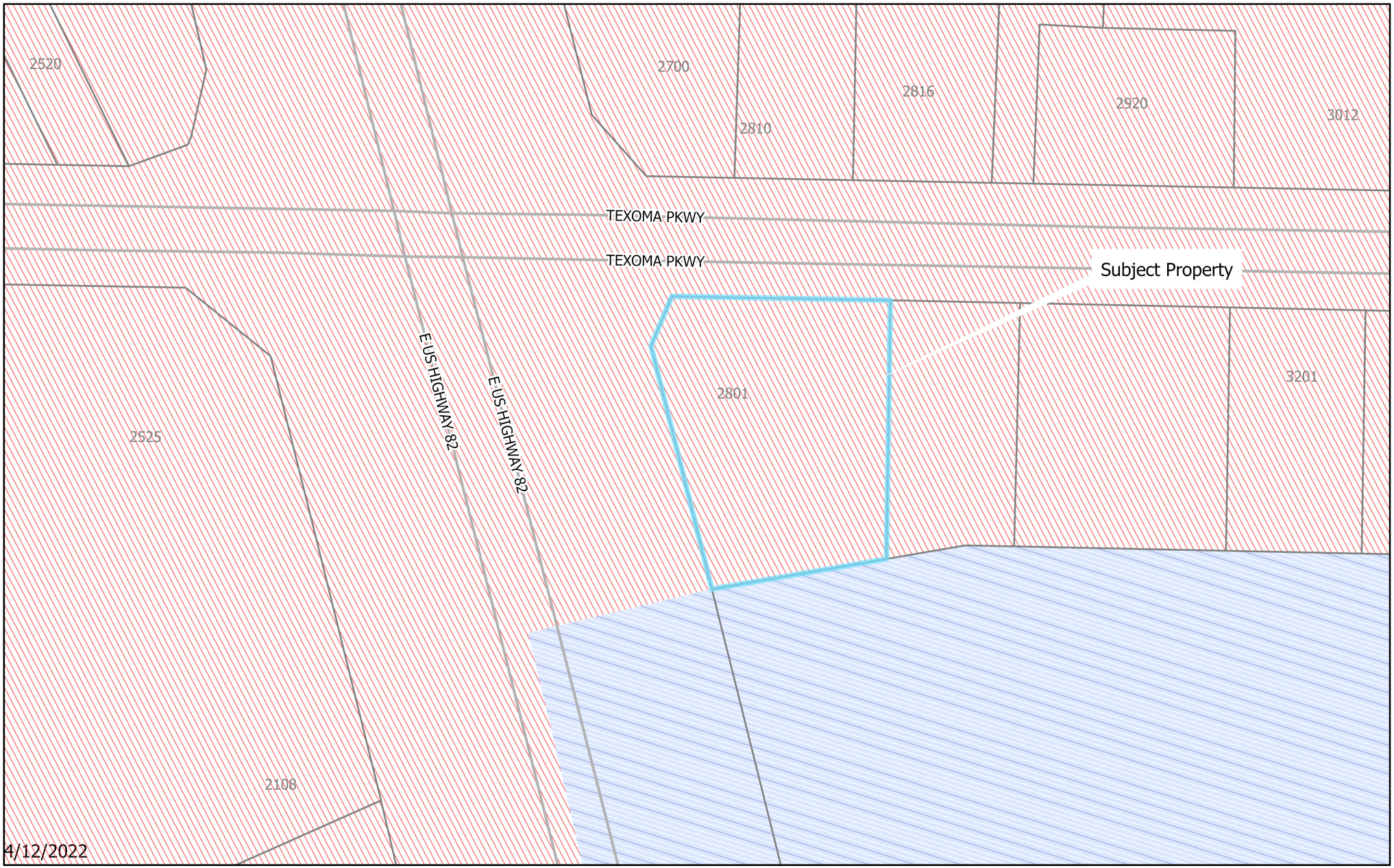
City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
Location Map
(2801 Texoma Pkwy)

N
W E
S

Date: 3/28/2022 11:13 AM

Scale: 1:3,600



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Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

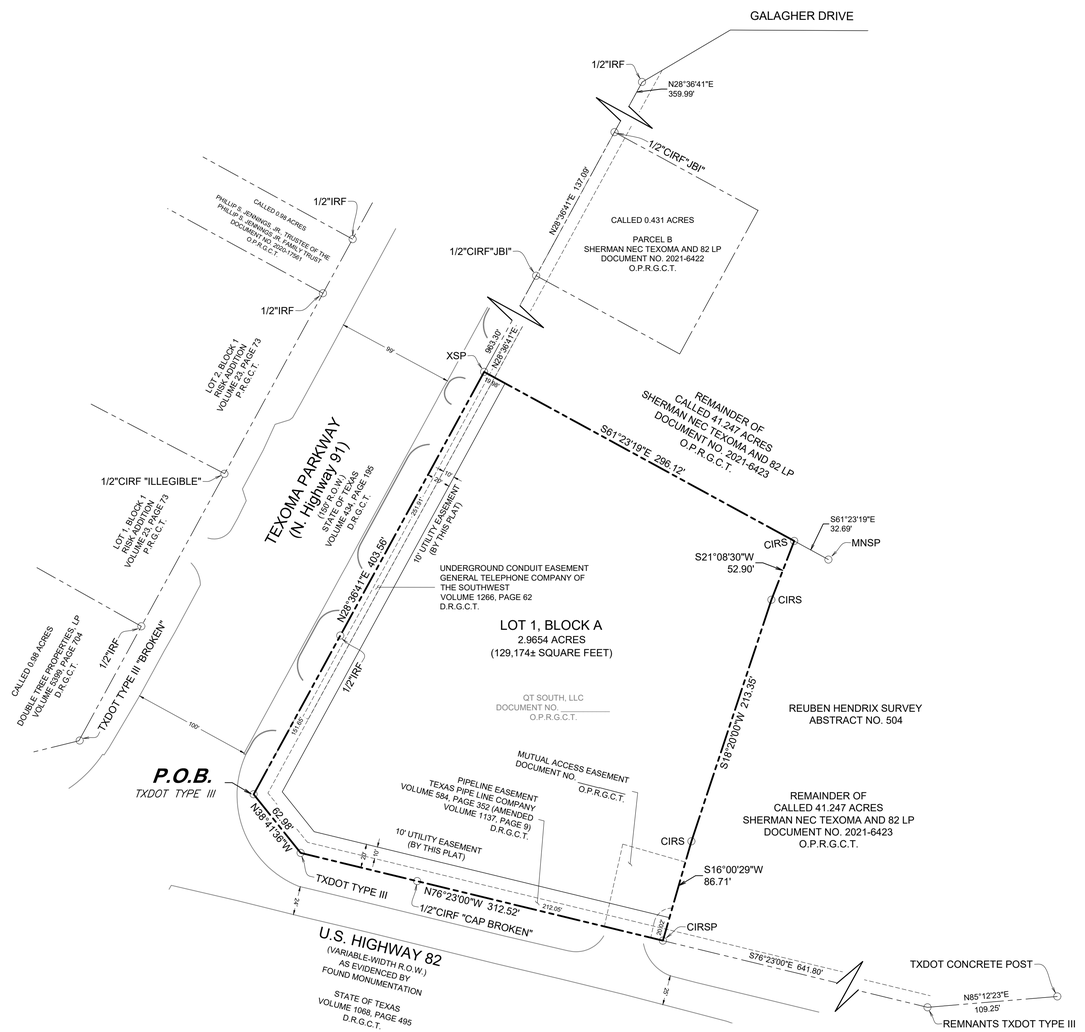
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development
- Parcels

CITY OF SHERMAN
Zoning Location Map
(2801 Texoma Parkway)

N W E S

Scale: 1:1,933

Date: 4/11/2022 4:49 PM



FINAL PLAT
BLOCK A, LOT 1
QT 1915 ADDITION
to the
City of Sherman
Grayson County, Texas

2.9654 ACRES
129,174± SQUARE FEET

situated within the
REUBEN HENDRIX SURVEY
ABSTRACT NUMBER 504

GRAPHIC SCALE
60 0 30 60 120 240
(IN FEET)
1 inch = 60 ft.
⊕ 24X36

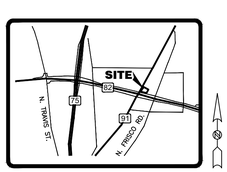
N

LEGEND

D.R.G.C.T.	DEED RECORDS, GRAYSON COUNTY, TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS, GRAYSON COUNTY, TEXAS
P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY, TEXAS
IRF	IRON ROD FOUND
CIRF	CAPPED IRON ROD FOUND AS NOTED
CIRS	1/2" CAPPED IRON ROD STAMPED "BOWMAN PROP COR"
CIRSP	1/2" CAPPED IRON ROD STAMPED "1519 SURVEYING" SET PREVIOUSLY
MNF	MAG NAIL FOUND
MNSP	MAG NAIL SET PREVIOUSLY
XSP	"X" CUT SET PREVIOUSLY
P.O.B.	POINT OF BEGINNING
TXDOT TYPE III	Texas Department of Transportation right of way monument, an aluminum disk set on a 5/8" iron rod

NOTES

1. ALL BEARINGS ARE REFERENCED TO THE STATE PLANE COORDINATE SYSTEM, NORTH AMERICAN DATUM OF 1983 (NAD 83), TEXAS NORTH CENTRAL ZONE (4202).
2. THE SUBJECT TRACT IS ZONED "C-2" COMMERCIAL PER THE CITY OF SHERMAN ZONING ORDINANCE SECTION 6.7.
3. AS DETERMINED BY THE FLOOD INSURANCE RATE MAPS FOR GRAYSON COUNTY, TEXAS, PER MAP NUMBER 48181C0290F DATED SEPTEMBER 29, 2010 PANEL 290 OF 575, SUBJECT TRACT IS LOCATED IN ZONE X, AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN.
4. THIS SURVEY WAS PERFORMED IN CONNECTION WITH THE TRANSACTION DESCRIBED IN GF NO. 2001422T, OF CHICAGO TITLE INSURANCE COMPANY WITH AN EFFECTIVE DATE OF NOVEMBER 07, 2021, ISSUED NOVEMBER 17, 2021. USE OF THIS SURVEY FOR ANY OTHER PURPOSE OR BY OTHER PARTIES SHALL BE AT THEIR OWN RISK AND UNDERSIGNED IS NOT RESPONSIBLE TO OTHERS FOR ANY LOSS RESULTING THEREFROM.



LOCATION MAP
NOT TO SCALE

OWNER:
QT SOUTH, LLC
1120 N. INDUSTRIAL BLVD.
EULESS, TX 76039

SURVEYOR:
Bowman Consulting Group, Ltd.
1200 West Magnolia Blvd., Suite 300
Fort Worth, TX 76104

Bowman
© 2021 Bowman Consulting Group, Ltd.
1200 West Magnolia Blvd., Suite 300 Phone: (214) 484-8586
Fort Worth, TX 76104 www.bowman.com
TBPELS #10120600

Bowman Job No.: 210254–01–001 | Drawn By: RAH | Sheet: 1 of 2

STATE OF TEXAS
COUNTY OF GRAYSON

KNOW ALL MEN BY THESE PRESENTS:
WHEREAS, QT SOUTH, LLC, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described in this plat.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a home-rule municipality, hereinafter called CITY, and the Sherman Municipal Airport, hereinafter called AIRPORT, and their respective successors and assigns, of and from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of any and all aircraft ("aircraft" being defined for the purpose of this instrument as any contrivance now known or hereinafter invented, including but not limited to jet, propeller-driven, civil, military, experimental or commercial aircraft and helicopters, regardless of existing or future noise levels, designed or used for the purpose of transporting persons or property through the air, by whoever owned or operated), in the airspace over OWNER's property. Such release shall include, but not be limited to, any damages to OWNER'S property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at, taking off from, operating at or on, or being maintained at the Sherman Municipal Airport, whether such claim be for injury or death to person or persons or damages to or taking of property.

This Release shall be binding upon OWNER and OWNER's successors, heirs, executors, administrators and assigns, , and shall be a covenant running with the land.

Executed this _____ day of _____, AD, 20___.

_____
(Owner)

Accepted by the City Council of the City of Sherman:

_____ _____
Mayor, City of Sherman, Texas Date

The undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing final **QT 1915 Addition** to the City of Sherman was submitted to the City Council on the _____ day of _____, 20___, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements, and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as herein above subscribed.

Witness my hand this _____ day of _____, A.D. 20___.

_____
City Clerk, City of Sherman, Texas

Approved this _____ day of _____, 20___, by the City Planning and Zoning Commission of the City of Sherman, Texas.

_____ _____
Chairman **Secretary**

CERTIFICATE OF SURVEYOR

STATE OF TEXAS §
COUNTY OF TARRANT §

KNOW ALL MEN BY THESE PRESENTS:
THAT I, **Robert A. Hansen**, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments shown thereon were properly placed under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

Preliminary, this document shall not be recorded for any purpose and shall not be used or viewed or relied upon as a final survey document. Released to the City of SHERMAN for review. 2022-06

_____
ROBERT A. HANSEN
LSLS & REGISTERED PROFESSIONAL
LAND SURVEYOR, NO. 6439
RHANSEN@BOWMAN.COM
DATE:

LEGAL DESCRIPTION OF THE PLAT PERIMETER

BEING a 2.9654-acre tract of land situated within the City of Sherman, Reuben Hendrix Survey, Abstract No. 504, Grayson County, Texas, being all of a tract of land as described in the deed to QT SOUTH, LLC recorded under Document No. _____ of the Official Public Records of Grayson County, Texas (hereafter referred to as the QT Parcel). Said QT Parcel surveyed on the ground under the direction and supervision of Robert A. Hansen, Registered Professional Land Surveyor No. 6439 and being more particularly described by metes and bounds as follows (The Basis of Bearings for this description is Grid North as established by GPS observation utilizing the Texas Coordinate System of 1983, North Central Zone 4202):

BEGINNING at a Texas Department of Transportation concrete right of way monument (TXDOT TYPE III) found at the intersection of the southeast right of way line of Texoma Parkway (N. Highway 91), a 150-foot right of way, as described in the deed to the State of Texas recorded in Volume 434, Page 195 of the Deed Records of Grayson County, Texas with the north right of way line of U.S. Highway 82, a variable width right of way, as described in the deed to the State of Texas recorded in Volume 1068, Page 495 of said Deed Records;

THENCE NORTH 28 degrees 36 minutes 41 seconds EAST, with the southeast right of way line of said Texoma Parkway, passing at 151.65 feet a 1/2-inch iron rod found at the northwest corner of a 0.581-acre tract of land as described in the deed to Sherman NEC Texoma & 82 LP recorded under Document No. 2021-6422 of said Official Public Records, continuing for a total distance of 403.56 feet to an "X" cut in concrete set previously at the northwest corner of said QT Parcel, from which a 1/2-inch capped iron rod found at a salient corner of a called 41.247 acre tract of land as described in the deed to Sherman NEC Texoma & 82 LP recorded under Document No. 2021-6423 of said Official Public Records bears NORTH 28 degrees 36 minutes 41 seconds EAST, 963.30 feet;

THENCE SOUTH 61 degrees 23 minutes 19 seconds EAST, 296.12 feet with the north line of said QT Parcel to a 1/2-inch capped iron rod stamped "BOWMAN PROP COR" set, from which a Mag nail previously set bears SOUTH 61 degrees 23 minutes 19 seconds EAST, 32.69 feet;

THENCE SOUTH 21 degrees 08 minutes 30 seconds WEST, 52.90 feet with the east line of said QT Parcel to a 1/2-inch capped iron rod stamped "BOWMAN PROP COR" set;

THENCE SOUTH 18 degrees 20 minutes 00 seconds WEST, 213.35 feet with the east line of said QT Parcel to a 1/2-inch capped iron rod stamped "BOWMAN PROP COR" set;

THENCE SOUTH 16 degrees 00 minutes 29 seconds WEST, 86.71 feet with the east line of said QT Parcel to a 1/2-inch capped iron rod stamped "1519 SURVEYING" set previously at its southeast corner, being on the north right of way line of said U.S. Highway 82, from which a TXDOT TYPE III found bears SOUTH 76 degrees 23 minutes 00 seconds EAST, 641.80 feet;

THENCE NORTH 76 degrees 23 minutes 00 seconds WEST, with the north right of way line of said U.S. Highway 82, passing at 212.05 feet a 1/2-inch iron rod with a broken cap found at the southeast corner of said 0.581-acre tract of land, continuing for a total distance of 312.52 feet to a found TXDOT TYPE III;

THENCE NORTH 38 degrees 41 minutes 36 seconds WEST, 62.98 feet the north right of way line of said U.S. Highway 82 to the POINT OF BEGINNING, containing 2.9654 acres (129,174± square feet).

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

THAT, We the QT SOUTH, LLC, do hereby adopt this plat designating the herein above described property as **QT 1915 ADDITION**, an addition to the City of Sherman, Texas and do hereby dedicate to the public use forever the streets and easements shown on this plat for the mutual use and accommodation of all public and private utilities desiring to use or using same. Any public or private utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs or other improvements or growths which in any way endanger or interfere with the construction, maintenance, or efficiency of its respective systems on any of these easement strips and any public or private utility shall, at all times, have a right of ingress and egress to and from and upon said easement strips for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or part of its respective system without permission of anyone. This plat is approved subject to all ordinances, rules and regulations and resolutions of the City of Sherman, Texas.

WITNESS MY HAND this _____ day of _____, 20___.

_____
Joe Faust
Vice President
QT SOUTH, LLC

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 20___

_____
Notary Public in and for the
State of Oklahoma
Commission Expires: _____

FINAL PLAT
BLOCK A, LOT 1
QT 1915 ADDITION
to the
City of Sherman
Grayson County, Texas

2.9654 ACRES
129,174± SQUARE FEET

situated within the
REUBEN HENDRIX SURVEY
ABSTRACT NUMBER 504

OWNER:
QT SOUTH, LLC
1120 N. INDUSTRIAL BLVD.
EULESS, TX 76039

SURVEYOR:
Bowman Consulting Group, Ltd.
1200 West Magnolia Blvd., Suite 300
Fort Worth, TX 76104

Bowman
© 2021 Bowman Consulting Group, Ltd.
1200 West Magnolia Blvd., Suite 300 Phone: (214) 484-8586
Fort Worth, TX 76104 www.bowman.com
TBPELS #10120600

Bowman Job No.: 210254–01–001 | Drawn By: RAH | Sheet: 2 of 2

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

June 10, 2022

QT South, LLC
1120 N. Industrial Blvd.
Euless, TX 76039

Bowman Consulting Group, Ltd.
1200 W. Magnolia Blvd., Ste. 300
Fort Worth, TX 76104

Dear Applicants,

The request for approval of the Final Plat of QT 1915 Addition has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, June 21, 2022 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Drive approaches and sidewalks must conform to City of Sherman and TxDOT standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*
2. Add title of "AVIGATION RELEASE" to Avigation Release language on Page 2 of plat.
3. The width of the right-of-way and pavement for streets shall be shown graphically on the plat drawing. If no ROW is documented, existing ROW shall be determined by found monuments and shown on plat. *Code of Ordinances Chapter 10, Exhibit A, Sec.6(B)(7)*
4. Show instrument information of Mutual Access Easement on drawing or dedicate via plat with dimensions of said Mutual Access Easement.
5. Show instrument information of ownership on both drawing and in metes and bounds description.
6. All points of Mutual Access as reflected in civil plans shall be shown within a Mutual Access Easement dedicated by plat. Coordinate with Engineering Department.
7. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
8. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*
9. Upon final staff approval, 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the

Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 17.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

*** 2801 TEXOMA PARKWAY**

The request of QT LLC South (Owners), Corey Vaughan (Representative), Tommy Vilbig (Engineer) and Bowman Consulting Group, Ltd (Surveyor) concerning the property located at 2801 Texoma Parkway, being 2.9654 acres in the Reuben Hendrix Survey, Abstract No. 504, as follows:

Planning and Zoning Commission

Final Plat of QT 1915 Addition.

Background:

The property is located at 2801 Texoma Parkway, the northeast corner of U.S. Highway 82 and Texoma Parkway. The property is zoned a C-2 (General Commercial) District and located in the O-1 (75 & 82) Overlay District. The owner would like to plat the property into one lot for commercial development.

The following has been approved for this location:

- January 11, 2022 - Exception/Variance to allow a 63 square foot, 6'8.5" tall monument sign, 5' from the Texoma Parkway property line in lieu of 25' setback in a C-2 (General Commercial) District and O-1 (75 & 82) Overlay District.
- February 22, 2022 - Variance to allow an additional 392 square foot, 80' tall freestanding sign, 14' from the southwest property line along U.S. Highway 82 in lieu of of one freestanding sign per development lot and the required 110' setback and the allowed 300 square foot, 50' tall in a C-2 (General Commercial) District./O-1 (75 & 82) Overlay District.
- April 19, 2022 - Variance under Ordinance No. 2280, Section 7, Subsection 6.13.1, Subsection (4)(b) to allow painted metal columns on a diesel canopy in lieu of the required masonry, masonry veneer, or concrete siding in a C-2 (General Commercial) District/O-1 (75 & 82) Overlay District.

Adjacent Zoning:

C-2 (General Commercial) District
R-2 (Multi-Family Residential) District

Origination:

QT LLC South (Owners)
Corey Vaughan (Representative)
Tommy Vilbig (Engineer)
Bowman Consulting Group, Ltd (Surveyor)

Master Plan Designation:

Auto Urban Commercial – Require more land for parking than building floor area. Automobiles and parking are the most prominent features. Parking lots reduce building density and prevent any possibility of creating an enclosed space.

Number of notices mailed:

Not Required.

Objections Received:

0

Development Review Meeting:

Yes

Attachments

Location Map
Zoning Map
Final Plat
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 13.**

Meeting Date: 07/18/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

***** OTHER BUSINESS***

Final Plat approval of Stone Creek Flats, being 15.974 acres in the Elizabeth Jones Survey, Abstract No. 625; SSCGC Holdings, LLC, Owners; JNPHM Development, LLC, Developer; and Underwood Surveying, Surveyor (900 Block South FM 1417 (Heritage Parkway))

Issue:

To consider Final Plat approval of Stone Creek Flats, being 15.974 acres in the Elizabeth Jones Survey, Abstract No. 625; SSCGC Holdings, LLC, Owners; JNPHM Development, LLC, Developer; and Underwood Surveying, Surveyor (900 Block South FM 1417 (Heritage Parkway))

Background:

The property is located in the 900 Block South FM 1417 (Heritage Parkway) between West Center Street and Brookstone Drive. The property is zoned an R-2 (Multi-Family Residential) District and is located in the O-1.1 (FM 1417) Overlay District. The owner would like to plat the property into two lots for a multifamily development.

The following has been approved for this location:

- April 19, 2022 - Variance under Ordinance No. 2280, Section 6.4, Subsection (4) to allow 488 parking spaces in lieu of the required 528 in an R-2 (Multi-Family Residential) District.
- April 19, 2022 - Variance under Ordinance No. 2280, Section 7, Subsection (13)(d)(3) to allow a 6’ wrought iron fence in lieu of the allowed 4’ in a front yard in an R-2 (Multi-Family Residential) District.
- April 19, 2022 - Site plan approval The Trails on 1417 apartment complex.

Origination:

SSCGC Holdings, LLC (Owners)
JNPHM Development, LLC (Developer)
Underwood Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the June 21, 2022 regular meeting, the Planning and Zoning Commission voted unanimously to recommend to the City Council that the final plat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Final Plat
Staff Review Letter
P&Z Communication

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dlagrone H:\ENGINEER\GIS\ArcGIS Pro Projects\Planning\Public Notification.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
200Foot Notice
(900 Block S Heritage Pkwy)

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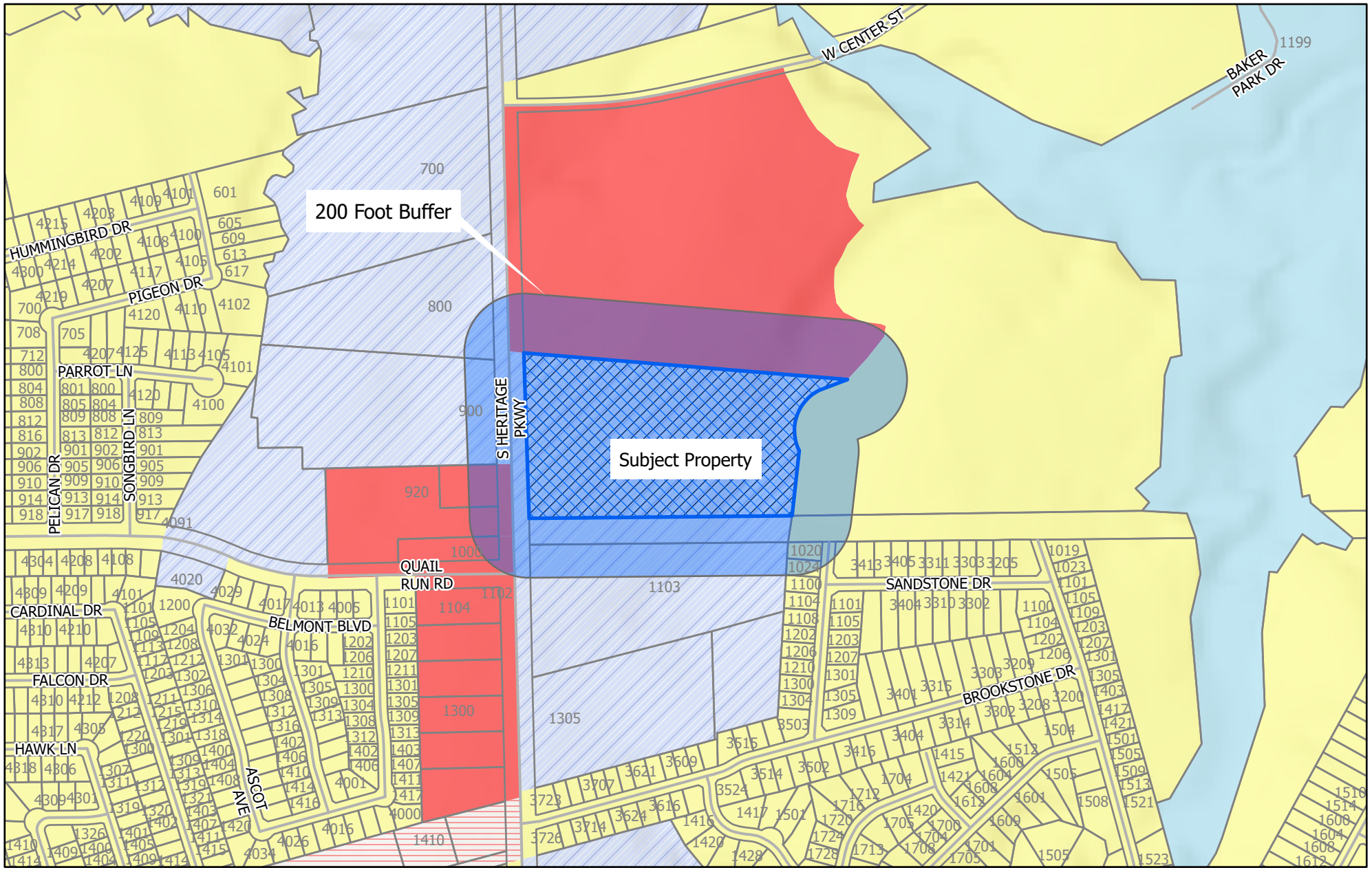
Date: 3/28/2022 1:47 PM

Scale: 1:6,000



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Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- PD Planned Development
- 200 Foot Buffer
- Subject Locations
- Parcels

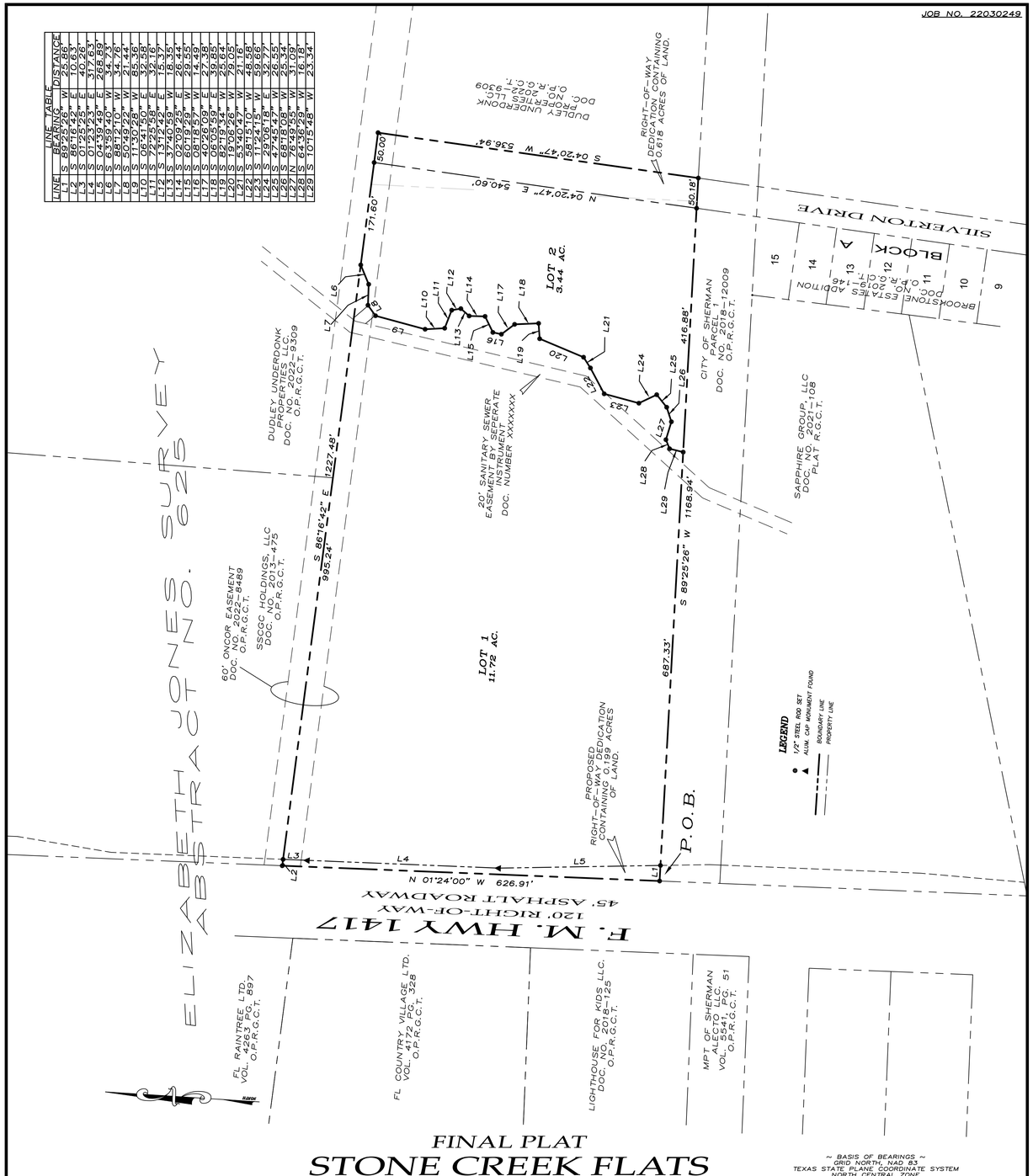
CITY OF SHERMAN
Zoning Location Map
(900 Block S Heritage Pkwy)

N
W E
S

Scale: 1:6,000

Date: 3/28/2022 4:03 PM

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S 89°25'26" W	10.63'
L2	S 86°16'42" E	10.63'
L3	S 01°25'25" E	40.26'
L4	S 01°23'23" E	317.63'
L5	S 01°24'00" E	284.39'
L6	S 63°59'40" W	34.79'
L7	S 88°12'10" W	34.76'
L8	S 50°43'22" W	21.44'
L9	S 06°40'50" E	32.58'
L10	S 06°41'50" E	32.58'
L11	S 72°25'58" E	32.16'
L12	S 13°46'22" E	15.37'
L13	S 13°46'22" E	15.37'
L14	S 02°09'25" E	26.44'
L15	S 60°19'39" W	29.55'
L16	S 28°12'09" W	14.49'
L17	S 06°05'39" E	39.85'
L18	S 82°19'34" W	25.64'
L19	S 82°06'26" W	29.05'
L20	S 13°46'22" E	71.15'
L21	S 13°46'22" E	15.37'
L22	S 68°15'10" W	48.58'
L23	S 11°24'15" W	59.66'
L24	S 79°48'19" E	32.55'
L25	S 68°18'08" W	25.34'
L26	N 76°49'55" W	31.09'
L27	S 68°15'10" W	48.58'
L28	S 64°15'28" W	23.34'



~ BASIS OF BEARINGS ~
GRID NORTH, NAD 83
TEXAS STATE PLANE COORDINATE SYSTEM
NORTH CENTRAL ZONE

FINAL PLAT
STONE CREEK FLATS
Being a part of the Elizabeth Jones Survey, Abstract Number 625. Being in the City of Sherman, Grayson County, Texas. Containing 15.974 acres of land

03-18-22

GRAPHIC SCALE
100 0 50 100 200 400
(IN FEET)
1 inch = 100 ft.

OWNERS/DEVELOPER
SSCGC HOLDINGS LLC.
4 TIMBERCREEK
SHERMAN, TEXAS

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

UNDERWOOD
DRAFTING & SURVEYING
3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

SHEET 1 OF 2

LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, being a part of Elizabeth Jones Survey, Abstract No.625 and being a part of that tract of land conveyed to SSCGC Holdings, LLC as recorded in Document Number 2013-475, Official Public Records, Grayson County, Texas and being part a 50.574 acre tract of land conveyed to Dudley Underdonk, Recorded in Document Number 2022-9309 Official Public Records, Grayson County, Texas and being more particularly described by metes and bounds as follows:

Beginning at a set 1/2" steel rod being the Southwest corner of said SSCGC Holdings tract also being the Northwest corner of a 100' strip of land conveyed to the City of Sherman as recorded as Parcel 1 in Document Number 2018-12009, Official Public Records, Grayson County, Texas, also being in the East Right-of-Way line of F. M. Highway No. 1417;

Thence North 01°24'00" West with said East Right-of-Way line of F. M. Highway 1417, a distance of 626.91 feet to a set 1/2" steel rod;

Thence South 86°16'42" East, a distance of 1227.48 feet to a set 1/2" steel rod;

Thence South 04°20'47" West, a distance of 536.94 feet to a set 1/2" steel rod being in the North line of said City of Sherman tract;

Thence South 89°25'26" West, with the North line of said City of Sherman tract a distance of 1168.94 feet to the Point-of-Beginning and containing 15.974 acres of land.

CERTIFICATE OF COMPLIANCE

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, STONE CREEK FLATS, an addition to the City of Sherman, Texas, was submitted to the City Council on the_____day of _____ 2022, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as herein above subscribed.

Witness my hand this_____day of _____ , 2022.

_____
Clerk, City of Sherman, Texas

SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

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

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

ACCEPTANCE

Approved this _____ day of _____, 2022, by the City Planning Commission to the City of Sherman, Texas.

_____ _____
Chairman Secretary

CERTIFICATE OF ACCEPTANCE OF DEDICATION

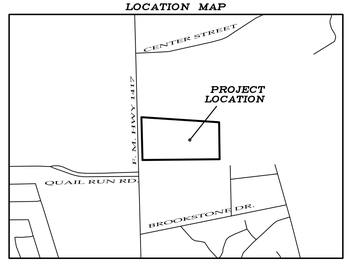
Accepted by the City Council of the City of Sherman

_____ _____
Mayor, City of Sherman, Texas Date

~ GENERAL NOTES ~

1. Water Supply to be provided by the City of Sherman.
2. Sewer Service to be provided by the City of Sherman.
3. Electrical service is provided by Oncor Electrical Delivery.
4. Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the floodway is prohibited.
5. Any existing creeks or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
6. The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or drainage easements for the control of erosion.
7. Neither the City of Sherman nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
8. The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
9. Bearings are based on the City of Sherman Control Monument Network.
10. The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.
11. The subject property does not lie within a Federal Emergency Management Agency (FEMA) designated flood plain as shown by Firm Map No. 48181C0400F, effective date September 29, 2010.

LOCATION MAP



(NOT TO SCALE)

OWNERS DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

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

WITNESS MY HAND this_____day of _____, 2022.

_____
WILLIAM MAGERS, SSCGC HOLDINGS LLC. MANAGER

_____
JOSH HOLLEY, DUDLEY UNDERDONK PROPERTIES LLC.

STATE OF TEXAS
COUNTY OF GRAYSON

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE this___day of_____, 2022.

_____
Notary Public in and for
the State of Texas
Commission Expires: _____

STATE OF TEXAS
COUNTY OF GRAYSON

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE this___day of_____, 2022.

_____
Notary Public in and for
the State of Texas
Commission Expires: _____

FINAL PLAT
STONE CREEK FLATS
Being a part of the Elizabeth Jones Survey, Abstract Number 625. Being in the City of Sherman, Grayson County, Texas. Containing 15.974 acres of land

03-18-22

OWNERS/DEVELOPER
SSCGC HOLDINGS LLC.
4 TIMBERCREEK
SHERMAN, TEXAS

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

UNDERWOOD
DRAFTING & SURVEYING
3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

SHEET 2 OF 2

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

June 10, 2022

SSCGC Holdings, LLC
4 Timbercreek
Sherman, TX 75092

Underwood Drafting & Surveying, Inc.
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request for approval of the Final Plat of Stone Creek Flats has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, June 21, 2022 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Drive approaches and sidewalks must conform to City of Sherman and TxDOT standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*
2. Additional right-of-way along FM 1417 may be required. Coordinate with Engineering Department for additional information.
3. Instrument information for 20' Sanitary Sewer Easement by separate instrument to be shown on plat.
4. Graphically show edge of pavement on drawing.
5. Water main must be extended in accordance with City criteria to serve proposed Lot prior to Building Permit being issued. *Code of Ordinances Chapter 13, Sec. 13.07.282; Chapter 10, Exhibit A, Sec. 12(G)*
6. Sanitary Sewer main must be extended in accordance with City criteria to serve proposed Lot prior to Building Permit being issued. Sewer capacity shall be verified for proposed use. *Code of Ordinances Chapter 13, Sec. 13.07.282; Chapter 10, Exhibit A, Sec. 12(H)*
7. Show Electric Easement across adjacent City property with instrument information on plat.
8. Privately owned and maintained detention in accordance with City criteria is required. Engineering documentation shall be provided to the City of Sherman Engineering Department for review and approval. Ownership and Maintenance information to be shown on plat. *Code of Ordinances Chapter 10, Exhibit A, Sec. 12(I)*
9. Off-site Sanitary Sewer Easement dedicated to City of Sherman required. Coordinate with Engineering Department for additional information.
10. Civil Engineering plans shall be provided to the Engineering Department for review and approval. Plat to reflect changes upon Engineering review. *Code of Ordinances Chapter 10, Exhibit A, Sec. 12, Code of Ordinances Chapter 10, Exhibit A, Sec. 15.*
11. Three Party Agreement required for Public Infrastructure.

12. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
13. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*
14. Upon final staff approval, 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*
15.

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 18.

Meeting Date: 06/21/2022

Prepared by: Kerri Turner, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

* **900 BLOCK SOUTH FM 1417 (HERITAGE PARKWAY)**

The request of SSCGC Holdings, LLC (Owners), JNPHM Development, LLC (Developer) and Underwood Surveying (Surveyor) concerning the property located in the 900 Block South FM 1417 (Heritage Parkway), being 15.974 acres in the Elizabeth Jones Survey, Abstract No. 625, as follows:

Planning and Zoning Commission

Final Plat of Stone Creek Flats.

Background:

The property is located in the 900 Block South FM 1417 (Heritage Parkway) between West Center Street and Brookstone Drive. The property is zoned an R-2 (Multi-Family Residential) District and is located in the O-1.1 (FM 1417) Overlay District. The owner would like to plat the property into two lots for a multifamily development.

The following has been approved for this location:

- April 19, 2022 - Variance under Ordinance No. 2280, Section 6.4, Subsection (4) to allow 488 parking spaces in lieu of the required 528 in an R-2 (Multi-Family Residential) District.
- April 19, 2022 - Variance under Ordinance No. 2280, Section 7, Subsection (13)(d)(3) to allow a 6' wrought iron fence in lieu of the allowed 4' in a front yard in an R-2 (Multi-Family Residential) District.
- April 19, 2022 - Site plan approval The Trails on 1417 apartment complex.

Adjacent Zoning:

R-1 (One Family Residential) District
C-1 (Retail Business) District
R-2 (Multi-Family Residential) District

Origination:

SSCGC Holdings, LLC (Owners)
JNPHM Development, LLC (Developer)
Underwood Surveying (Surveyor)

Master Plan Designation:

Agricultural and Rural – Typically are large parcels that are primarily used for crops or pasture land. These low density regions surrounding the City do not have significant demands on the transportation or utilities network.

Number of notices mailed:

Not Required.

Objections Received:

0

Development Review Meeting:

Yes

Attachments

Location Map
Zoning Map
Final Plat
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **M. 1.**

Meeting Date: 07/18/2022
Prepared By: Robby Hefton, City Manager
Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Consider Approval of Amended and Restated Employment Agreement (AREA) with the City Manager

Issue:

Consider Approval of Amended Employment Agreement with the City Manager

Background:

City Manager Robby Hefton has been employed by the City for nearly 24 years, with the most recent seven years coming in his role as City Manager. During his time as City Manager and as a result of his leadership, the City of Sherman, its employees and the entire community have flourished. The City Council desires to amend and restate the City Manager's original employment agreement dated February 19, 2015 to reflect employment terms that are consistent and commensurate with his knowledge, experience, and successful leadership of the City in his role as City Manager, and with terms that are on par with City Managers in peer cities.

Origination:

Mayor and City Council

Financial Consideration:

Terms and conditions of the City Manager's compensation and benefits are outlined within the AREA

Staff Recommendation:

Approve Amended and Restated Employment Agreement

Alternatives:

As directed by City Council

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting

Meeting Date: 07/18/2022

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2022 Council Calendar

2022
Council Calendar

January						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

February						
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27	28					

March						
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27	28	29	30	31		

April						
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May						
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29	30	31				

June						
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31						

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28	29	30	31			

September						
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October						
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30	31					

November						
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27	28	29	30			

December						
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18	19	20	21	22	23	24
25	26	27	28	29	30	31

	Holiday
	Holiday for Firefighters/Police Only
	City Council Regular Meeting
	City Council Called Meeting
	Special Called Meeting
	Budget Workshop
	Cancelled City Council Meeting

CALLED MEETINGS	
1/18/20222	Rescheduled - Martin Luther King, Jr. Day
2/9/2022	CIP-Public Works Planning Session
~~2/23/2022~~	Joint Meeting - Legal Training (Canceled-Bad Weather)
3/23/2022	Joint Meeting - Legal Training
4/19/2022	Budget Planning Meeting
5/26/2022	Capital Improvement Program Work Session
~~6/7/20222~~	Budget Workshop - Day 1
6/16/2022	Special Called Meeting
7/5/2022	Rescheduled - Independence Day
9/6/2022	Resheduled - Labor Day
9/13/2022	Joint Meeting - SEDCO Board