CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, JULY 18, 2011
5:00 P.M.

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

A.2 PLEDGE OF ALLEGIANCE

A.3 INVOCATION BY COUNCIL MEMBER CAROLYN S. WACKER

A.4 APPROVE MINUTES OF THE CALLED CITY COUNCIL (BUDGET WORKSHOP) MEETING OF JUNE 17, 2011, THE REGULAR CITY COUNCIL MEETING OF JUNE 20, 2011, AND THE CALLED CITY COUNCIL MEETING (HELD JOINTLY WITH THE SHERMAN ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS) OF JUNE 23, 2011

Public Hearing

B.1 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5703
Amending Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant an Amendment to a Specific Use Permit to Allow the Addition of Three (3) Portable Classroom Buildings in an R-1 (One Family Residential) District with a Specific Use Permit to Allow a Church at 2605 Rex Cruse Drive, being Lots 1-6, Joe E. Price Subdivision (North Park Baptist Church, Owners; and David Murphy and John McDonald, Representatives); Providing that this Specific Use Permit Shall be Granted Subject to Certain Conditions; Providing a Penalty Not to Exceed $2,000.00

B.2 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5704
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the C-2 (General Commercial) District and Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow a Billboard in a C-2 (General Commercial) District and O-1 (75 & 82) Overlay District at 5833 U.S. Highway 75 North, being 0.31 acres in the A.C. Smith Survey, Abstract No. 1561 (Tony and Sally Thomason, Owners; Jason Sofey, Sofey Construction and Design, LLC, Representative; and Underwood Drafting and Surveying, Surveyors); Providing that this Specific Use Permit Shall be Granted Subject to Certain Conditions; Providing a Penalty Not to Exceed $2,000.00

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

B.3 <u>ADOPTION OF ORDINANCES</u>
Consider Adoption of Ordinance Numbers:
(a) 5703
(b) 5704

B.4 <u>CONSENT AGENDA</u>
Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

<u>Resolutions</u>

C.1 <u>RESOLUTION NO. 5584</u>
Authorizing Execution of an Amendment to the Engineering Services Agreement with Espey Consultants, Inc. for the Development of a Sherman Watershed Management Plan (Post Oak Creek Watershed)

C.2 *<u>* RESOLUTION NO. 5585</u>*
Authorizing Submission of a Joint Grant Application with Grayson County for, and the Acceptance of, a Grant Awarded under the 2011 Justice Assistance Grant Program – CFDA #16.738

C.3 *<u>* RESOLUTION NO. 5586</u>*
Authorizing Execution of an Interlocal Agreement between the City of Sherman and Grayson County for Grant Funding to be Awarded by the U.S. Department of Justice under the 2011 Justice Assistance Grant Program – CFDA #16.738

C.4 *<u>* RESOLUTION NO. 5587</u>*
Accepting the Contract with J.R. Sheldon & Co., Inc. as Complete for the Improvements to the Sherman Wastewater Treatment Plant Fine Screens

C.5 *<u>* RESOLUTION NO. 5588</u>*
Accepting the Contract with J.R. Sheldon & Co., Inc. as Complete for the Improvements to the Sherman Wastewater Treatment Plant Clarifier

C.6 *<u>* RESOLUTION NO. 5589</u>*
Accepting the Contract with Lynn Vessels Construction, LLC. as Complete for Construction of the Sherman Highway 75 North Sewer Contract “A”

C.7 *<u>* RESOLUTION NO. 5590</u>*
Awarding a Bid to and Authorizing Execution of a Contract with Ergon Asphalt and Emulsions, Inc. for the Purchase of an Annual Supply of Emulsified Asphalt Oil for the 2011 Seal Coat Program

C.8 *[* RESOLUTION NO. 5591]*

Awarding a Bid to and Authorizing Execution of a Contract with James Thorpe Company for the Purchase of an Annual Supply of Cover Stone for the 2011 Seal Coat Program

C.9 *[* RESOLUTION NO. 5592]*

Authorizing Execution of an Amendment to the Engineering Services Contract with Freeman-Millican, Inc. for the Equalization Basin Stormwater Contingency, Phase II Project

Change Orders

D.1 ** CHANGE ORDER NO. 1*

Sherman Wastewater Treatment Plant Fine Screen Improvements; J.R. Sheldon & Co., Inc.; $6,915.05 Increase

D.2 ** CHANGE ORDER NO. 1*

Sherman Highway 75 North Sewer Contract “A”; Lynn Vessels Construction, LLC.; $25,474.56 Decrease

Other Business

D.3 OTHER BUSINESS

Review 2011-2012 Draft Budget

D.4 CITIZEN REQUESTS

D.5 MEDIA QUESTIONS

D.6 COUNCIL COMMENTS

D.7 ADJOURNMENT

COUNCIL CALENDAR

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. A.1

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. A.2

PLEDGE OF ALLEGIANCE

The Honorable Carolyn S. Wacker, Council Member

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. A.3

INVOCATION BY COUNCIL MEMBER CAROLYN S. WACKER

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. A.4

APPROVE MINUTES
OF THE CALLED CITY COUNCIL (BUDGET WORKSHOP) MEETING OF JUNE 17, 2011, THE REGULAR CITY COUNCIL MEETING OF JUNE 20, 2011, AND THE CALLED CITY COUNCIL MEETING (HELD JOINTLY WITH THE SHERMAN ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS) OF JUNE 23, 2011

STATE OF TEXAS §

June 17, 2011

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 City Council Chambers, City Hall, 220 West Mulberry, Sherman, Texas, on June 17, 2011.

MEMBERS PRESENT: Mayor Bill Magers; Deputy Mayor Willie Steele.
Council Members Adami, Howeth, Smith, Softly, Wacker.

MEMBERS ABSENT: None.

STAFF PRESENT: George Olson, City Manager; Robby Hefton, Assistant City Manager/CFO; Brandon Shelby, City Attorney; Tom Watt, Police Chief; Jeff Jones, Fire Chief; Don Keene, Executive Director – Planning and Public Works; Mark Gibson, Director of Engineering and Public Works; Scott Shadden, Director of Development Services; Scott Taylor, Assistant Director of Engineering and Public Works; Lisa Whitfield, Development Coordinator; Mary Lawrence, Controller; Jacqueline Banfield, Library Administrator; Kevin Winkler, Parks and Recreation Administrator; April Patterson, Tourism Director; Pam Cloer, Assistant to the City Manager; and Linda Ashby, City Clerk.

PURPOSE: **CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**

2011-2012 BUDGET REVIEW AND LONG-RANGE PLANNING

ADJOURNMENT

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

Mayor Magers called the meeting to order at 8:40 a.m., declared a quorum present, and opened the meeting. He welcomed Brett Huntsman, who will be serving as an Intern with the City this summer.

OPENING COMMENTS

George Olson, City Manager, said the staff is presenting a balanced budget for 2012. The staff has asked for no additional employees and has curtailed capital spending for the third year in a row. There is pressure on the capital spending because things are wearing out. Mr. Olson added that the Sales Tax Election is very critical and this proposed budget is built on the passage of that initiative. Its passage will also impact the next four years. The staff is completing the capital projects that were initiated in 2008. These projects should be completed by the end of this year.

Mr. Olson addressed the schedule for the current meeting and added that the draft budget will be presented to the Council on July 18, 2011.

2011-2012 BUDGET REVIEW AND LONG-RANGE PLANNING

Mayor Magers announced that Kathy Williams, Herald Democrat Reporter, will be leaving the newspaper to work for a local attorney.

He explained that this is a critical budget for the City because it sets the stage for the Sales Tax Election. The most important thing the Council can do for the budget it to encourage passage of the sales tax initiative, which means $1 million annually to the City of Sherman. Fifty percent of this money comes from citizens outside the community. The sales tax initiative passed the first time in excess of 70% and he felt it passed because there was also a property tax cut.

At that time the Council promised to do certain things. The taxpayers trusted them and they did it. Mayor Magers said he felt the sales tax initiative would pass this second time, with an equally large margin because of the Council's credibility. The Council focused on necessities and continues to be transparent and honest with the taxpayers. There will be tough decisions to make next year and the most important thing will be to pass the sales tax initiative.

Mayor Magers added that the City has a balanced budget and an AA credit rating. The proposed budget does not include any cuts in service, but there is a proposed water rate increase. He felt it was important to maintain a balanced budget, maintain rates, and maintain services.

Brush Pickup Program

Scott Taylor, Assistant Director of Engineering and Public Works, presented information on the City's Brush Pickup Program. The program began in October 2009 and has been in operation for two years. It replaced the Spring Clean-Up Program and serves 12,000 residential customers. The City provides once a month pick-up in the four City quadrants and takes an average of three to four days to complete. These employees also have other solid waste duties when they are not involved in the pick-ups.

Mr. Taylor addressed the number of pick-ups under the old Spring Clean-Up/Special Pick-Up Program as compared with the Brush/Bulk Waste Program, as well as the equipment and personnel that were used under each program. Because the goal for the Spring Clean-Up was to get everything picked up in two weeks, employees and equipment had to be borrowed from other City departments. Currently only two employees and two trucks are needed for the Brush/Bulk Waste Program.

He also discussed the amount of material collected under each program and the amount deposited in the landfill. Under the new program, brush is not taken to the landfill, but is stockpiled and ground annually.

Costs for the program have been reduced both in disposal costs and in labor and equipment costs. In 2009, under the Spring Clean-Up/Special Pick-Up Program, the cost per stop was $56.95. In 2010, under the Brush/Bulk Waste Program, the cost per stop was $10.51.

Mr. Taylor said it is hard to judge the impact of the program, however the number of junk trash and debris violation notices have been reduced from 816 in 2008 to 350 in 2010. These violations are driven by citizen complaints.

Benefits of the program include more efficient operations, a safer work environment for employees, and a cleaner City. Mr. Taylor added that continued education of the rules is needed so citizens don't put their trash out weeks before their pick-up date. There might also need to be some type of violation that could be issued after an adequate warning. This would give employees the opportunity to educate citizens through contact. Regulations also require that the bulk waste and the brush be separated.

Robby Hefton, Assistant City Manager/CFO, added that the equipment drivers are the "first line" of enforcement for the program and the City relies on the drivers for their "gut feeling" about how much debris is too much for a pick-up. Each household is limited to five cubic yards of bulk waste and 10 cubic yards of brush each month. The staff doesn't actually measure the debris, it is a judgment call. If the pile is too large, the driver can call for a special pick-up and the citizen would be charged, or a violation notice can be issued.

Mr. Olson asked how the situation would be handled if someone put out too much trash for the pick-up. Mr. Taylor said the employee would advise the citizen that the amount of trash left curbside exceeds the allowable limit and they can call for a special pick-up. Mr. Olson felt this should be handled with education and maybe the leniency period should be near its end. Mr. Taylor agreed that more education and stronger enforcement may be needed.

Deputy Mayor Steele expressed concern about commercial trash being set out for pick-up at a residence. He has seen rent houses and commercial businesses that put trash out for the residential pick-up. See also reported that some brush has been curbside in his neighborhood since May 14, 2011. He asked if anyone had ever been billed for a violation. Mr. Taylor said the City hasn't been aggressive in enforcing the violations, however a procedure is needed.

Mr. Olson asked how many special pick-ups have been provided over the past year. Mr. Taylor said the staff has been lax in how special pick-ups were recorded. This program was not intended for commercial property or commercial waste. Deputy Mayor Steele also was concerned that if trash is put out the day after the pick-up, it will probably set there until the next month. Mr. Olson agreed that the program should be tightened with penalties. Deputy Mayor Steele verified that the intent of the program is to cut down on waste and illegal dumping, and to make the City cleaner.

Mayor Magers said the key reason the program was initiated was to make the City cleaner and to allow more frequent bulk pick-ups. He added that the City needs to start enforcing the rules now and he asked how a system could be initiated whereby the citizen using the program can be effectively billed for abusing the program.

Mr. Hefton said there is a balance, and someone that places debris from a small remodeling project might be acceptable where a complete house remodeling might be too much debris for the residential pick-up. He said the staff is still trying to strike that balance.

Mr. Olson said the bottom line is to make Sherman a cleaner City and if someone has something at the curb, they can be fined or taken to municipal court. The staff needs to be more efficient at identifying the violations. Mayor Magers added that as a taxpayer, if he pays someone for a service that generates trash, and the amount of trash fits into the criteria for pick-up, it should be okay for the City to pick it up. He did not feel that the issue was who put the trash out, it was how much trash is put out. He asked if there was a system in place to bill citizens for these pick-ups.

Mr. Hefton said there was a system to bill already in place. If there is a special pick-up, the customer receives an estimate from the Solid Waste Department. Solid Waste calls the Finance Department and they contact the citizen, requiring the citizen to come to the Finance Department to pay for the pick-up prior to the service being rendered. The process is there and the service is paid for in advance. As for the enforcement, the City's new website has the capability for customer interaction. Citizens will be able to photograph violations and attach them to an email which will be routed to the appropriate department for processing. The system should be online by the Fall of 2011. Don Keene, Executive Director of Planning and Public Works, said citizens should be reminded that they have other options, such as the drop-off center.

Mr. Taylor said the staff has discussed being more aggressive with enforcement to help with education of the program. Council Member Adami asked if the staff could use a mobile credit card system to scan in the field for immediate payment. Mr. Hefton said that hasn't been pursued because of equipment being "beat up" in the field.

Deputy Mayor Steele said there needs to be a simple plan with a formula that gives a specific cost for every cubic yard over the allowable amount. Mr. Hefton said currently the staff doesn't measure every single pile of trash that's put out for pick-up. Mr. Olson said the staff needs to develop a policy. Mr. Keene added that the City also needs to educate the citizens and identify and determine what the policy and procedure will be. Council Member Softly suggested painting the measurement on the side of the truck.

Capital Projects Update

Mr. Keene presented an update on the City's capital projects for the past two years, both what was done and looking into the future. Taxpayer dollars are being spent on new facilities, but over half of the money is being spent to maintain and upgrade existing facilities. A significant portion of Sherman's infrastructure is between 100 to 150 years old. So the balance between new infrastructure and maintaining existing infrastructure will continue to be important. Tax dollars are also balanced between the various departments. Most capital improvement money is spent for street, sewer, and water projects.

Council Member Adami asked what types of projects would be considered capital street projects. Mr. Keene explained that street projects would basically be the rebuild projects like the Travis Street mill and overlay, Lamberth Road, Washington Street, and Brockett Street. It would include larger projects that are not regular maintenance type activities. It would also not include equipment.

Twenty-six CIP projects have been completed in the last two years at a total budgeted cost of $25.2 million. Actual cost of the projects was $22.1 million, for an approximate savings of $3.1 million. Mr. Keene presented slides of various CIP projects completed over the past two years including Pecan Grove Park; replacement of the shade structure at Old Settlers Park; installation of the fine screen, replacement of the digester roof, the biological clarifier and the clarifier covers, and the biosolids removal at the Waste Water Treatment Plant.

The sewer project along U.S. Highway 75 is almost complete. The main will be from Sherman Town Center north to F.M. 691. Three of the four phases of the project are basically complete. The fourth phase is almost complete but includes a lift station. Mayor Magers said this project is a big deal and will be very good for commercial development between U.S. Highway 82 and F.M. 691.

Mr. Keene said another significant project is the purchase of an additional 10 mgd of storage capacity for raw water in Lake Texoma. The City has also completed drainage projects such as culvert replacements and bridge repairs. Street projects include Brockett Street, Lamberth Road, and Washington Street. Mr. Keene said the Washington Street project has been challenging, especially the bridge over Sand Creek, and has taken longer than originally planned. He thanked the citizens for their cooperation and patience during the project.

Mayor Magers added that Grayson County Commissioner Jackie Crisp has said they will complete the paving of Washington Street to S.H. 289, including the two miles of gravel that currently exists. The City has financed the project but Grayson County will also add their money as well to make Washington Street a very nice road from Heritage Parkway to S.H. 289.

Mr. Keene addressed the completion of the enhanced thoroughfare network which was approved in 2007 in the last sales tax initiative. The original four year plan was to complete 16 miles of streets. Because of some favorable cost savings, 25 miles were actually completed.

The staff will be asking for guidance from the City Council concerning an additional Sales Tax Election in the future. Mayor Magers explained that in 2007, the citizens were asked to shift the revenue from property taxes to sales taxes. For that shift, the Council agreed to reduce property taxes. That was done, and allowed the City to complete 25 miles of new roads.

If the Council comes back in 2011 proposing an extension of the sale tax initiative, by shifting the sales tax it becomes a part of the ongoing revenue stream. This time the money from the sales tax initiative would be used for 40 miles of sealcoating and maintenance on City streets. The plan also includes three miles of mill and overlay. Every segment of the City will be impacted by the street maintenance plans. He reminded everyone that from every dollar generated by sales tax, fifty cents is paid by people that don't live in Sherman.

The streets that will be milled and overlaid will be Meadows Circle, Throckmorton, and Willow Streets. Mayor Magers added that this plan will include maintenance of 40 miles of streets. The last sales tax initiative included 25 miles.

Council Member Adami asked that the City Council have input and review of the plan and which streets will be included, prior to it being publicized. Mr. Hefton said a list of proposed streets will be sent to the City Council. Besides the reduction in property taxes, Council Member Adami said the primary reason the sales tax passed the first time was that the Council publicized what streets would be included. Not only were those streets completed, but because of cost savings the City was able to do more. He agreed that the plan should be publicized, but he felt the Council should have more input. Mr. Hefton said a list of streets and a map will be send to Council Members.

Mr. Hefton added that the City issued debt for the first time in 30 years and received great rates. He said he is proud to be completing this capital program. One upcoming challenge for the City is the Wastewater Treatment Plant. The facility is very old and there are additional State regulations that will be coming soon. The State has not set a time frame or specifics of the regulations but "sometime in the future" the City will have to remove "some level of some nutrients" out of the stream that is released into the creek. The staff expects that it will be a very large project, and will cost in the multi-million dollar range. There are two or three programs of this nature within the next five years.

Miscellaneous Utility Issues
Mr. Hefton addressed a couple of utility projects that are included in the 2012 budget. The first relates to the automated meter reading system. In 2003 the City began a program to replace all the commercial and residential water meters in Sherman. At that time it was a very labor intensive process to gather the data to do the water billing. It took four employees an entire month to read water meters by hand for the entire City. In 2004 the automated system was instigated where it takes one employee two days to read the City. Besides reducing costs, another selling point of the new system was that it would increase revenue because the meters were old and were not registering at 100%.

That program has now been in effect for eight years. Even though the life of the system was estimated at 10 years, the City is beginning to see an increased failure rate in the devices in the ground. This year the staff is proposing to begin replacing the water meters in-house. The current system is RF based and the new system will be RF based. Currently the meter reader must drive around the City to read the meters. The new system will allow that but will also be outfitted for a fixed-base network that would allow readings for the entire City to be picked up at one location without anyone driving around town. It would also allow additional data specific to even one residence. There would be no extra cost to go to that, but it is next generation.

Mr. Hefton said through the last program, employees gained a lot of expertise and this time it will be completed in-house. The staff proposes to replace 2,400 units this year. The plan is for the renovation to be completed by 2014. There will be an increased cost of about $200,000 to $300,000 in the proposed budget for supplies and materials related to this project.

Mr. Hefton said the other project is that the staff is considering doing some smaller capital projects in-house. Larger projects, such as the water and sewer lines on U.S. Highway 75 North will continue to be outsourced because the City doesn't have the staff, equipment, or materials, and sometimes the expertise to do these jobs. Smaller jobs have always been done in-house, such as repairing leaks or repairing a small section of water line.

There are many "in-between" projects that in the past have been completed by local vendors. The staff is proposing to handle these projects in-house with existing staff. There will be some replacement of equipment that is already worn out. There are three or four projects in 2012 that will be handled in-house. Initially the budget for those projects was about $430,000 and the staff believes they can be completed in-house for about half of that amount. To fund these projects, the proposed budget will include an increase of about $200,000 more in expenses that would normally come from the CIP fund.

Deputy Mayor Steele asked if the sewer line across the creek at Hillcrest and Ricketts Street was a project completed by City employees. Mr. Hefton verified it was and Deputy Mayor Steele said it was done very well. Mr. Hefton said the proposal mostly includes projects in the $100,000 to $200,000 range that are less complex in scope.

Revenues and Rate Structures
Mr. Hefton addressed water and sewer rate structures. The staff is proposing a modification of what has been done in the past. The staff feels that the utility rates should always cover the expenses, and should also cover revenue losses that the City experiences.

The loss of MEMC and Folgers, as well as improvements in technology by Tyson Foods, have eliminated about $2.3 million in Utility Fund revenue. These changes happened quickly and without much warning.

MEMC has rescheduled their closing date a couple of times, but there was not much notice about the loss of revenue.

Mr. Hefton continued that the staff feels it is prudent to maintain stable rates within the area market. The rates should also provide for some portion of the CIP costs and a 70 to 75 day fund balance should be maintained. Rates should also allow for a reasonable return on investment. Mr. Hefton said moderate rate increases should be used annually to manage rates and a three to five year projection of costs should be considered to avoid the need for large single-year increases.

He explained that for at least 15 years, the City has used a set formula to determine the amount of money that would be transferred between funds, charging ourselves a franchise fee consistent with charges to other franchised utilities for use of the City's infrastructure and right-of-way.

Transfers are charged at the same percentage as to other companies, a 5% rate for water and sewer and an 8% rate for solid waste. A reimbursement of administrative costs is also based on the estimated allocation of General Fund resources used in the utility and solid waste operations. Typically transfers are approximately $1.7 million from the Utility Fund to the General Fund and $600,000 or $700,000 from the Solid Waste Fund to the General Fund.

Council Member Adami asked what other cities did with franchise fees. Mr. Hefton said this is a pretty standard model for franchise fees and is a generally excepted process by cities.

Mr. Hefton said in the past the City has had reserves in funds and it doesn't make since to keep these on the books. He felt these reserves need to be used so there is less need for rate increases or tax increases.

For 2012, Mr. Hefton said the staff is proposing to make up the lost revenue in the Utility Fund from the closing of MEMC and Folgers and through improvements at Tyson Foods. This will be the second year of a three-year process to recoup the revenues. There was a 6% rate increase in 2011, the staff is proposing a 4% rate increase in 2012, and there will be a similar rate increase in 2013. He said the staff is proposing to use the residuals from both the Utility Fund and the Solid Waste Fund to transfer excess to the General Fund to reduce the need for a property tax rate increase and/or service cuts.

The proposed budget for 2012 assumes a 4% water and sewer rate increase. Considering the three industries, there was not a proportional revenue loss in solid waste so there will be no rate increase requested. The three industries are a much heavier water and sewer user than they are a solid waste user. Future costs for the nutrient removal process and other Wastewater Treatment Plant requirements need to be monitored and rate increases requested as needed instead of waiting.

Council Member Adami confirmed that there is no fund balance now. Mr. Hefton said money has been transferred from the Solid Waste Fund to the Utility Fund and the General Fund. Without the transfer, the Utility Fund would be in the 50 to 55 day fund balance range and the General Fund would be at about 60 days. Those funds have been kept stable for 2012 because of transfers from the Solid Waste Fund.

Council Member Adami addressed percentage changes in the water and sewer rates over the past few years, saying as a consumer, it is hard to budget for the increases. He asked if there was a way to smooth out the cycle by keeping the increases the same each year. He asked if the proposed increases would give the City the ability to cover the cost of future CIP projects.

Mayor Magers addressed the 21.3% increase right after he was elected. The following year it was found that there was over $2 million in the fund balance and the large increase was due to an error in accounting.

Council Member Adami was still concerned about increasing rates now and said the fund balance is gone. He asked if the increase was enough to cover future projects. He felt there should be a way to "smooth out" the rate increases for the consumer. He asked if the staff felt comfortable with the 4% rate increase, given the future projects they need to fund.

Mr. Hefton said for 2012, the proposed rates are at the level that the staff feels is needed for this year. If it was not known that the debt service in the Utility Fund will be reduced in 2013, then the 4% proposed increase might not be enough because there are some upcoming costs that are unknown. Since the staff is aware of the debt service reduction and when it will occur, then the 4% rate increase will be enough.

Mr. Hefton did not feel the staff can budget for loosing 14% of revenue in one year. They can ensure that the fund balances are adequate so that if there is a 14% decrease in one year, the impact can be smoothed with the available fund balances and a small rate increase. He felt this process should allow the City to build fund balances to 70 or 75 days, instead of 60 days, which gives another million dollars in fund balance. He felt that after 2012, with the larger fund balances, the City should be able to absorb losses in revenue. He added that for 2012, the proposed rate increase gives the City the flexibility needed in all three funds and with the decrease in debt service, he felt comfortable with the proposed rate increase.

Council Member Adami wanted to be sure that the City builds adequate reserves to cover costs for future projects and for State mandates. Mr. Hefton said for what is known today and building in some for what might come in the next three to five years, he felt the proposed rate increase was adequate. However, if the sales tax initiative does not pass, that's a "different ballgame" in terms of using water, sewer, and solid waste revenues to help smooth things out. If the initiative doesn't pass, the City will have bigger issues, and it could have an effect on these utility rates this year.

Mr. Hefton presented comparisons of utility rates with other comparable cities in Texas. Sherman is within market in their utility rates, even with the 4% increase. Council Member Adami confirmed that a 1% increase on the water/sewer bill would amount to about $0.50 per month on both residential and commercial bills and would amount to $170,000 in revenue annually for the City. A 1% increase in the residential solid waste bill would be $0.14 per month and amount to $20,000 in revenue annually. A 1% increase in the commercial solid waste rate would amount to $30,000 in revenue annually.

City Council Members took a break from 10:23 a.m. to 10:38 a.m.

Financial Presentation – FY 2012
(Operating and Capital Programs)
Mr. Hefton said that the General Fund, Utility Fund, and Solid Waste Fund are generally balanced. The Utility Fund has expenses over revenue of $40,000, which is generally balanced. The proposed budget includes no property tax rate increase, assumes a 4% increase in utility rates, and includes transfers moving excess reserves to other funds.

General Fund
For 2012, the General Fund has a $5.3 million to $5.4 million ending fund balance, which is about 70 days of reserves. Property tax revenues appear to be reduced by $700,000 but this reflects how the debt service is being paid. The property tax base is down slightly because of decreases in personal property for the industrial sector. The proposed budget does include the four-month impact of the passage of the proposed Sales Tax Election. If it doesn't pass, revenues will be $300,000 lower than are projected.

Mayor Magers asked about the reduction in property tax revenue. Mr. Hefton reminded the Council that in 2011 the City used part of the savings from good budget performance on bonds. The City was able to use those savings to reduce the amount of property taxes needed to pay the debt service.

Mr. Hefton said franchise taxes are flat. In 2011 there were two grants that are non-reoccurring, so the revenue source appears to be going down.

The $3.2 million transferred in includes a residual transfer from the Solid Waste Fund of about $1 million. There is a similar transfer into the Utility Fund. The General Fund revenues are down about $600,000 from what was projected, but expenses are down too. There were some expenses in 2011 that will not be in 2012, such as in supplies, which included a grant that was received to switch out street lights to help with the utility bills.

Mr. Hefton added that contractual services are down about $100,000, which is due to bringing the ambulance billing in-house. Utilities have also been reduced due to changing the street lights and changing the retail electric provider for the street lights.

Half of the transfer out to the Fleet Fund is for the ongoing debt service on fleet. The City has also not been replacing as many vehicles as usual and there are some police vehicles that will be replaced this year. Mr. Hefton said the City is also making a change in the type of patrol vehicle purchased. The Tahoe has a longer expected useful life than the Crown Victoria, as well as a higher profile. The other available police packages are either unproven are have downsized. The cost of the Tahoe versus the Crown Victoria is about $2,000 annually. There is a $2,000 to $3,000 difference in the police package for the Tahoe versus the Crown Victoria. The lifespan is approximately 30% longer on the Tahoe. Council Member Adami asked about gas costs. Mr. Hefton said the Crown Victoria is a “gas guzzler.”

Mr. Hefton said that leaves a fund balance of about 70 days in the General Fund.

Council Member Adami asked about personnel costs, saying that the number of employees was reduced by 1%. Mr. Hefton said there were 11 retirements in the Fire Department. During a normal year there are about three to four retirements. When they leave, these Civil Service employees receive a payout of 90 days worth of sick time. This caused a $200,000 “hit” of paying out accrued sick time. This will be reduced in 2012, because the staff does not expect 11 retirements in one year.

Council Member Adami asked where the reduction in employees came from. Mr. Hefton said there was an additional full-time employee in the City Manager’s Office that left and was not replaced.

Utility Fund
Mr. Hefton said the ending fund balance in the Utility Fund for 2012 is projected to be $3.2 million, which is approximately 60 days. The City Charter only requires about 30 days, but he added that was too low since the expectation for bond holders is 60 plus days. He did expect to increase that fund balance over time.

There is a net loss effect for the entire year, from loosing MEMC and Folgers versus the 4% rate increase that is proposed. MEMC originally said they would close in December 2010, but that was moved to the end of the first quarter of 2011, moved again to the end of the second quarter of 2011, and finally moved to the end of the year in 2011. He did not feel that the closure date would move again. Mayor Magers said there is a high demand for the Epi process at the current time. He felt the closing date might be extended one more time.

The intergovernmental revenue is the Sherman Economic Development Corporation’s portion of paying for the water and sewer infrastructure north on U.S. Highway 75.

As for expenses, the maintenance and repair line item increased about $200,000 or $300,000 because of the new automated meter reading system that will be installed. The contractual and special services line item funds the biosolids project. There was originally $2.2 million budgeted for the project over a couple of years. The project is going well, but some of the money may be moved to 2012 to complete the project.

Fine screens were also installed to help with the cost of biosolids disposal and should reduce the future cost to process those biosolids. When that system is in place, the line item should be reduced to the $300,000 to $400,000 range annually.

The other line item includes utilities and materials for the CIP projects that will be completed in-house. This also includes equipment that will need to be replaced for the CIP projects. These are not additions to the fleet, but old equipment that will need to be replaced.

The Utility Fund will have a 60 day fund balance.

Council Member Adami asked about personnel costs. Mr. Hefton said for this fund, personnel costs will be about $4.5 million due to open positions. The City budgets for a full staff. There are currently open positions and the staff assumes that every one of those positions will be filled for every day of the year. Even though the odds are that won’t really happen. The additional money will go towards the fund balance.

Council Member Adami asked about the transfer in of $650,000. Mr. Hefton explained that the majority of the transfer is from the Solid Waste Fund and the rest is from the CIP Fund to help offset the $400,000 that the CIP Fund would normally spend on the projects if they weren’t completed in-house.

Council Member Adami asked if the City has ever transferred money from the Utility Fund to the Solid Waste Fund. He asked future Councils to consider those funds as businesses and ask themselves if they want to transfer money back and forth with no payback. Mr. Hefton said if those two funds should stand alone as separate businesses then money flowing between them would be considered as borrowing. He said that can be done in 2012, and the City could charge itself for borrowing that money from itself. However, if it is truly a loan, it would appear as debt in the Utility Fund. There would be a set payment schedule and would be a liability on the books. It would also be a receivable on the Solid Waste side.

Council Member Adami felt the liability would offset the receivable and should have no impact on the bond rating. Mayor Magers was concerned about the effect it would have on bond purchases. Mr. Hefton said they would look primarily at the Utility Fund to stand on its own. They would generally look at the water rates and the revenues of that one fund to support itself. But it might raise questions.

Council Member Adami felt the Council should determine how to handle transfers between funds, either as loans or just transfers. Mayor Magers felt that it depended if it was done once or multiple times. If it becomes a policy of the City to transfer money between these two funds, then there should be a policy to track the dollars. He felt it was a one-time transfer this year. After the Sales Tax Election the Council will have a better idea of the financial situation.

Solid Waste Fund
Mr. Hefton said revenues are flat in the Solid Waste Fund and the ending fund balance will be $1 million, which is 70 days of reserves. Vehicle usage is up about $100,000 and gas prices are also up.

There are transfers out of $1.7 million from the Solid Waste Fund, with $1 million going to the General Fund, $600,000 to the Utility Fund, and $100,000 to the Fleet Fund. These transfers are really to reduce the fund balance to an appropriate level.

Mr. Hefton presented a list of transfers in the proposed budget.
Council Member Adami expressed concern that in the past, fund balance has been used as needed in the various funds and is now gone. The fund balances are now down to the bare bones and he asked if the budget included any provisions for how to build those fund balances back up or grow some “rainy day money” for future projects.

Mr. Hefton said this will be discussed during the long-term look at the budget. At the base level, there’s not a huge need for increases now depending on what is done in the other funds. For existing costs, the City is where they need to be today, on the rates. Mr. Olson said going to the five-year look will help the City manage the budget better for the future rather than looking only one year ahead.

Mayor Magers said there are three items on maintenance and operations costs in the Solid Waste Fund, personnel, fuel, and Texoma Area Solid Waste Authority costs. TASWA originally borrowed money for 20 years to fund a cell that would last five years. As the economy changed, the amount of waste taken to TASWA decreased about 20% and their revenue also decreased. This was a huge drop in a fixed cost business.

TASWA is now funding cells through on-going cash and the City based their budget on a certain amount of tonnage per year. He said there might be a slight rate increase but he did not feel there would be a large increase in the future. The debt service is planned and flat.

Mr. Hefton added that disposal costs are funded in the contractual and sundry services line item. Ninety percent of the disposal costs include $1.5 million in personnel, $1 million in fuel, and $1.3 million or $1.4 million in disposal costs. Mayor Magers said that when the debt was restructured, TASWA received a better rate than expected. He said there was a $2 rate increase in the 2012-2013 budget, which amounts to about $0.17.

Council Member Adami said it appears that TASWA's operating revenue is expected to be down for the current fiscal year but their expenses are up. It looks like they are projecting a $200,000 loss this year. Mayor Magers said that budget was completed prior to restructuring the debt. He felt that their budget is now on track, they have money in the bank, and now have reserves.

Mayor Magers explained that originally TASWA kept the rates artificially low by borrowing 20 year dollars to fund five year cells. The problem is 30 or 60 years from now there is this huge debt service. Some of the recent rate increases were because volume dropped and also because TASWA switched to a "pay-as-you-go" method. However this past debt had to be caught up because they had borrowed money on two cells. Mayor Magers said TASWA rates are projected to be $33 this year, $35 next year, $38 in 2013 through 2025.

City Council Members took a lunch break from 11:21 a.m. to 11:42 a.m.

General Improvement Fund and Utility Improvement Fund
Mr. Hefton said both the General Improvement Fund and the Utility Improvement Fund are out of cash at the end of 2012.

Money from the General Improvement Fund is being used to fund the Watershed Management Study. The City received a grant for half of the cost of the study. The $333,000 study is the engineering piece of the Watershed Management Plan. There is also money budgeted for drainage improvements, the GIS system, and some smaller projects.

The Utility Improvement Fund includes small projects such as a drain line at the Wastewater Treatment Plant and an evaluation of the interior of the Gallagher Water Tank. There is a $400,000 transfer out to the Utility Fund to fund those projects that would normally be done through the CIP budget but are going to be handled in-house this year.

Insurance Fund
The Insurance Fund is okay for 2012 and will have a projected ending fund balance of $400,000 at the end of 2012. The staff has no idea what claims will be for the year and the cost increased for 2011. There have been a couple of very large claims. Long-term agreements have also been completed with Texoma Medical Center and with Texas Health Presbyterian Hospital – WNJ. The agreement is for one year and is renewed as both parties agree.

Part of that agreement was to make good on some older claims that were in dispute, which increased this year's expenses. Mr. Hefton said the City is back in a $3.3 million to $3.6 million range, which is a normal year. The City is still self-insured and feels like the agreements are better than before. The majority of the costs were from claims that weren't happening in Sherman. He felt that these new agreements will help keep the costs lower.

Council Member Adami confirmed that claims in 2011 were a little higher than originally projected. He confirmed that the City had previously transferred $1 million into the Insurance Fund from the three major operating funds to help cover those extremely high claim years. He asked what happens now if the City has an unusually high claim year.

Mr. Hefton said claims are generally between $3.3 million and $3.6 million annually, which allows for some higher claims. The City has the capability to have another $4 million claim year before the fund is drained. If transfers are needed, there will be some money in the Utility Fund and the Solid Waste Fund that could be used in 2013. He did not expect this to be the case. The City also has stop/loss provisions on the policy which caps the City's exposure at $125,000 per claim.

Mayor Magers verified that the City's policy has an individual specific loss and a comprehensive stop loss so it isn't a "bottomless pit." Mr. Hefton said the staff looks annually to see if there are other options rather than the self insurance. Those policies start at about $4.5 million, which is significantly higher than the City's normal claim year.

Hotel/Motel Fund
Mr. Hefton said the staff has been drawing the fund balances down in the Hotel/Motel Fund for the last few years with some one-time purchases. These purchases include the redevelopment of the website and improvements in the Auditorium and the Ballroom. Revenues for the fund are holding steady thanks to the collection efforts of the Finance Department and the City Attorney. At the end of 2012, Mr. Hefton said the fund balance will be about where it needs to be.

Mayor Magers asked why the administration line item increased from 2009. Mr. Hefton said the City began paying for part-time help in the administrative area. Funding for a position is split several different ways.

Mr. Hefton said this fund is where the projects are paid for such as Hot Summer Nights, Lights on the Lake, and annual grants to various organizations. The Downtown Building Incentive Program is still included in the budget, but there are no applications for this year.

Financial Presentation – Long-Term
Mr. Hefton addressed the long-term projects scheduled in future years of the General Improvement and Utility Improvement Funds.

He presented possible budget scenarios, including one if the sales tax initiative passes, and the impact these scenarios would have on the debt service and the fund balance. These scenarios affect the funding available for various projects.

Council Member Adami verified that Mr. Hefton's "comfort level" for fund balance is at 70 to 75 days. The City has been closer to the 60 day range for several years, but because the debt service is going down, they are in a good position to start building the fund balance back up and to start transferring it out. He added that, for the next three years or so, the City will have the ability through the Solid Waste Fund and the Utility Fund to provide some relief to the General Fund if necessary.

Sales tax seems to be trending slightly upward. There have been two months of positive sales tax activity and June sales tax increased 10% over last year. With sales tax, 1% equals $120,000. Mr. Hefton said he was "cautiously optimistic."

Mayor Magers verified that the debt service will be reduced in the 2013 budget, which leaves a one-year issue with the budget. Mr. Hefton said the debt will creep back up, but for awhile it will be reduced. Besides the projects for the Wastewater Treatment Plant, the Water Treatment Plant is 20 years old and will probably need some upgrades soon. He was pleased with the relief for the budget through the proposed rates, the fund transfers, and using reserves from the Solid Waste Fund and the Utility Fund to help the General Fund.

Council Direction

Mr. Hefton asked for consideration from the Council on keeping the property tax rate at $0.32 per $100 valuation and the 4% utility rate increase. Mayor Magers told Council Members that they had been presented the budget and asked if they wanted to make any changes.

Council Member Adami asked Mr. Hefton if he felt comfortable with the proposed rate increases as presented and if he felt that the City would have available funding for general improvement projects, plus cover any unexpected issues. Mr. Hefton said he did. He added that for 2012 and for what is known through 2016, the City is "in the right ballpark." He said even with the Sales Tax Election, there will be challenges in 2013. You can't take into consideration things you don't know about. He added that the staff has things in-line the best they can with what is known. This budget was a 2012 process.

Mayor Magers said this was a staff-driven budget and he had concerns about 2013, but those will be addressed in the 2013 budget cycle. The staff has done an excellent job in fulfilling the Council direction to bring them a balanced budget, holding reserves to keep the AA bond rating, and being transparent in the deal.

Mr. Hefton asked if there were any changes Council Members would like to see when the draft budget is presented on July 18, 2011.

Council Member Adami said even though this is the 2012 budget, they still need to look past 2012 and consider whether the solid waste rate increase could have been leveled out better. Council Member Wacker said you plan for that with what you're given. There are reserves built in.

Mr. Hefton said the staff would rather increase rates in small incremental pieces and want to keep the rates stable within market rates. He added that the staff has highlighted the big CIP projects for the Council to review. The fire station is the big project in the General Improvement Fund and the staff does not know in which year that project will be funded. The project will cost several million dollars and they hope to receive SEDCO money to help with funding.

ADJOURNMENT

There being no further business to come before the City Council today, motion was duly made and approved to adjourn the Called meeting at 12:20 p.m. Documentation for the Budget Work Session is held in the General File "Budget Work Session FY 2011-2012" in the City Clerk's Office.

MAYOR

ATTEST

CITY CLERK

STATE OF TEXAS §

June 20, 2011

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Regular Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on June 20, 2011.

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

MEMBERS ABSENT: COUNCIL MEMBER HOWETH.

CALL TO ORDER

CALL TO ORDER

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

APPROVE MINUTES

APPROVE MINUTES

The Council reviewed the Minutes of the Regular City Council Meeting of June 6, 2011. Council Member Wacker moved to approve the Minutes as presented; Second by Council Member Softly. All present voted AYE.
MOTION CARRIED.

PROCLAMATION
RECOGNIZING CHARLES H. BROWN, SR. FOR HIS SERVICE ON THE CIVIL SERVICE COMMISSION

CHARLES H. BROWN, SR. CIVIL SERVICE COMMISSION

Mayor Magers presented a plaque and proclamation to Charles H. Brown, Sr. recognizing him for his service on the Civil Service Commission from May 29, 2002 through May 29, 2011.

PUBLIC HEARING
FINAL STATEMENT / ACTION PLAN FOR PROGRAM YEAR 2011 COMMUNITY DEVELOPMENT BLOCK GRANT

CDBG PUBLIC HEARING

Mayor Magers said the Public Hearing was for discussion on the proposed Final Statement / Action Plan for the 2011 Program Year Community Development Block Grant.

No citizens appeared before the City Council to discuss the Final Statement / Action Plan for Program Year 2011 Community Development Block Grant.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

ORD 5701 EMERGENCY SERVICE FEE

Mayor Magers introduced Ordinance 5701 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 1 OF THE CODE OF ORDINANCES, ENTITLED "GENERAL PROVISIONS", AT ARTICLE 1.09, ENTITLED "EMERGENCY MANAGEMENT", TO PROVIDE FOR A NEW DIVISION 3 TO BE ENTITLED "EMERGENCY SERVICE FEE"' PROVIDING FOR THE EXECUTION OF CONTRACTS WITH SERVICE PROVIDERS; PROVIDING FOR INCLUSION IN THE CODE OF

ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance 5701.

Mayor Magers introduced Ordinance 5702 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 9 OF THE CODE OF ORDINANCES, ENTITLED "PERSONNEL", AT ARTICLE 9.05, ENTITLED "CIVIL SERVICE FOR FIREFIGHTERS AND POLICE OFFICERS", AT SECTION 9.05.026 TO AMEND THE NUMBER OF AUTHORIZED POSITIONS IN THE FIRE DEPARTMENT; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER.

ORD 5702
FIREFIGHTER POSITIONS

No citizens appeared before the City Council to discuss Ordinance 5702.

The Public Hearing was closed.

<u>ADOPTION OF ORDINANCES</u>

Ordinance 5701
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 1 OF THE CODE OF ORDINANCES, ENTITLED "GENERAL PROVISIONS", AT ARTICLE 1.09, ENTITLED "EMERGENCY MANAGEMENT", TO PROVIDE FOR A NEW DIVISION 3 TO BE ENTITLED "EMERGENCY SERVICE FEE"' PROVIDING FOR THE EXECUTION OF CONTRACTS WITH SERVICE PROVIDERS; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 5701
EMERGENCY SERVICE FEE

Council Member Wacker asked if this money would be paid to the State and then be reimbursed to the City. Ken Francis, Sherman Police Captain, explained that 911 cell phone fees are gathered by the State and reapportioned to the cities based on population. These fees would be for land lines only.

Ordinance 5702
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 9 OF THE CODE OF ORDINANCES, ENTITLED "PERSONNEL", AT ARTICLE 9.05, ENTITLED "CIVIL SERVICE FOR FIREFIGHTERS AND POLICE OFFICERS", AT SECTION 9.05.026 TO AMEND THE NUMBER OF AUTHORIZED POSITIONS IN THE FIRE DEPARTMENT; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER.

ORD 5702
FIREFIGHTER POSITIONS

Council Member Adami verified that the change was at the request of Jeff Jones, Fire Chief.

ACTION TAKEN.

Motion by Council Member Adami to approve Ordinance Nos. 5701 and 5702, as presented. Second by Council Member Wacker.

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

<u>CONSENT AGENDA</u>

CONSENT AGENDA

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

<u>RESOLUTIONS</u>

<u>RESOLUTION NO. 5580 – AUTHORIZING PUBLICATION OF THE PROPOSED FINAL STATEMENT / ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT FOR FISCAL YEAR 2011; AUTHORIZING SUBMISSION OF THE BLOCK GRANT APPLICATION; AUTHORIZING EXECUTION OF CERTAIN ASSURANCES OF COMPLIANCE IN CONNECTION WITH THE ADMINISTRATION AND CONDUCT OF THE COMMUNITY DEVELOPMENT PROGRAM FOR FISCAL YEAR 2011</u>

RES 5580
COMMUNITY DEVELOPMENT BLOCK GRANT

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 FISCAL YEAR 2011; AUTHORIZING SUBMISSION OF THE BLOCK GRANT APPLICATION; AUTHORIZING EXECUTION OF CERTAIN ASSURANCES OF COMPLIANCE IN CONNECTION WITH THE ADMINISTRATION AND CONDUCT OF THE COMMUNITY DEVELOPMENT PROGRAM FOR FISCAL YEAR 2011.
CONSENT AGENDA.

Council Member Wacker verified that $171,000 of the CDBG funding was for housing rehabilitation to help home owners. George Olson, City Manager, said that allocation was reduced by $58,000 this year.

<u>RESOLUTION NO. 5581 – AUTHORIZING THE EXPENDITURE OF THREE THOUSAND DOLLARS ($3,000.00) IN MATCHING FUNDS TO THE TEXOMA COUNCIL OF GOVERNMENTS FOR TRANSPORTATION PLANNING</u>

RES 5581
TCOG MATCHING FUNDS FOR TRANSPORTATION PLANNING

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXPENDITURE OF THREE THOUSAND DOLLARS ($3,000.00) IN MATCHING FUNDS TO THE TEXOMA ACOUNCIL OF GOVERNMENTS FOR TRANSPORTATION PLANNING.
CONSENT AGENDA.

Mayor Magers verified that this was for matching funds for the Metropolitan Planning Organization (MPO).

<u>CITIZENS REQUESTS</u>

CITIZENS REQUESTS

There were no citizens requests.

<u>MEDIA QUESTIONS</u>

<u>KATHY WILLIAMS LEAVING THE SHERMAN HERALD DEMOCRAT</u>

KATHY WILLIAMS LEAVING THE HERALD DEMOCRAT

Kathy Williams, Reporter with the Herald Democrat, said this would be her last Regular City Council Meeting. She thanked the staff and City Council for being so wonderful about their coverage and for being so open and conducting their business in such a business-like manner. She added that it had been a pleasure covering the City Council.

<u>APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS:</u>

<u>RED RIVER GROUNDWATER CONSERVATION DISTRICT BOARD OF DIRECTORS (1)</u>

RED RIVER GROUNDWATER CONSERVATION DISTRICT BOARD OF DIRECTORS

ACTION TAKEN.

> **Motion by Council Member Smith to reappoint George Olson to the Red River Groundwater Conservation District Board of Directors for a term from August 31, 2011 to August 31, 2015. Second by Council Member Steele.**

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

Mayor Magers added that there are still a few hurdles to cross for the Groundwater District. He said Mr. Olson has been singled out numerous times for his professionalism and the way he handles himself. He added that the City Council appreciates his leadership.

<u>COUNCIL COMMENTS</u>

<u>HERALD DEMOCRAT REPORTER</u>

HERALD DEMOCRAT REPORTER

Council Member Adami told Herald Democrat Reporter Kathy Williams that the City Council appreciates her coverage. He added that she is “fair and balanced” and he felt she always accurately presented the facts and what transpired during Council Meetings. Council Member Adami said he appreciated all her work over the years.

<u>YOUTH CENTER AND SHERMAN ECONOMIC DEVELOPMENT CORPORATION MOVING</u>

YOUTH CENTER & SEDCO MOVING

Council Member Adami said recent coverage in the newspaper indicated that the City of Sherman and Sherman Economic Development Corporation were able to come to an agreement on the leasing of the Youth Center by SEDCO.

He felt that the City Council should have been able to review the lease proposal prior to the agreement and asked that in the future similar situations be reviewed by the City Council for their input.

Council Member Adami said he would like to see a breakdown of SEDCO’s plans for the property and the plans

and budget for the Glennie O. Ham Center. He also wanted to know what happens to the services that are currently being performed at the Youth Center and where those will go, as well as the transition period.

He added that those decisions are things that probably should be "run through" the Sherman City Council to get their input and feedback.

HERALD DEMOCRAT REPORTER

HERALD DEMOCRAT REPORTER

Council Member Wacker thanked Mrs. Williams for her service to the City and the citizens through her reporting.

COUNCIL COMMENTS

COUNCIL COMMENTS

Council Member Softly said he would like to "ditto" Council Member Adami and what he just said.

CONGRATULATIONS TO CHARLES BROWN, SR.

CONGRATULATIONS TO CHARLES BROWN, SR.

Council Member Softly recognized the long-time service of Charles Brown, Sr. to the Civil Service Commission.

HERALD DEMOCRAT REPORTER

HERALD DEMOCRAT REPORTER

Mayor Magers said he had known Mrs. Williams for nearly 30 years, but it didn't stop her from reporting him for what she felt was a violation of the Open Meetings Act (erroneously he added). He said that Mrs. Williams tells the facts but he also recognized that when the Council makes light-hearted remarks, they didn't come back, taken out of context, to "bite them."

Mayor Magers said he really appreciated her reporting and the professional journalism with which she handled her job. He said the Council and staff will certainly miss her and he wished her the best of luck in her new endeavors.

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

EXECUTIVE SESSION

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

SECTION 551.074	PERSONNEL MATTERS CONSIDER THE QUALIFICATIONS, APPOINTMENT AND REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS: PLANNING AND ZONING COMMISSION (3)

Council Members decided that no Executive Session was needed to discuss the Board appointments.

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS:
PLANNING AND ZONING COMMISSION (3)

PLANNING & ZONING COMMISSION

ACTION TAKEN.

Motion by Council Member Steele to reappoint Don Hicks to the Planning and Zoning Commission for a term from July 6, 2011 to July 6, 2014. Second by Council Member Wacker.

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

ADJOURNMENT

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 5:15 p.m.

____
MAYOR

____
CITY CLERK

STATE OF TEXAS §

June 23, 2011

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Joint Meeting of the Sherman City Council and the Sherman Economic Development Corporation was begun and held in the City Council Chambers on June 23, 2011.

COUNCIL MEMBERS PRESENT:	Mayor Bill Magers; Deputy Mayor Willie Steele. Council Members Adami, Smith, Softly, Wacker.
COUNCIL MEMBERS ABSENT:	Council Member Howeth.
SEDCO MEMBERS PRESENT:	Juston Dobbs, Rad Richardson, Dean Gilbert, Jr., Bill Magers, Al Hambrick (Ex-Officio), Robby Hefton (Ex-Officio).
SEDCO MEMBERS ABSENT:	Todd Thompson, George Olson (Ex-Officio),
CITY STAFF PRESENT:	Robbie Hefton, Assistant City Manager/CFO; Brandon Shelby, City Attorney; Don Keene, Executive Director – Planning and Public Works; Pam Cloer, Assistant to the City Manager; Linda Ashby, City Clerk.
SEDCO STAFF PRESENT:	Frank Gadek, Executive Vice President; John Hunter Smith, Attorney; Darlene Brown, Administrative Assistant.

PURPOSE: **Call to Order, Quorum Determined, Meeting Declared Open, Recognition of Guests and Visitors**

RESOLUTION NO. 5582
Amending the 2010-2011 Budget of the City of Sherman, Texas, Appropriating and Allocating Additional Funds for the Period of October 1, 2010 through September 30, 2011

RESOLUTION NO. 5583
Authorizing Execution of an Advance Funding Agreement between the City of Sherman and the State of Texas, Acting By and Through the Texas Department of Transportation, for Voluntary Local Government Contributions to Transportation Improvement Projects with No Required Match (Ramp Reversal on Southbound U.S. Highway 75 South of F.M. 1417)

ADJOURNMENT

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN, RECOGNITION OF GUESTS AND VISITORS

Mayor Magers called the meeting to order at 12:00 p.m., declared a quorum present, and opened the City Council Meeting. Juston Dobbs, Vice Chairman of the Sherman Economic Development Corporation, declared a quorum present, and opened the SEDCO Meeting.

Mr. Dobbs introduced guests Noel Paramanantham, Assistant Area Engineer for the Texas Department of Transportation, Paris District; and David Selman, Area Engineer for TxDOT, Paris District.

He asked Mayor Magers to give some background on the U.S. Highway 75 / F.M. 1417 Ramp Reversal Project and how the City and the Sherman Economic Development Corporation arrived at this point. Mayor Magers explained that the process began two years ago when discussions were being held about moving the Grayson County Jail to the Blalock Industrial District.

At that time, representatives visited with all the plant managers about the County Jail, Panda Energy, the green space, and the Fire Department. Through those meetings they were soliciting feedback about the needs of the industries. Two plant managers said their biggest concern was traffic, specifically the time it took for the ingress and egress of the large trucks in and out of the Blalock District.

One of their concerns about the location of the Jail there was the additional four-wheel vehicle traffic mixed in with all the commercial traffic and the safety issues that would arise. The representatives then met with the City Council and the SEDCO Board Members to devise a plan, which they took back to the plant managers six months later. During that time the County Jail issue had been changed and the green space in front of the old Johnson and Johnson plant was determined. The major concern of the plant managers was traffic and they overwhelmingly supported the proposed solution.

Mr. Paramanantham presented an overview of the proposed project for U.S. Highway 75, south of F.M. 1417. The major complaint was the need to remove truck traffic on F.M. 1417. He explained the layout of the entrance and exit ramps on U.S. Highway 75 South, in the Blalock Industrial District. Even though the F.M. 1417 bridge was widened, commercial traffic was still mixed with regular traffic.

The concept used was the same one used at Sherman Town Center, where the entrance and exit ramps were reversed. This would allow the west frontage road to be used to access businesses on the west side of U.S. Highway 75. Currently there is a temporary exit ramp located by Tyson Foods. This ramp has been a problem and will be removed. A new entrance ramp will be located there, which will improve the safety. They also plan to add three lanes between the two ramps.

Mr. Paramanantham said they have received many complaints because large trucks are unable to turn and sometimes get stuck. Council Members discussed the proposed configuration for the new ramps.

Mayor Magers said the proposed changes will greatly relieve the bridge traffic on F.M. 1417, which means the bridge can stay in place longer before it will need to be widened. He added that Dorsett Drive will become the main entrance for truck traffic for the Blalock Industrial District, which will be a one right-hand turn off of U.S. Highway 75.

Dean Gilbert, Jr. asked if that would be the only ramp that will be changed. At this time there will be no ramp changes for northbound traffic. Northbound traffic will need to exit and cross over the F.M. 1417 bridge to get to the southbound industries. Mayor Magers said the southbound ramps were the priority of the plant managers.

Mr. Dobbs said because of the safety issues, this project qualifies as a Type A Economic Development Project. The project is not a TxDOT priority and will probably not be on their schedule for about 10 years, but with SEDCO funding the issue can be addressed now. Mayor Magers added that from the Metropolitan Planning Organization's standpoint, this project was moved to the top of their priority list because there is no timeframe for TxDOT to schedule this project. Mr. Dobbs said this project would be a benefit for the existing industrial partners as well as for future expansion.

A motion was made by Rad Richardson and seconded by Dean Gilbert, Jr. that SEDCO approve the funding request from the City of Sherman for the relocation and reconstruction of the exit and entrance ramps off of U.S. Highway 75 between F.M. 1417 and 1.1 miles south of F.M. 1417. All SEDCO Members present voted Aye.

Mayor Magers added that TxDOT requires a 10% deposit to begin the project. The City of Sherman will be the "pass-through conduit" that allows SEDCO money to go through the City of Sherman to TxDOT for the project.

RESOLUTION NO. 5582
AMENDING THE 2010-2011 BUDGET OF THE CITY OF SHERMAN, TEXAS, APPROPRIATING AND ALLOCATING ADDITIONAL FUNDS FOR THE PERIOD OF OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING THE 2010-2011 BUDGET OF THE CITY OF SHERMAN, TEXAS, APPROPRIATING AND ALLOCATING ADDITIONAL FUNDS FOR THE PERIOD OF OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011.

Robby Hefton, Assistant City Manager/CFO, explained that because the money must flow through the City of Sherman and because the agreement is between the City and TxDOT, the City must have the authority to spend this money. The total project is $1.43 million and the money will be a flow through from SEDCO to TxDOT through the City. The net effect to the City will be zero, but the City needs the authority to spend the money at the time the contract is let, which will be before September 30, 2011 and prior to the start of the next budget year.

RESOLUTION NO. 5583
AUTHORIZING EXECUTION OF AN ADVANCE FUNDING AGREEMENT BETWEEN THE CITY OF SHERMAN AND THE STATE OF TEXAS, ACTING BY AND THROUGH THE TEXAS DEPARTMENT OF TRANSPORTATION, FOR VOLUNTARY LOCAL GOVERNMENT CONTRIBUTIONS TO TRANSPORTATION IMPROVEMENT PROJECTS WITH NO REQUIRED MATCH (RAMP REVERSAL ON SOUTHBOUND U.S. HIGHWAY 75 SOUTH OF F.M. 1417
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ADVANCE FUNDING AGREEMENT BETWEEN THE CITY OF SHERMAN AND THE STATE OF TEXAS, ACTING BY AND THROUGH THE TEXAS DEPARTMENT OF TRANSPORTATION, FOR VOLUNTARY LOCAL GOVERNMENT CONTRIBUTIONS TO TRANSPORTATION IMPROVEMENT PROJECTS WITH NO REQUIRED MATCH (RAMP REVERSAL ON SOUTHBOUND U.S. HIGHWAY 75 SOUTH OF F.M.1417).

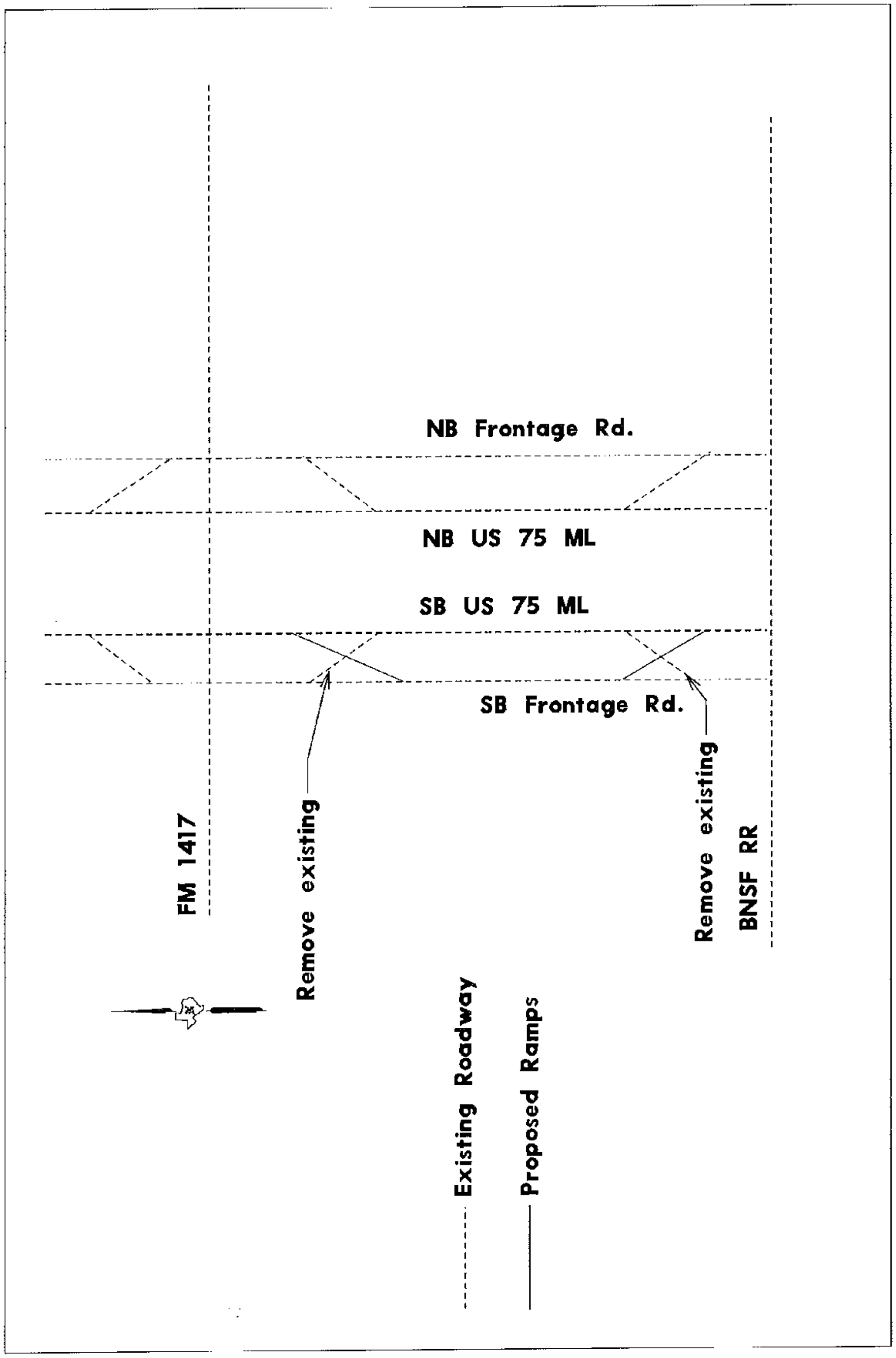
ACTION TAKEN.
Motion by Council Member Wacker to approve Resolution Nos. 5582 and 5583, as presented. Second by Council Member Adami.
VOTING AYE: Magers, Adami, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

ADJOURNMENT
There being no further business to come before the City Council or the Sherman Economic Development Corporation, motion was duly made and approved to adjourn the Joint Meeting at 12:13 p.m.

____
MAYOR

ATTEST

____
CITY CLERK


NB Frontage Rd.
NB US 75 ML
SB US 75 ML
SB Frontage Rd.
FM 1417
Remove existing
Remove existing
BNSF RR
Existing Roadway
Proposed Ramps

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. B.1

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5703
Amending Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant an Amendment to a Specific Use Permit to Allow the Addition of Three (3) Portable Classroom Buildings in an R-1 (One Family Residential) District with a Specific Use Permit to Allow a Church at 2605 Rex Cruse Drive, being Lots 1-6, Joe E. Price Subdivision (North Park Baptist Church, Owners; and David Murphy and John McDonald, Representatives); Providing that this Specific Use Permit Shall be Granted Subject to Certain Conditions; Providing a Penalty Not to Exceed $2,000.00

Issue
To consider the request of North Park Baptist Church (Owners) and David Murphy and John McDonald (Representatives) concerning the property located at 2605 Rex Cruse Drive, being Lots 1-6, Joe E. Price Subdivision, to amend a Specific Use Permit and site plan approval to allow the addition of three (3) portable classroom buildings in an R-1 (One Family Residential) District with a Specific Use Permit to allow a church

Background
The property is located at 2605 Rex Cruse Drive, the northeast corner of Lamberth Road and Rex Cruse Drive; North Park Baptist Church is the owner/tenant. North Park Baptist Church was granted a Specific Use Permit to allow a church building in an R-1 (One Family Residential) District on September 17, 1973. They would like to move in three 15’ x 35’ portable classroom buildings onto the lot.

Origination
North Park Baptist Church (Owners) and David Murphy and John McDonald (Representatives)

Board Recommendation
At the June 21, 2011 regular meeting, the Planning and Zoning Board voted 4/1 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter and subject to a time limit of five (5) years, to move the buildings after five (5) years; providing an 8’ privacy fence, 80’ along the north property line where the portable buildings will be placed and providing shrubs/hedges in front of the portable buildings on the west side of the property. Voting Aye: Davis, Hicks, Morgan and Barber; Voting Nay: Barton, Abstain: Plyler.

Attachments
Ordinance No. 5703; Location Map; Photograph; Site Plan; Letters; P&Z Communication Form; Staff Review Letter

Prepared by:
Scott Shadden, Development Services Director

Approved by:
George Olson, City Manager

ORDINANCE NO. 5703

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT AN AMENDMENT TO A SPECIFIC USE PERMIT TO ALLOW THE ADDITION OF THREE (3) PORTABLE CLASSROOM BUILDINGS IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT WITH A SPECIFIC USE PERMIT TO ALLOW A CHURCH AT 2605 REX CRUSE DRIVE, BEING LOTS 1-6, JOE E. PRICE SUBDIVISION (NORTH PARK BAPTIST CHURCH, OWNERS; AND DAVID MURPHY AND JOHN MCDONALD, REPRESENTATIVES); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

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

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

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

SECTION 1. That, from and after the passage of this ordinance, North Park Baptist Church (Owners) and David Murphy and John McDonald (Representatives) are granted an amendment to a Specific Use Permit and site plan approval to allow the addition of three (3) portable classroom buildings in an R-1 (One Family Residential) District with a Specific Use Permit to allow a church at 2605 Rex Cruse Drive, and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

BEING Lots 1-6, Joe E. Price Subdivision

<u>SECTION 2</u>. That this specific use permit is granted on the following conditions:

<u>Zoning:</u>

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

<u>Planning and Zoning Commission</u>

5. A time limit of five (5) years, buildings shall be moved after 5 years.
6. Providing an 8' privacy fence, 80' along the north property line where the portable buildings will be placed.
7. Providing shrubs/hedges in front of the portable buildings on the west side of the property.

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

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

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

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

INTRODUCED on this the ______________ day of __________________, 2011.

ADOPTED on this the _________________ day of __________________, 2011.

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

CITY OF SHERMAN, TEXAS

BY: ________________________________

BILL MAGERS, MAYOR

ATTEST:

BY: ______________________________
LINDA ASHBY, CITY CLERK

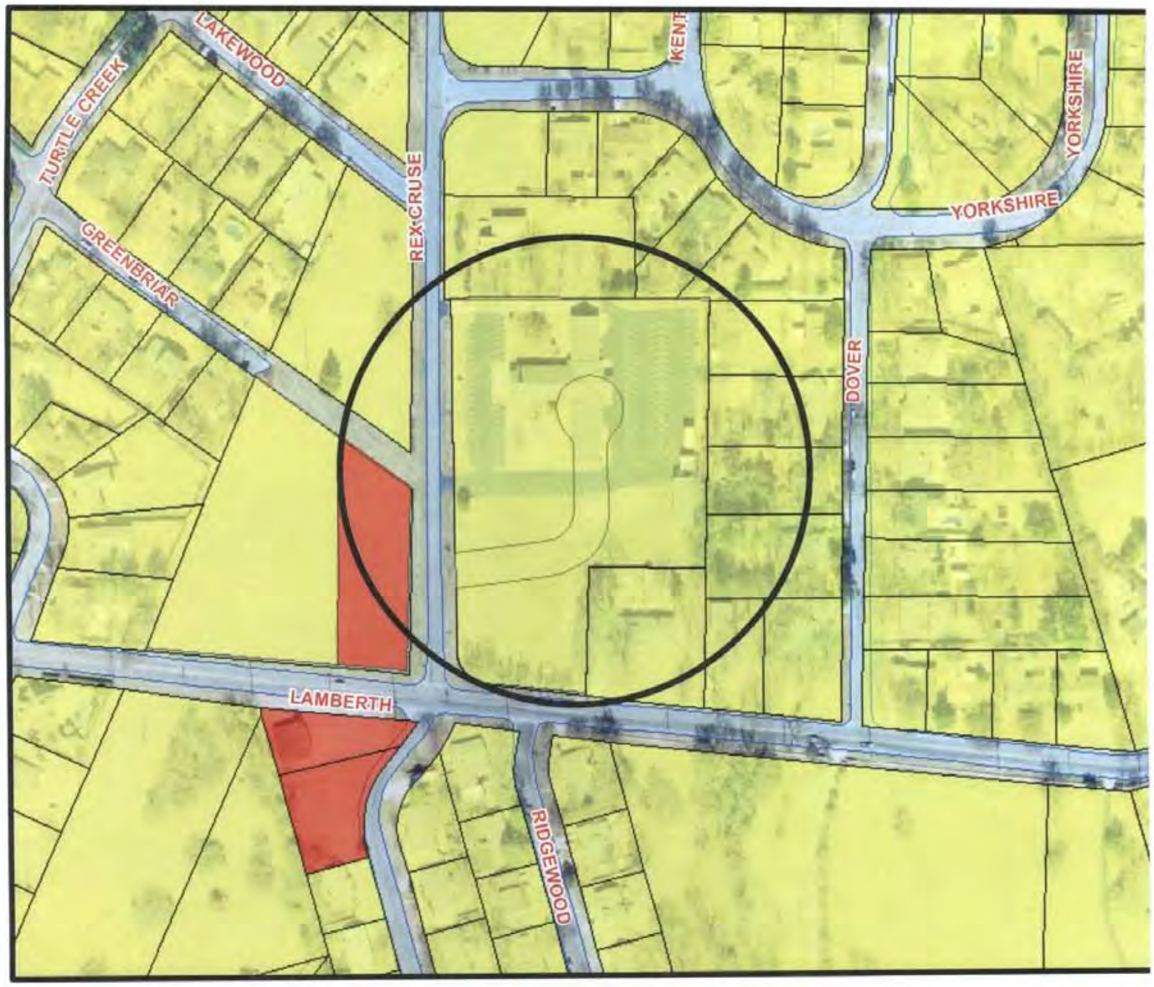
APPROVED AS TO FORM
AND CONTENT:

BY: ______________________________
BRANDON S. SHELBY,
CITY ATTORNEY

2605 Rex Cruse Drive

City of Sherman, Texas
Developmental Services Department

1 inch = 129 feet



Zoning - 2605 Rex Cruse Drive

Legend

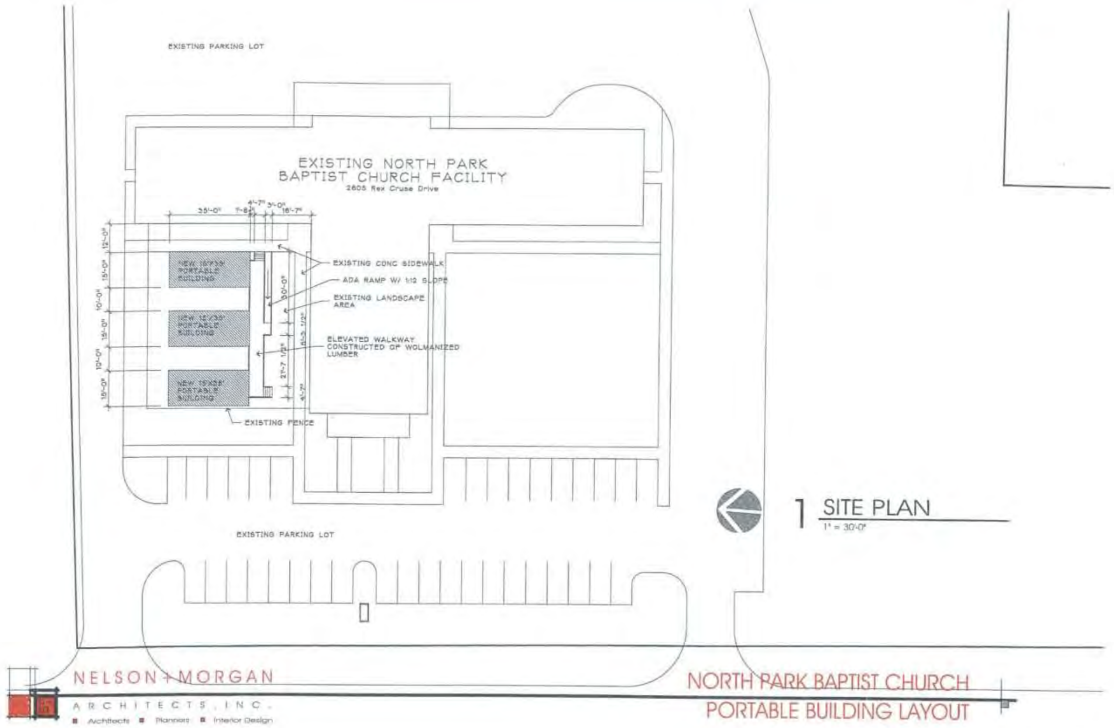
- C L SHERMAN CITY LIMITS
- O 1 HIGHWAY 75 & 82 OVERLAY DISTRICT
- O 1.1 FM 1417 OVERLAY DISTRICT
- O 1.2 SAM RAYBURN FREEWAY OVERLAY DISTRICT
- C B D DOWNTOWN BUSINESS DISTRICT
- C P O COLLEGE PARK OVERLAY DISTRICT
- Blaylock Commercial Distrist
- A & C ARTS & CULTURAL OVERLAY DISTRICT
- CO Office District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- C-1 Retail Business District
- C-2 General Commercial District
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- BIP Blalock Industrial Park
- Parcels
- Street Names

N

1 inch = 215 feet

City of Sherman, Texas
Developmental Services Department

2605 Rex Cruse


EXISTING PARKING LOT
EXISTING NORTH PARK
BAPTIST CHURCH FACILITY
2605 Rex Cruse Drive
NEW 15'X35' PORTABLE BUILDING
NEW 15'X35' PORTABLE BUILDING
NEW 15'X35' PORTABLE BUILDING
EXISTING CONC SIDEWALK
ADA RAMP W/ 1:12 SLOPE
EXISTING LANDSCAPE AREA
ELEVATED WALKWAY CONSTRUCTED OF WOLMANIZED LUMBER
EXISTING FENCE
EXISTING PARKING LOT
1 SITE PLAN
1" = 30'-0"
NELSON+MORGAN
ARCHITECTS, INC.
Architects ■ Planners ■ Interior Design
NORTH PARK BAPTIST CHURCH
PORTABLE BUILDING LAYOUT

Morgan Keegan JUN 8 REC'D

MEMBER FINRA, SIPC

Jimmy Jack Beale
Senior Vice President

Morgan Keegan & Company, Inc.
5601 Granite Parkway, Suite 100
Plano, TX 75024
214.436.5955 • 877.436.5920
FAX 214.691.5588
jimmy.beale@morgankeegan.com

6-6-11

PLANNING & ZONING COMMISSION
ATTN: SCOTT SHADDEN
SHERMAN, TX.

GENTLEMEN:

SINCE I WILL BE UNABLE TO ATTEND THE MEETING OF JUNE 21, 2011, I WOULD LIKE TO EXPRESS MY OPINION HERE.
THE NORTH PARK BAPTIST CHURCH HAS BEEN A DELIGHTFUL NEIGHBOR.
I WOULD BE THE LAST PERSON TO STAND IN THE WAY OF THE GROWTH OF GOD'S CHURCH, AND URGE PASSAGE OF THE SPECIFIC USE PERMIT.

RESPECTFULLY,

JIMMY JACK BEALE
2520 DOVER

SHERMAN

PLANNING AND ZONING BOARD
BUILDING INSPECTION DEPARTMENT
Telephone No. (903) 892-7229
FAX No. (903) 892-7274

June 3, 2011

Joe Ayers Trust
% Joe Ayers
1401 Lakewood Dr.
Sherman, TX 75092

JUN 14 REC'D

The Planning and Zoning Commission of the City of Sherman will hold a public hearing on the day of Tuesday, June 21, 2011 at 5:00 P.M. in the City Council Chambers, at 220 W. Mulberry, to hear the request of:

North Park Baptist Church (Owners) and David Murphy and John McDonald (Representatives) concerning the property at 2605 Rex Cruse Drive, being Lots 1-6, Joe E. Price Subdivision

The request is as follows:

Planning and Zoning Commission

Amending a Specific Use Permit and site plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow the addition of three (3) portable classroom buildings in an R-1 (One Family Residential) District with a Specific Use to allow a church.

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

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

Scott Shadden
Secretary, Planning & Zoning Board

DEAR SIR;
I RESPECTFULLY WISH TO VOICE MY OPPOSITION TO THE REQUEST STATED ABOVE, IN THE INTEREST OF MAINTAINING THE QUALITY AND INTEGRITY OF OUR FINE NEIGHBORHOOD, THE REQUEST SHOULD BE DENIED. Joe W. Ayers

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

JUN 21

June 21, 2011

City of Sherman
Planning and Zoning Board Building Inspection Department
Fax 903 892 7274

Re: North Park Baptist Church
2605 Rex Cruse Drive

Dear Sirs,

In regards to the recent permit request presented by North Park Baptist Church, I would like to share with you now my concerns.

As a long time resident of Sherman, I am all for growth and enrichment to our community. However, I do object to the allowance of a permit for the additional development to North Park Baptist Church. The request in the ordinance calls for the addition of three portable classroom buildings, and "portable" means a trailer, not a statutory building structure.

I personally view the addition of portable buildings to be aesthetically unpleasing to me as it would directly be in my ew from my property. When purchasing my property approximately twenty years ago, I was pleased with the visual environment that surrounded my home. If I were considering buying my home today and these structures were there and visible from the home, I feel that I would be discouraged from purchasing my property.

In addition to the aesthetics, I have concerns that adding these types of buildings could possible bring down our residential property values even further than what they are today by the current economical standards. I believe that homes have more of a value when situated in a completely residential atmosphere that is not integrated with business or commercial like structures. I appreciate the church being there, the structure itself is a pleasantry. If North Park Baptist Church is in need of expansion, I think that it is wonderful and should be inviting for those in attendance. I would personally encourage the church to plan on an addition to their current structure that matches that of the existing church structure.

Lastly, by adding these portable buildings, which will already be in close proximity to the rear of my property, I have concerns about the creation of a walkway or alleyway in between the structures and my property. Knowing that non-residents (to my neighborhood) will be present in between my property and the church structures creates a feeling of being less safe for me (and my family including my small grandchildren). It is not my belief that any of the people in church attendance would ever create a negative situation for me, but is my belief that that the secluded area may promote strangers being present when church is not in session. Having these structures provides a place for strangers to be more concealed than what it would be if the structures were not there.

Thank you for letting me share my thoughts and concerns.

Sincerely,

Kimberly Harmon
2602 Dover Drive

JUN 20 REC'D

Dear Planning and Zoning Committee Members,

I am Mori McKinney from 2606 Dover, and I have been informed that North Park Baptist Church will put their buildings in one of two places--on the northwest side of their church or wherever the Planning and Zoning Commission allows them. As a concerned citizen, I would like to ask you, the Planning and Zoning Commission, to prevent them from placing their portable classroom buildings along the fence line of the properties behind them. I am concerned about my Property Value Decreasing, Security, and Privacy.

As a property owner, I do not want my property value to decrease because a business wants to expand and place tacky portable buildings behind my home. As you can see in the images below, the business has already placed a portable building behind another house and built a huge roof over it. This building has diminished the property's view and decreases the aesthetics of the backyard. This potentially could damage the property value.

(Classroom building from church side)

(View from backyard of house on Dover with classroom building behind it)

Privacy is another issue I am concerned about. As of now, I do not have to avoid times to go out into my backyard and do things such as sunbathing, mowing, etc. If the business is allowed to place their portable classroom buildings right by my fence, I will lose that privacy. The buildings will be full of people looking out the windows into my yard as well as congregating around the buildings. It would be like living behind a mobile home park. Therefore, my privacy will be violated.

At this time, my security concerns are limited. There is nowhere for anyone to be lurking. There is nothing close to my property for them to vandalize. If a building is placed by my property line, then my concerns will be elevated and security risk will be increased. The buildings could provide cover for the homeless, thieves running from the cops, or even a hangout. I will be unable to see danger approaching from the back side of my house.

(View from my backyard on Dover)

One of the reasons I purchased this house was due to the view. I just love sitting under my patio and watching the sunset behind the steeple. If they place their buildings behind my property, they will diminish my property's value and view. It was clear to me when I purchased my home that a parking lot was behind me and not a building. If it was a building, it would have altered my decision. It was important for me to have privacy and security as well as a view. If I decide to resell, having tacky, portable buildings behind my home would be a hindrance to my sale.

I would like to state that I am a member of this church and grew up there. It is wonderful that the church is expanding. However, I do not understand why they need to grow toward my property when they have an adequate amount of property to the south of the church to build on. If you allow them to place these unsuitable buildings close to my property, please require the church to build a 10 to 12 foot fence with the poles facing the church and the fence facing me along the property line.

(Church with land to South Side)

(Adequate land for expansion south of church)

I would like to thank you for your time and ask that you please take into consideration my request on this matter.

Sincerely,

Mori McKinney, M.S., CCC/SLP

(903)814-4169

AGENDA ITEM #5

City of Sherman

Planning and Zoning Commission
Board of Adjustments

Agenda Communication Form

June 21, 2011

Lawrence Davis, Chairman

2605 Rex Cruse Drive
Being Lots 1-6, Joe E. Price Subdivision
Amending SUP & Site Plan

Requested Action/Proposed Use:

Planning & Zoning Commission

Amending a Specific Use Permit and site plan approval to allow the addition of three (3) portable classroom buildings in an R-1 (One Family Residential) District with a Specific Use Permit to allow a church.

Background:

The property is located at 2605 Rex Cruse Drive, the northeast corner of Lamberth Road and Rex Cruse Drive; North Park Baptist Church is the owner/tenant. North Park Baptist Church was granted a Specific Use Permit to allow a church building in an R-1 (One Family Residential) District, September 17, 1973. They would like to move three 15'x35' portable classrooms onto the lot.

Adjacent Zoning:

R-1 (One Family Residential) District and C-1 (Retail Business) District

Origination:

North Park Baptist Church (Owners) and David Murphy and John McDonald (Representatives)

Master Plan Designation:

Parks/Open Space – Any community, city, state, or national park that is located within the ETJ or city limits. The parcel may not be fully developed, but should have some level of protection from future development (easement or public ownership).

Number of notices mailed:

25

Objections Received:

1

Attachments:
Location map
Photographs
Site Plan
Staff Review Letter

Prepared by:
Patsy Reeves,
Developmental Services Secretary

Approved by:
Scott Shadden,
Director of Developmental Services

SHERMAN

STAFF REVIEW LETTER

June 16, 2011

North Park Baptist Church
2605 Rex Cruse
Sherman, TX 75092

David Murphy
John McDonald
2605 Rex Cruse
Sherman, TX 75092

Dear Applicants,

The request for amending a Specific Use Permit and site plan approval to allow the addition of three (3) portable classroom buildings in an R-1 (One Family Residential) District with a Specific Use Permit to allow a church for the property located at 2605 Rex Cruse Drive has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, June 21, 2011 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

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

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

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

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

Respectfully,

Scott Shadden

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

cc:
George Olson, City Manager
Mark Gibson, Director Utilities & Engineering Services
Brandon Shelby, City Attorney
Lisa Whitfield, Engineering & Development Coordinator
Nathan Huffman, Fire Marshal
Scott Taylor, Assistant Director of Public Works
Don Keene, Exec. Dir. of Planning & Public Works

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. B.2

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5704
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the C-2 (General Commercial) District and Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow a Billboard in a C-2 (General Commercial) District and O-1 (75 & 82) Overlay District at 5833 U.S. Highway 75 North, being 0.31 acres in the A.C. Smith Survey, Abstract No. 1561 (Tony and Sally Thomason, Owners; Jason Sofey, Sofey Construction and Design, LLC, Representative; and Underwood Drafting and Surveying, Surveyors); Providing that this Specific Use Permit Shall be Granted Subject to Certain Conditions; Providing a Penalty Not to Exceed $2,000.00

Issue

To consider the request of Tony and Sally Thomason (Owners), Jason Sofey, Sofey Construction and Design, LLC (Representative), and Underwood Drafting and Surveying (Surveyors) concerning the property located at 5833 U.S. Highway 75 North, being 0.31acres in the A.C. Smith Survey, Abstract No. 1561, to change the zoning from C-1 (Retail Business) District to C-2 (General Commercial) District and to grant a Specific Use Permit to allow a billboard in a C-2 (General Commercial) District and the O-1 (75 & 82) Overlay District

Background

The property is located at 5833 U.S. Highway 75 North, northeast corner of Blue Flame Road and Highway 75 North. The owner would like to change the zoning from a C-1 (Retail Business) District to a C-2 (General Commercial) District on a portion of the tract to erect a double-sided billboard. A zone change to a C-1 (Retail Business) District for a proposed restaurant was granted June 12, 2001. A zone change for a C-2 (General Commercial) District with a Specific Use Permit to allow a billboard was recommended for approval by the Planning and Zoning Commission but died for a lack of a second at the March 18, 2002 City Council Meeting. At the April 15, 2002 City Council Meeting, the request was denied because it was in conflict with the Master Plan. While this request remains in conflict with the current Master Plan, it leaves a vast majority of the parcel unchanged as C-1.

Origination

Tony and Sally Thomason (Owners), Jason Sofey, Sofey Construction & Design, LLC (Representative), and Underwood Drafting and Surveying (Surveyor)

Board Recommendation

At the June 21, 2011 regular meeting, the Planning and Zoning Board voted 6/0 to recommend to the City Council that the zone change and Specific Use Permit be approved subject to the Staff Review Letter.

Attachments
Ordinance No. 5704
Location Map
Photograph
Site Plan
P&Z Communication Form
Staff Review Letter

Prepared by:
Scott Shadden, Development Services Director

Approved by:
George Olson, City Manager

ORDINANCE NO. 5704

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE C-2 (GENERAL COMMERCIAL) DISTRICT AND SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A BILLBOARD IN A C-2 (GENERAL COMMERCIAL) DISTRICT AND O-1 (75 & 82) OVERLAY DISTRICT AT 5833 U.S. HIGHWAY 75 NORTH, BEING 0.31 ACRES IN THE A.C. SMITH SURVEY, ABSTRACT NO. 1561 (TONY AND SALLY THOMASON, OWNERS; JASON SOFEY, SOFEY CONSTRUCTION AND DESIGN, LLC, REPRESENTATIVE; AND UNDERWOOD DRAFTING AND SURVEYING, SURVEYORS); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

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

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

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

SECTION 1. That, from and after the passage of this ordinance, the following described property shall be in the C-2 (General Commercial) District and O-1 (75 & 82) Overlay District at 5833 U.S. Highway 75 North and Tony and Sally Thomason (Owners), Jason Sofey, Sofey Construction and Design, LLC (Representative), and Underwood Drafting and Surveying (Surveyors) are granted a Specific Use Permit to allow a billboard in a C-2 (General Commercial) District and O-1 (75 & 82) Overlay District, and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

SITUATED in the City of Sherman, Grayson County, Texas, being a part of the A.C. Smith Survey, Abstract No. 1561, being a part of the 4.430 acre tract of land conveyed to Tony Thomason by deed of record in Volume 2617, Page 60 of the Official Public Records, Grayson County, Texas and being more particularly described by metes and bounds as follows:

COMMENCING at a concrete right-of-way monument found at the north end of the flare in the east right-of-way line of U. S. Highway 75 at the intersection with Blue Flame Road, said monument being the most westerly southwest corner of said 4.430 acre tract;

THENCE North 28º09’18” East along said east right-of-way line, a distance of 243.21 feet to the southwest corner of the herein described tract;

THENCE North 28º09’18” East continuing with said East right-of-way line, a distance of 68.32 feet to the northwest corner of the herein described tract;

THENCE over and across said 4.430 acre tract the following calls and distances;

NORTH 89º35’19” East a distance of 211.13 feet;

SOUTH 00º24’41” East a distance of 60.00 feet;

SOUTH 89º35’19” East a distance of 243.80 feet to the **Point-of-Beginning** and **containing 0.31 acres** of land.

<u>SECTION 2</u>. That this specific use permit is granted on the following conditions:

<u>Zoning:</u>

1. All aspects of the C-2 (General Commercial) District, the O-1 (75 & 82) Overlay District and the sign ordinance must be followed.
2. All lighting of the billboard shall be shielded as not to produce intensive or excessive light or glare on adjacent property or traffic.
3. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

<u>Engineering:</u>

4. Verify location of the waterline and easement. No permanent structures shall be placed within the easement without an encroachment easement approved by the City Council.

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

SECTION 4. That a person who violates a provision of this ordinance, upon conviction, is punishable by a fine not to exceed $2,000.

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

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

INTRODUCED on this the ______________ day of __________________, 2011.

ADOPTED on this the _________________ day of __________________, 2011.

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

CITY OF SHERMAN, TEXAS

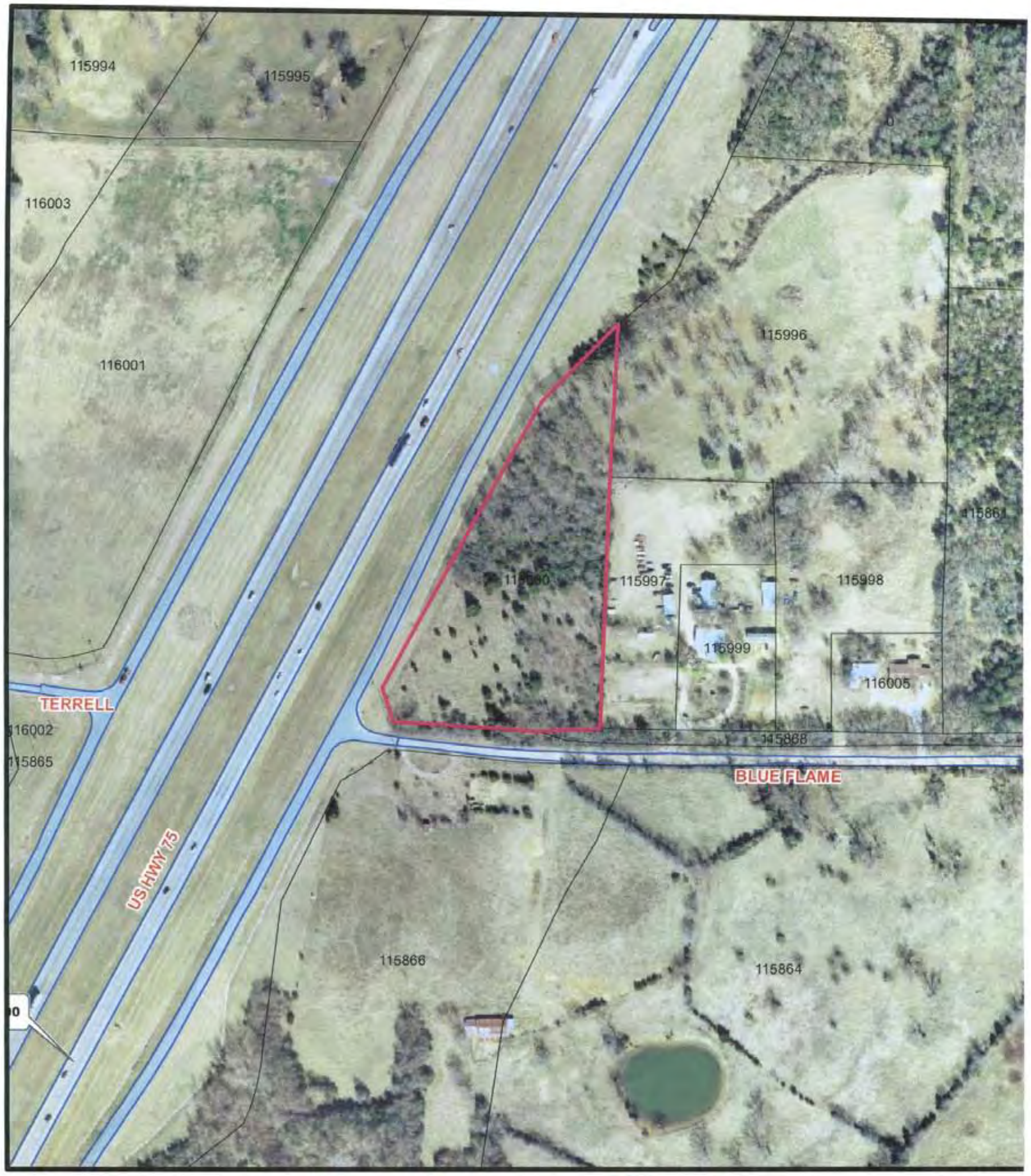
BY: ________________________________
BILL MAGERS, MAYOR

ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

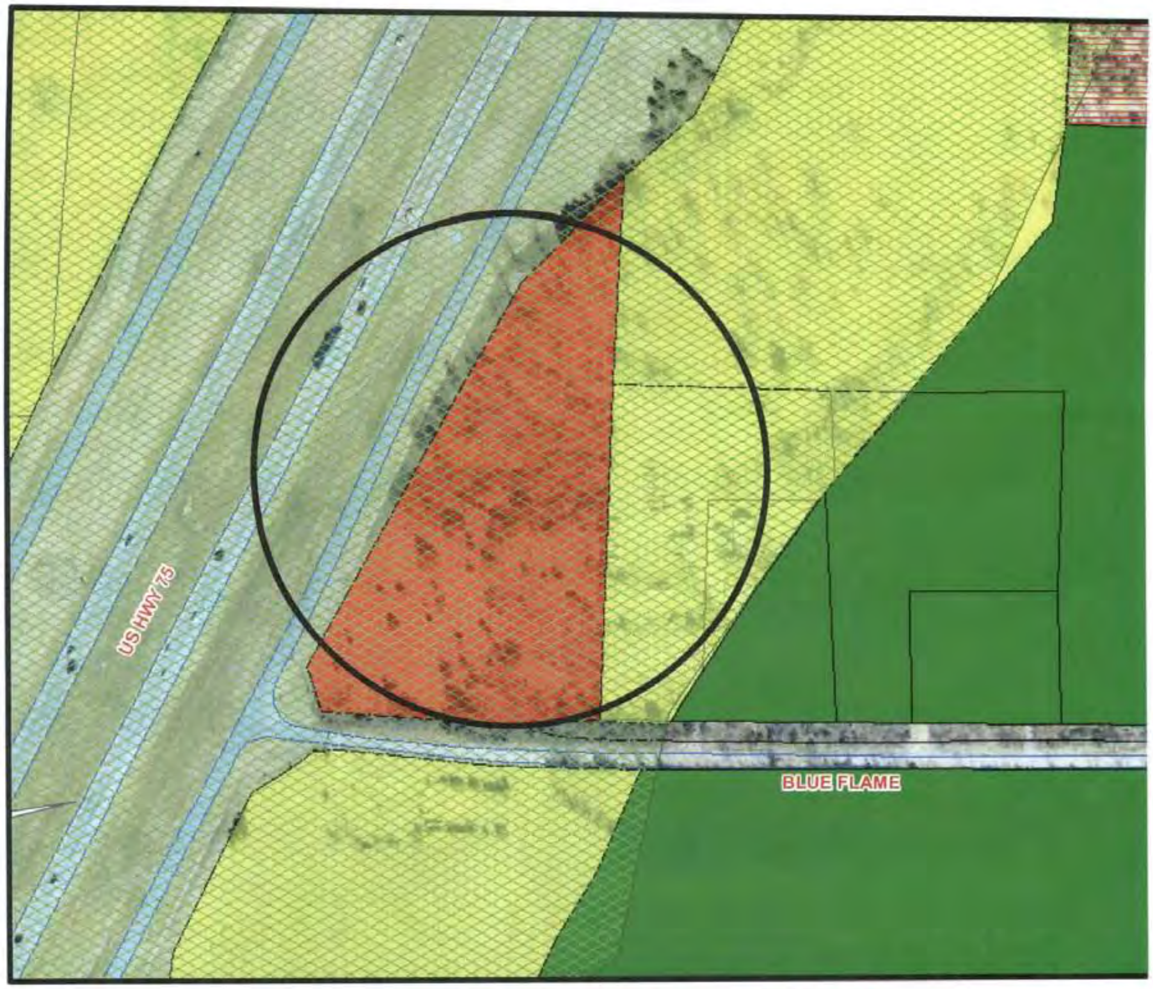
BY: ________________________________
BRANDON S. SHELBY,
CITY ATTORNEY



5833 U.S. Highway 75 North

City of Sherman, Texas
Developmental Services Department

1 inch = 258 feet



Zoning - 5833 U.S. Highway 75 North

Legend

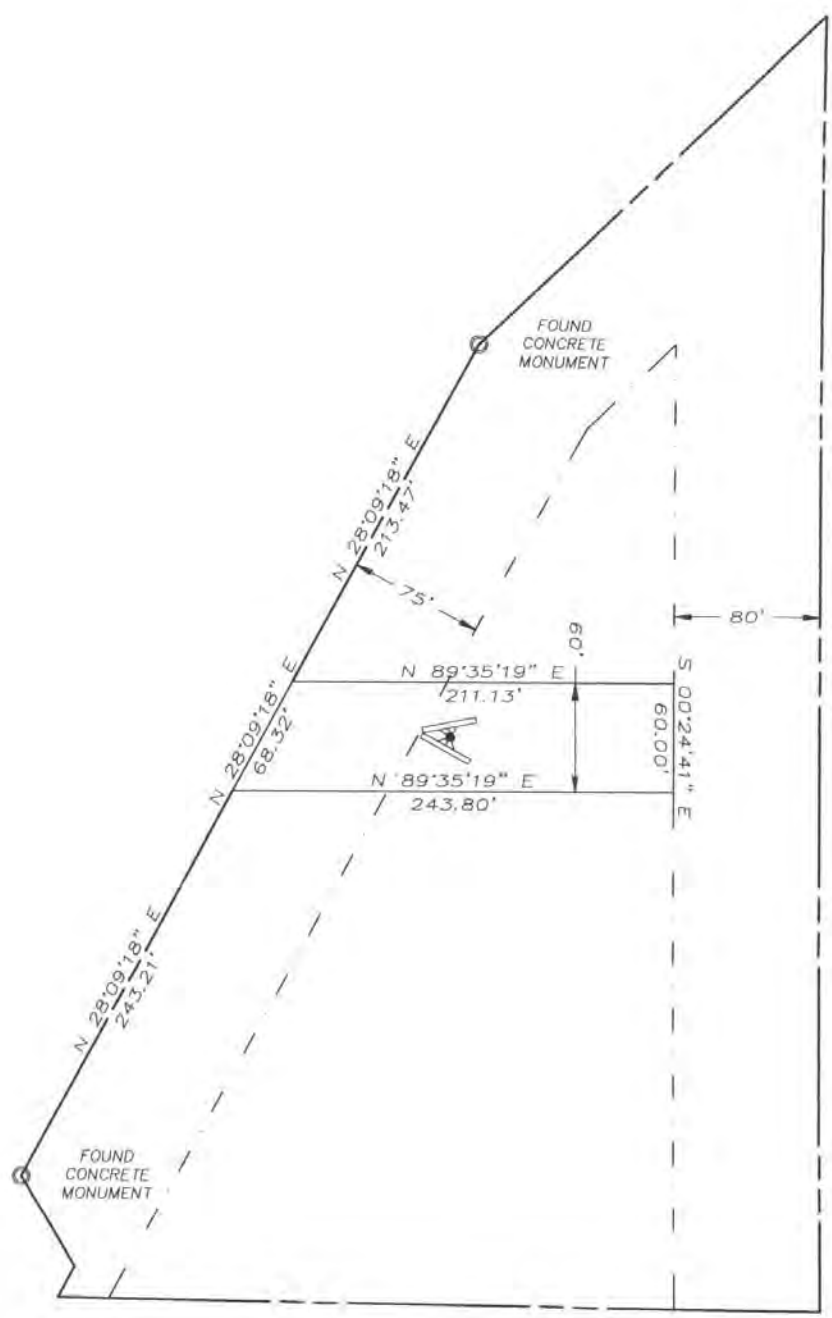
- C L SHERMAN CITY LIMITS
- O 1 HIGHWAY 75 & 82 OVERLAY DISTRICT
- O 1.1 FM 1417 OVERLAY DISTRICT
- O 1.2 SAM RAYBURN FREEWAY OVERLAY DISTRICT
- C B D DOWNTOWN BUSINESS DISTRICT
- C P O COLLEGE PARK OVERLAY DISTRICT
- Blaylock Commercial Distrist
- A & C ARTS & CULTURAL OVERLAY DISTRICT
- CO Office District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- C-1 Retail Business District
- C-2 General Commercial District
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- BIP Blalock Industrial Park
- Parcels
- Street Names

N

1 inch = 215 feet

City of Sherman, Texas
Developmental Services Department

5833 Highway 75 N


FOUND CONCRETE MONUMENT
N 28°09'18" E
213.47'
75'
80'
60'
N 89°35'19" E
211.13'
N 28°09'18" E
68.32'
S 00°24'41" E
60.00'
N 89°35'19" E
243.80'
N 28°09'18" E
243.21'
FOUND CONCRETE MONUMENT


SHERMAN, TEXAS
Shopping Dining
Entertainment & Lodging
NEXT 3 EXITS


Denison
L BOATS
Flowing Wells
RESORT & MARINA
YACHT SALES
EXIT 69 • LEFT 9 MILES

AGENDA ITEM #4

City of Sherman

Planning and Zoning Commission

Board of Adjustments

Agenda Communication Form

June 21, 2011

Lawrence Davis, Chairman

5833 U.S. Highway 75 North
Being 0.31 acres in the A.C. Smith Survey, Abstract No. 1561
Zone Change, SUP & Site Plan

<u>Requested Action/Proposed Use:</u>

Planning & Zoning Commission

Site plan and zone change from C-1 (Retail Business) District to C-2 (General Commercial) District and Specific Use Permit for a double-sided billboard in the O-1 (75&82) Overlay District.

<u>Background:</u>

The property is located at 5833 U.S. Highway 75 North, northeast corner of Blue Flame Road and Highway 75 North. The owner would like to change the zoning from a C-1 (Retail Business) District to a C-2 (General Commercial) District on a portion of the tract to erect a double-sided billboard. A zone change to a C-1 (Retail Business) District for a proposed restaurant was granted June 12, 2001. A zone change for a C-2 (General Commercial) District with a Specific Use Permit to allow a billboard was recommended for approval by the Planning and Zoning Commission but died for a lack of a second at the March 18, 2002, City Council Meeting. At the April 15, 2002, City Council Meeting, the request was denied because it was in conflict with the Master Plan.

<u>Adjacent Zoning:</u>

C-1 (Retail Business) District

<u>Origination:</u>

Tony & Sally Thomason (Owners), Jason Sofey, Sofey Construction & Design, LLC (Representative) and Underwood Drafting and Surveying (Surveyor)

<u>Master Plan Designation:</u>

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:
3

Objections Received:
0

Attachments:
Location map
Photographs
Site Plan
Staff Review Letter

<table><tr><td>Prepared by:
Patsy Reeves,
Developmental Services Secretary</td><td>Approved by:
Scott Shadden,
Director of Developmental Services</td></tr></table>

SHERMAN

STAFF REVIEW LETTER

June 16, 2011

Tony & Sally Thomason
9591 Dripping Springs Rd.
Denison, TX 75021

Jason Sofey
PO Box 2904
Sherman, TX 75091

Dear Applicants,

The request for site plan approval and zone change from a C-1 (Retail Business) District to a C-2 (General Commercial) District and Specific Use Permit for a double-sided billboard in the O-1 (75&82) Overlay District for the property located at 5833 U.S. Highway 75 North has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, June 21, 2011 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the C-2 (General Commercial) District, the O-1 (75 & 82) Overlay District and the sign ordinance must be followed.
2. All lighting of the billboard shall be shielded as not to produce intensive or excessive light or glare on adjacent property or traffic.
3. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

4. Verify location of the waterline and easement. No permanent structures shall be placed within the easement without an encroachment easement approved by the City Council.

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

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

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

Respectfully, Scott Shadden

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

cc: George Olson, City Manager
Mark Gibson, Director Utilities & Engineering Services
Brandon Shelby, City Attorney
Lisa Whitfield, Engineering & Development Coordinator
Nathan Huffman, Fire Marshal
Scott Taylor, Assistant Director of Public Works
Don Keene, Exec. Dir. of Planning & Public Works

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. B.3

ADOPTION OF ORDINANCES
Consider Adoption of Ordinance Numbers: 5703 and 5704

B.1 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5703
Amending Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant an Amendment to a Specific Use Permit to Allow the Addition of Three (3) Portable Classroom Buildings in an R-1 (One Family Residential) District with a Specific Use Permit to Allow a Church at 2605 Rex Cruse Drive, being Lots 1-6, Joe E. Price Subdivision (North Park Baptist Church, Owners; and David Murphy and John McDonald, Representatives); Providing that this Specific Use Permit Shall be Granted Subject to Certain Conditions; Providing a Penalty Not to Exceed $2,000.00

B.2 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5704
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the C-2 (General Commercial) District and Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow a Billboard in a C-2 (General Commercial) District and O-1 (75 & 82) Overlay District at 5833 U.S. Highway 75 North, being 0.31 acres in the A.C. Smith Survey, Abstract No. 1561 (Tony and Sally Thomason, Owners; Jason Sofey, Sofey Construction and Design, LLC, Representative; and Underwood Drafting and Surveying, Surveyors); Providing 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

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. B.4

CONSENT AGENDA

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

C.2 * RESOLUTION NO. 5585
Authorizing Submission of a Joint Grant Application with Grayson County for, and the Acceptance of, a Grant Awarded under the 2011 Justice Assistance Grant Program – CFDA #16.738

C.3 * RESOLUTION NO. 5586
Authorizing Execution of an Interlocal Agreement between the City of Sherman and Grayson County for Grant Funding to be Awarded by the U.S. Department of Justice under the 2011 Justice Assistance Grant Program – CFDA #16.738

C.4 * RESOLUTION NO. 5587
Accepting the Contract with J.R. Sheldon & Co., Inc. as Complete for the Improvements to the Sherman Wastewater Treatment Plant Fine Screens

C.5 * RESOLUTION NO. 5588
Accepting the Contract with J.R. Sheldon & Co., Inc. as Complete for the Improvements to the Sherman Wastewater Treatment Plant Clarifier

C.6 * RESOLUTION NO. 5589
Accepting the Contract with Lynn Vessels Construction, LLC. as Complete for Construction of the Sherman Highway 75 North Sewer Contract "A"

C.7 * RESOLUTION NO. 5590
Awarding a Bid to and Authorizing Execution of a Contract with Ergon Asphalt and Emulsions, Inc. for the Purchase of an Annual Supply of Emulsified Asphalt Oil for the 2011 Seal Coat Program

C.8 * RESOLUTION NO. 5591
Awarding a Bid to and Authorizing Execution of a Contract with James Thorpe Company for the Purchase of an Annual Supply of Cover Stone for the 2011 Seal Coat Program

C.9 * RESOLUTION NO. 5592

Authorizing Execution of an Amendment to the Engineering Services Contract with Freeman-Millican, Inc. for the Equalization Basin Stormwater Contingency, Phase II Project

D.1 * CHANGE ORDER NO. 1

Sherman Wastewater Treatment Plant Fine Screen Improvements; J.R. Sheldon & Co., Inc.; $6,915.05 Increase

D.2 * CHANGE ORDER NO. 1

Sherman Highway 75 North Sewer Contract “A”; Lynn Vessels Construction, LLC.; $25,474.56 Decrease

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. C.1

RESOLUTION NO. 5584
Authorizing Execution of an Amendment to the Engineering Services Agreement with Espey Consultants, Inc. for the Development of a Sherman Watershed Management Plan (Post Oak Creek Watershed)

Issue
To consider authorizing execution of an Amendment to the Engineering Services Agreement with Espey Consultants, Inc. (EC) for the development of a Watershed Management Plan for the City of Sherman

Background
In support of flood protection related objectives of the City's Comprehensive Plan, on August 16, 2010, the City Council authorized an engineering services agreement with EC for the initiation and submission of a Texas Water Development Board (TWDB) Grant Application for partial funding of the development of a Sherman Watershed Management Plan.

EC assisted the City in preparing and submitting the application to the TWDB. The City of Sherman's application was one of ten received by the TWDB and was ranked second after evaluation. TWDB has awarded the City a grant of $166,500, which is 50 percent of the proposed cost of the study and development of the plan. The amount of the proposed contract with EC is $320,550. City staff will contribute $12,500 of "in-kind" services.

Origination
Engineering and Public Works

Financial Consideration
The TWDB will fund $166,500 of the proposed study and plan development. The net financial effect to the City will be $154,000, after considering the TWDB grant funding and the $12,500 in "in-kind" services. Funds for this $320,550 expenditure are available in the current General CIP budget.

Staff Recommendation
The staff recommends approval of the amendment to the Espey Consultants, Inc. Engineering Services Agreement.

Alternatives
As may be recommended by the Council

Attachments
Resolution No. 5584
Amendment to Engineering Services Agreement

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

Approved by:
George Olson, City Manager

RESOLUTION NO. 5584

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AMENDMENT TO THE ENGINEERING SERVICES AGREEMENT WITH ESPEY CONSULTANTS, INC. FOR THE DEVELOPMENT OF A SHERMAN WATERSHED MANAGEMENT PLAN (POST OAK CREEK WATERSHED); FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all documents being properly completed and approved as to form and content by the City Attorney, to execute an amendment to the Engineering Services Agreement with Espey Consultants, Inc. of Dallas, Texas, for the development of a Sherman Watershed Management Plan (Post Oak Creek Watershed), in accordance with the terms and provisions of the contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the _____ day of ________________, 2011.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

BY: ________________________________
BILL MAGERS, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: ________________________________
BRANDON S. SHELBY, CITY ATTORNEY

Espey Consultants, Inc.
Environmental & Engineering Services

June 6, 2011

Mr. Don Keene
Executive Director of Public Works & Planning
City of Sherman
220 W. Mulberry St.
Sherman, TX 75091-1106

Re: Watershed Management Plan
Authorization of Services – Task Order No. 1
Post Oak Creek Watershed Flood Protection Plan

Dear Mr. Keene:

Espey Consultants, Inc. (EC) assisted the City in preparing an application for Texas Water Development Board (TWDB) funding of a Flood Protection Plan for the Post Oak Creek Watershed. This application was approved by the TWDB on May 4, 2011 and will provide partial funding for the development of the Post Oak Creek Watershed Flood Protection Plan.

Espey Consultants, Inc. is pleased to present this proposal to provide professional engineering services in support of the development of the Post Oak Creek Watershed Flood Protection Plan. The terms and conditions of the July 16, 2010 executed *General Agreement for Engineering Services* between the City of Sherman and Espey Consultants, Inc. will apply to this proposal presented as Task Order No. 1 except as amended by the additional terms and conditions contained in this proposed letter agreement.

This letter and four (4) attachments constitute the proposed Task Order No. 1. The attachments are:

- Attachment A – Scope of Work
- Attachment B – Compensation
- Attachment C – TWDB Terms for Subcontractors
- Attachment D – EC Rate Schedule

EC proposes to provide each of the specific services under this proposed Task Order No. 1 as described in Attachment A to this letter agreement, using the Rate Schedule in Attachment D, with compensation based on a time and material basis, not to exceed $320,500 as detailed in Attachment B. The TWDB Terms for Subcontractors contained in Attachment C are made a part of the Agreement for services provided under this Task Order. If the scope of services and budget meet with your approval, please sign in the space below. Your acceptance below will be our authorization to proceed under the terms and conditions of our July 16, 2010, General Agreement for Engineering Services between the City of Sherman and Espey Consultants, Inc. Please return a signed copy to me for our records.

If you have any questions or require any additional information, please call Stephen Jenkins at (214) 951-0807.

Sincerely,

Wayne Hunter
DFW Branch Manager

Authorization to Proceed

George Olson
City Manager
City of Sherman

Attachments
C:\Documents and Settings\sjenkins@espey.austin\Desktop\Sherman FPP\Contract\FPP Proposal letter.doc

Attachment A

Post Oak Creek Watershed Flood Protection Plan Project
Task Order No. 1
Scope of Work

Task 1: Data Collection, Problem Area Definition and Technical Criteria/Policy Issues Development:

EC will conduct a project **kick-off meeting** with an appointed Advisory Committee. The Advisory Committee will consist of representatives of the participating entities and members of the public, as appointed by the City Council. The project schedule and responsibilities of participants will be set during this meeting, and the details of coordinating the tasks will be addressed.

a. Compile and Review Available Field Surveys and Topographic Mapping-
EC will collect the following information for the Post Oak Creek watershed: National Wetlands Inventory mapping, cultural resource or other related paper maps, digital GIS data of parcels, land use, soils, orthophotography and topography, and the anticipated LIDAR data from TNRIS.

b. Compile and Review Previous Studies and Construction Drawings – EC will collect available information for the Post Oak Creek watershed, to include: current FEMA and USACE (Tulsa District) hydrologic and hydraulic models, past studies and reports, including 12 Letters of Map Change (LOMC) issued since 1993, subdivision record drawings, capital project drawings, and recent geotechnical studies.

c. Problem Areas Discussion - Following an extensive review of the collected information, the problem areas will be classified according to primary drainage system problems and secondary drainage system problems. Based on a preliminary review of this information, a brief preliminary findings report will be prepared, which will outline the specific recommended problem areas for study. A list of required field survey data will be identified at critical bridges, channel cross-sections, slab elevations, *etc*. The preliminary report will be presented at a **public meeting**, to receive further public input and discuss the next steps.

d. Review Design Criteria and Level of Service - The city's current drainage design criteria will be reviewed to identify opportunities for incorporating non-structural and regulatory flood control measures. Also to be accomplished as part of this task is development of a community consensus on the level of service to be achieved in managing storm drainage.

e. Develop GIS Database/Base Map/Problem Area Map - Strong coordination with the participating entities will ensure that the best level of available information is utilized at the onset of the project. The major end product of this phase is the production of a comprehensive GIS base map.

Task 2: Analysis of Existing Conditions

a. Existing Conditions Hydrologic Analysis - Various environmental constraints will be considered throughout this project. This will involve a review of critical environmental features already identified by the city, a review of the National Wetlands Inventory, and additional research to identify other features that need to be considered during the development of improvements scenarios. A new hydrologic model will be developed using HEC-HMS for the Post Oak Creek watershed. Existing GIS coverage of the area will be analyzed in ArcGIS to facilitate hydrologic parameter development, thereby reducing the time and effort needed to develop curve numbers and times of concentration. STATSGO or SSURGO soil information will be employed in digital format to generate runoff curve numbers using the SCS method. Ultimately, the project team will develop 2-year, 10-year, 25-year, 100-year and 100-year ultimate conditions peak flow rates within HEC-HMS. The ultimate conditions model is an important tool for policy development.

b. Field Survey - A field survey will be conducted of approximately 100 structural crossings to be integrated into the hydraulic model and establish benchmarks for a common reference. Apart from existing field survey that may need to be collected (pending the review and identification of problem areas), additional cross-section data will be needed. Field survey will be taken on the same vertical datum basis as the FIS to ensure consistency into the future.

c. Existing Conditions Hydraulic Analysis - The hydraulic model will be developed using the collected field survey data, information from design plans, the city, the participants, and existing topographic data. Recent communications with TNRIS staff indicates that recent LIDAR data for the city of Sherman should be available for use in this project. This new hydraulic model will be geo-referenced using GIS base data and monumentation, and developed within HEC-RAS/HEC-GeoRAS. Flood profiles for the 2-year, 10-year, 25-year, and 100-year frequency storm events will be developed for the existing watershed condition. A flood profile for fully developed 100-year watershed conditions will also be developed.

d. Existing Conditions Interim Report - Following an extensive review of the collected information, the problem areas will be classified according to primary drainage system problems and secondary drainage system problems. Based on a preliminary review of this information, and a **public meeting** to solicit public input on recommended areas, a brief preliminary findings report will be prepared, which will outline the specific recommended flooding and drainage problem areas for study. A list of additional required field survey data will be identified at critical bridges, channel cross-sections, slab elevations, etc. City representatives will work directly in affected neighborhoods to receive stakeholder input.

Task 3: Identification and Analysis of Alternatives

a. Ultimate Conditions and Small Storm Analysis - A review of existing design flood criteria (2-yr, 10-yr, 25-yr, 100-yr, 100-yr ultimate) will be performed for the problem areas and a determination of a desirable or acceptable level of flood protection within each problem area will be addressed. This information is usually very helpful and revealing, and is the core of the value decision process that relates the severity of the problem, desired outcomes, and available financial resources.

b. Non-Structural Flood Control Measures - Based on this evaluation of desirable protection criteria, flood protection measures will be considered and may include non-structural measures as independent or combination solutions. Buy-out and flood-proofing measures may also be evaluated as alternatives.

c. Structural Flood Control Measures – Structural control measures, such as channel improvements and culvert upgrades, may be viable as stand-alone or in combination with non-structural measures. With input from the advisory committee and the public (at a **public meeting** during this stage), several appropriate scenarios will be evaluated. Depending on their complexity, it is anticipated that no more than four scenarios will be identified and evaluated under existing and future conditions. A public meeting will be conducted to receive input on the policy implications of the recommendations.

An analysis of the effects of each alternative scenario and resulting level of flood protection with respect each flood events will help determine the viability of the scenarios from a "no adverse impact" perspective, *i.e.* as a result of the improvement, both upstream and downstream effects are evaluated. A detailed report that summarizes the technical aspects of the study and modeling results will be prepared, which will include a comprehensive presentation of the methods of analysis, summary of results, exhibits, and model output.

d. Benefit/Cost Analysis - The benefit of each alternative in terms of level of protection/reduction of flood damages, impacts, right-of-way requirements, environmental impacts, etc. will be made in comparison to the associated cost of each improvement. As discussed in Section 31 above, either HAZUS will be used to determine benefit (damage avoided), or the FEMA Benefit-Cost Analysis Software v. 4.0 will be utilized if the detailed data can be easily acquired. Overlaying existing and proposed inundation depth grids to these base layers will not only provide an efficient means of tabulating potential damages, but also enable great flexibility in modeling "what-if" scenarios to refine the proposed solutions or offer other possible combinations of solutions. From this benefit/cost analysis, a set of optimum solutions will be identified, relating the benefit criteria, cost information and other considerations to a broad audience that may include technical and non-technical people. The results of the Benefit-Cost Analysis will be presented at a **public meeting**.

Task 4: Development of the Post Oak Creek Flood Protection Plan

a. Prioritization of Alternatives - An analysis of the effects of each alternative scenario and resulting level of flood protection with respect each flood events. The analysis will help determine the viability of the scenarios from a "no adverse impact" perspective, i.e. as a result of the improvement, both upstream and downstream effects are evaluated. A detailed report that summarizes the technical aspects of the study and modeling results will be prepared, which will include a comprehensive presentation of the methods of analysis, summary of results, exhibits, and model output.

b. Implementation and Funding Plan – The project will include recommendations for the implementation and phasing of the identified improvements, both structural and non-structural. This section will complement the Funding Plan with recommended timelines and strategies, as well as identify potential partners, departments, and their respective responsibilities as part of an Implementation and Funding Plan.

The ability to implement flood protection measures will always be limited to available resources. The City of Sherman recognizes the need for a common technical understanding of risk and improvement alternatives that most equitably reduce that risk. However, the city does not have a dedicated revenue source to carry out storm water management and flood control functions apart from the General Fund. FC will evaluate alternatives such as a storm water utility or pay-as-you-go funding for capital projects for equity and ability to generate sufficient revenue. The Funding Plan will also discuss leverage strategies for debt instruments and grant funds.

c. *Flood Protection Plan* - At the conclusion of the planning, analysis, and public input meetings, a final plan will be prepared and presented at a final **public meeting** The final report will be presented to the TWDB following this meeting. The deliverables will likely include maps, technical analysis and supporting documentation, and the implementation and phasing plan, supported by the cost-benefit analysis. Other materials likely to be included in the final deliverable will be the specific discussion on any non-structural solutions which may be developed.

Attachment B

Post Oak Creek Watershed Flood Protection Plan Project

Compensation

1. A task budget for the detailed scope of work is established as follows. This table of values represents the estimated maximum amount of compensation to be paid to ENGINEER following performance of each of these tasks:

Task Budget		
	Project Task	**Task Budget**
Task 1: Collection of Baseline Information and Base Map Creation		
a	Compile and Review Available Field Surveys and Topographic Mapping	$3,500
b	Compile and Review Previous Studies and Construction Drawings	$4,200
c	Review Problem Areas	$4,700
d	Review Design Criteria and Level of Service	$4,700
e	Develop GIS Database/Base Map/Problem Area Map	$1,500
	Task Subtotals	*$18,600*
Task 2: Analysis of Existing Conditions		
a	Existing Conditions Hydrologic Analysis	$36,500
b	Field Survey	$90,800
c	Existing Conditions Hydraulic Analysis	$54,500
d	Existing Conditions Interim Reporting	$6,000
	Task Subtotals	*$187,800*
Task 3: Identification and Analysis of Alternatives		
a	Ultimate Conditions and Small Storm Analysis	$3,500
b	Non-Structural Flood Control Measures	$3,800
c	Structural Flood Control Measures Analysis	$49,000
d	Benefit/Cost Analysis	$18,500
	Task Subtotals	*$74,800*
Task 4: Development of Post Oak Creek Flood Protection Plan		
a	Prioritization of Alternatives	$11,380
b	Implementation and Funding Plan (CIP)	$16,820
c	Flood Protection Plan (report)	$11,100
	Task Subtotals	*$39,300*
TOTALS		$320,500

2. An expense budget has been established for compensation to be paid to ENGINEER by CITY based upon the following limitations:

Expense Budget		
Category	**Total Budget**	**Subcontractor**
Salaries (see note 1)	$76,117	
Fringe (see note 2)	$23,117	
Travel (see note 3)	$1,470	
Other Expenses (see note 4)	$3,653	
Subcontractor	$103,945	$103,945
Profit	$27,578	
Overhead (see note 5)	$84,620	
Total	$320,500	$103,945

Notes:

Note 1: Salaries and Wages is defined as the cost of salaries of engineers, draftsmen, stenographers, surveymen, clerks, laborers, etc., for time directly chargeable to this contract.

Note 2: Fringe is defined as the cost of social security contributions, unemployment, excise, and payroll taxes, workers' compensation insurance, retirement benefits, medical and insurance benefits, sick leave, vacation, and holiday pay applicable there

Note 3: Travel is limited to the maximum amounts authorized for state employees by the General Appropriations Act, Tex. Leg. Regular Session, 2009, Article IX, Part 5, as amended or superseded

Note 4: Other Expenses is defined to include expendable supplies, communications, reproduction, postage, and costs of public meetings directly chargeable to this CONTRACT.

Note 5: Overhead is defined as the costs incurred in maintaining a place of business and performing professional services similar to those specified in this contract. These costs shall include the following:

- Indirect salaries, including that portion of the salary of principals and executives that is allocable to general supervision;
- Indirect salary fringe benefits;
- Accounting and legal services related to normal management and business operations;
- Travel costs incurred in the normal course of overall administration of the business;
- Equipment rental;
- Depreciation of furniture, fixtures, equipment, and vehicles;
- Dues, subscriptions, and fees associated with trade, business, technical, and professional organizations;
- Other insurance; Rent and utilities; and Repairs and maintenance of furniture, fixtures, and equipment

Attachment C

Post Oak Creek Watershed Flood Protection Plan Project

Texas Water Development Board Subcontracting Guidelines Items When Subcontracting Work

Related to Texas Water Development Board Funded Projects

The City of Sherman (CITY or SUBCONTRACTOR) will be entering into a contract with the Texas Water Development Board (hereinafter called "TWDB") which establishes the basis for TWDB's partial funding of the Post Oak Creek Watershed Flood Protection Plan Project. The CITY will be performing some of the services for this project through subcontracting with Espey Consultants, Inc., ENGINEER to the CITY. CITY and ENGINEER desire that TWDB guidelines applicable to CITY be adhered to by ENGINEER to preserve the CITY's continued compliance with the TWDB funding contract. The TWDB funding contract with the CITY requires that all CITY subcontracts be reviewed by TWDB for consistency with the TWDB funding contract terms and requirements. CITY and ENGINEER agree that the following clauses shall be effective through the duration of the Post Oak Creek Watershed Flood Protection Plan Project.

STATE AUDITOR CLAUSE

By executing this Contract, the SUBCONTRACTOR accepts the authority of the State Auditor's Office, under direction of the legislative audit committee, to conduct audits and investigations in connection with any and all state funds received pursuant to this contract. The SUBCONTRACTOR shall comply with and cooperate in any such investigation or audit. The SUBCONTRACTOR agrees to provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit. The SUBCONTRACTOR also agrees to include a provision in any subcontract related to this contract that requires the SUBCONTRACTOR to submit to audits and investigation by the State Auditor's Office in connection with any and all state funds received pursuant to the subcontract.

FINANCIAL RECORDS

The SUBCONTRACTOR(S) and its contracted parties shall maintain satisfactory financial accounting documents and records, including copies of invoices and receipts, and shall make them available for examination and audit by the EXECUTIVE ADMINISTRATOR of the TWDB. Accounting by the SUBCONTRACTOR(S) and its contracted parties shall be in a manner consistent with generally accepted accounting principles.

OWNERSHIP

The TWDB shall have unlimited rights to technical or other data resulting directly from the performance of services under this Contract. It is agreed that all reports, drafts of reports, or other material, data, drawings, computer programs and codes associated with this Contract and developed by the SUBCONTRACTOR(S) or its contracted parties pursuant to this Contract shall become the joint property of the SUBCONTRACTOR(S) and the TWDB. These materials shall not be copyrighted or patented by the SUBCONTRACTOR(S) or by any consultants involved in this Contract unless the EXECUTIVE ADMINISTRATOR of the TWDB approves in writing the right to establish copyright or patent; provided, however, that copyrighting or patenting by the SUBCONTRACTOR(S) or its SUB-SUBCONTRACTORS will in no way limit the TWDB's access to or right to request and receive or distribute data and information obtained or developed pursuant to this Contract. Any material subject to a TWDB copyright and produced by the SUBCONTRACTOR(S) or TWDB pursuant to this Contract may be printed by the SUBCONTRACTOR(S) or the TWDB at their own cost and distributed by either at their discretion. The SUBCONTRACTOR(S) may otherwise utilize such material provided under this Contract as it deems necessary and appropriate, including the right to publish and distribute the materials or any parts thereof under its own name, provided that any TWDB copyright is appropriately noted on the printed materials.

The SUBCONTRACTOR(S) and its contracted parties agree to acknowledge the TWDB in any news releases or other publications relating to the work performed under this Contract.

NO DEBT AGAINST THE STATE

This SUBCONTRACT and Agreement shall not be construed as creating any debt by or on behalf of the State of Texas and the TWDB, and all obligations of the State of Texas are subject to the availability of funds. To the extent the performance of this SUBCONTRACT transcends the biennium in which this SUBCONTRACT is entered into, this SUBCONTRACT is specifically contingent upon the continued authority of the TWDB and appropriations therefore.

LICENSES, PERMIT, AND INSURANCE

For the purpose of this Contract, the SUBCONTRACTOR(S) will be considered an independent SUBCONTRACTOR and therefore solely responsible for liability resulting from negligent acts or omissions. The SUBCONTRACTOR(S) shall obtain all necessary insurance, in the judgment of the SUBCONTRACTOR(S), to protect themselves, the CONTRACTOR, the TWDB, and employees and officials of the TWDB from liability arising out of this Contract. The SUBCONTRACTOR(S) shall indemnify and hold the TWDB and the State of Texas harmless, to the extent the SUBCONTRACTOR(S) may do so in accordance with state law, from any and all losses, damages, liability, or claims therefore, on account of personal injury, death, or property damage of any nature whatsoever caused by the SUBCONTRACTOR(S), arising out of the activities under this Contract.

The SUBCONTRACTOR(S) shall be solely and entirely responsible for procuring all appropriate licenses and permits, which may be required by any competent authority for the SUBCONTRACTOR(S) to perform the subject work.

Attachment D

Standard Rate Schedule (11EC)

The following professional and support service rates have been established for Espey Consultants, Inc. (EC) in calendar year 2011.

Classification	Rates				
Principal	$	220.00	-	$	255.00
Sr. Project Manager	$	170.00	-	$	220.00
Project Manager	$	120.00	-	$	170.00
Engineer/Scientist/Planner	$	100.00	-	$	140.00
Engineering Staff	$	80.00	-	$	120.00
Sr. Technician/Drafter	$	90.00	-	$	110.00
Technician/Drafter	$	60.00	-	$	80.00
Administrative Support	$	55.00	-	$	75.00

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. C.2

**** RESOLUTION NO. 5585***

Authorizing Submission of a Joint Grant Application with Grayson County for, and the Acceptance of, a Grant Awarded under the 2011 Justice Assistance Grant Program – CFDA #16.738

Issue

Seeking approval to submit a joint grant application with Grayson County for the 2011 Justice Assistance Grant (JAG) Program and accept the award

Background

This is a companion resolution to the Interlocal Agreement with Grayson County, also on the July 18th agenda. This resolution authorizes the City to apply for and accept 2011 JAG funding for equipment purchases by the Sherman Police Department (SPD). The total grant award will be $14,817.00, divided as follows: City of Sherman – $10,726.00 and Grayson County – $4,091.00. The 2011 allocations are based on current project needs for each entity.

The SPD plans to use its portion of 2011 JAG funding to purchase digital forensic extraction equipment, used to gather evidence from seized mobile devices. Due to the phenomenal rise in the use of cellular technology to facilitate criminal activity and the projected continuation of growth in its use, the City has had to rely on outside agencies for this service. The wait time can be extreme based on the sheer volume of requests for assistance and is often a hindrance to the timely prosecution of criminal cases.

Origination

Sherman Police Department and Finance Department

Financial Consideration

There are no matching requirements for this grant.

Staff Recommendation

The staff recommends submitting the 2011 JAG application and accepting the funding if awarded.

Alternatives

The Council could decline this grant opportunity.

Attachments

Resolution No. 5585

Prepared by:
Tom Watt, Police Chief

Approved by:
George Olson, City Manager

RESOLUTION NO. 5585

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF A JOINT GRANT APPLICATION WITH GRAYSON COUNTY FOR, AND THE ACCEPTANCE OF, A GRANT AWARDED UNDER THE 2011 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738; 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 U.S. Department of Justice is offering grants in support of a wide range of projects designed to reduce crime and improve the criminal and juvenile justice systems under the 2011 Justice Assistance Grant (JAG) Program – CFDA #16.738; and

WHEREAS, the City of Sherman desires to submit a joint grant application with Grayson County under this program; and

WHEREAS, the City of Sherman understands that there is no matching requirement for grants awarded under the 2011 JAG Program; and

WHEREAS, the City of Sherman agrees that, in the event of loss or misuse of the JAG funds, the City of Sherman assures that the funds will be returned to the U.S. Department of Justice in full;

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all documents being properly completed and approved as to form and content by the City Attorney, to submit a joint application for and, once granted by the U.S. Department of Justice, to accept a Fourteen Thousand Eight Hundred Seventeen Dollars and No Cents ($14,817.00) award under the 2011 JAG Program, said joint allocation to be distributed for specific purposes in the following manner: Four Thousand Ninety-One Dollars and No Cents ($4,091.00) to Grayson County for the purchase of digital in-car camera equipment; and Ten Thousand Seven Hundred Twenty-Six Dollars and No Cents ($10,726.00) to the City of Sherman towards the purchase of digital forensic extraction equipment, used to gather evidence from seized mobile devices.

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

PASSED AND APPROVED on this the _____ day of ________________, 2011.

CITY OF SHERMAN, TEXAS

BY: ______________________________
BILL MAGERS, MAYOR

ATTEST:

BY: ______________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: ______________________________
BRANDON S. SHELBY,
CITY ATTORNEY

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. C.3

**** RESOLUTION NO. 5586***

Authorizing Execution of an Interlocal Agreement between the City of Sherman and Grayson County for Grant Funding to be Awarded by the U.S. Department of Justice under the 2011 Justice Assistance Grant Program – CFDA #16.738

Issue
Approving an Interlocal Agreement with Grayson County for grant funding

Background
This is a companion resolution to a separate agenda item authorizing submission of an application for the 2011 JAG grant, also on the July 18th agenda. Execution of an Interlocal Agreement with Grayson County is one of the required components of the joint grant application to be submitted under the U.S. Department of Justice's 2011 Justice Assistance Grant (JAG) Program. The total grant award would be $14,817.00 of which Grayson County's portion would be $4,091.00 to purchase digital in-car camera equipment; and Sherman's portion would be $10,726.00 towards the purchase of digital forensic extraction equipment used to gather evidence from seized mobile devices.

Origination
Sherman Police Department and Finance Department

Financial Consideration
There are no matching requirements for this grant. Grayson County's portion of the total grant would be passed through to them.

Staff Recommendation
The staff recommends approval of this Interlocal Agreement.

Attachments
Resolution No. 5586
Interlocal Agreement between the City of Sherman and Grayson County

Prepared by:
Tom Watt, Police Chief

Approved by:
George Olson, City Manager

RESOLUTION NO. 5586

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY FOR GRANT FUNDING TO BE AWARDED BY THE U.S. DEPARTMENT OF JUSTICE UNDER THE 2011 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Interlocal Agreement with Grayson County for award of a portion of a total Fourteen Thousand Eight Hundred Seventeen Dollars and No Cents ($14,817.00) 2011 Justice Assistance Grant, as set forth below and in accordance with the terms and provisions of the Interlocal Agreement attached hereto and incorporated herein for all purposes:

- An award to Grayson County of Four Thousand Ninety-One Dollars and No Cents ($4,091.00) to purchase digital in-car camera equipment; and
- An award to the City of Sherman of Ten Thousand Seven Hundred Twenty-Six Dollars and No Cents ($10,726.00) towards the purchase of digital forensic extraction equipment used to gather evidence from seized mobile devices.

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

PASSED AND APPROVED on this the _____ day of ________________, 2011.

CITY OF SHERMAN, TEXAS

BY: ________________________________

BILL MAGERS, MAYOR

ATTEST:

BY: ______________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: ______________________________
BRANDON S. SHELBY,
CITY ATTORNEY

THE STATE OF TEXAS §
§ KNOW ALL BY THESE PRESENTS:
COUNTY OF GRAYSON §

INTERLOCAL AGREEMENT
BETWEEN THE CITY OF SHERMAN, TEXAS
AND GRAYSON COUNTY, TEXAS

<u>2011 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AWARD – CFDA 16.738</u>

THIS AGREEMENT is made and entered into this the _____ day of _____________, 2011, by and between the **CITY OF SHERMAN, TEXAS**, acting by and through its governing body, the City Council, hereinafter referred to as "SHERMAN", and the **COUNTY OF GRAYSON, TEXAS**, hereinafter referred to as "GRAYSON" of Grayson County, State of Texas;

W I T N E S S E T H:

WHEREAS, this Agreement is made under the authority of the Interlocal Cooperation Act, Sections 791.001-791.033, Texas Government Code; and

WHEREAS, each governing body, in performing governmental functions or in paying for the performance of governmental functions hereunder, shall make that performance or those payments from current revenues legally available to that party; and

WHEREAS, each governing body finds that the performance of this Agreement is in the best interests of both parties, that the undertaking will benefit the public, and that the division of costs fairly compensates the performing party for the services or functions under this agreement; and

WHEREAS, SHERMAN agrees to provide GRAYSON Four Thousand Ninety-One Dollars and No Cents ($4,091.00) from the 2011 JAG Program award to purchase digital in-car camera equipment; and

WHEREAS, SHERMAN and GRAYSON believe it to be in their best interests to reallocate the 2011 JAG funds;

NOW, THEREFORE, SHERMAN and GRAYSON agree as follows:

<u>Section 1.</u> SHERMAN agrees to pay GRAYSON a total of Four Thousand Ninety-One Dollars and No Cents ($4,091.00) of 2011 JAG funds.

Section 2. GRAYSON agrees to use Four Thousand Ninety-One Dollars and No Cents ($4,091.00) to purchase digital in-car camera equipment to be expended during the following three (3) years, for a total of four (4) grant period years.

Section 3. GRAYSON agrees that, in the event of loss or misuse of the 2011 JAG Program Award funds, as determined by SHERMAN, GRAYSON assures that the funds will be returned to SHERMAN in full for return to the U.S. Department of Justice.

Section 4. Nothing in the performance of this Agreement shall impose any liability for claims against GRAYSON other than claims for which liability may be imposed by the Texas Tort Claims Act.

Section 5. Nothing in the performance of this Agreement shall impose any liability for claims against SHERMAN other than claims for which liability may be imposed by the Texas Tort Claims Act.

Section 6. Each party to this agreement will be responsible for its own actions in providing services under this agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

Section 7. The parties to this Agreement do not intend for any third party to obtain a right by virtue of this Agreement.

Section 8. By entering into this Agreement, the parties do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create any rights in any party not a signatory hereto.

Section 9. This Agreement is authorized under and governed by the laws of the State of Texas. Venue for any action arising under this Agreement shall lie in state district court, Grayson County, Texas.

Section 10. If, by reason of Force Majeure as hereinafter defined, any party to this Agreement shall be rendered wholly or partially unable to carry out its obligations under this Agreement, then such party shall give written notice of the particulars of such Force Majeure to the other parties within a reasonable time after the occurrence thereof. The obligations of the party giving such notice, to the extent affected by such Force Majeure, shall be suspended during the continuance of the inability claimed and for no longer period, and such party shall, in good faith, exercise its best efforts to remove and overcome such inability. The term "Force Majeure" as utilized in this Agreement shall mean and refer to Acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States, the State of Texas, or any other civil or military authority; insurrections, riots, epidemics, landslides, earthquakes, lightning, fires, hurricanes, storms, floods, washouts, or other natural disasters; arrest; restraint of government and people; civil disturbances; explosions; breakage or accidents to machinery, pipelines or canals; or other causes not necessarily within the control of the party claiming such inability.

Section 11. This Agreement is subject to all applicable federal, state and local laws, ordinances, rules and regulations, including but not limited to all provisions of SHERMAN'S Charter and Ordinances, as amended.

Section 12. The failure of any party to insist upon the performance of any term or provision of this Agreement or to exercise any right granted hereunder shall not constitute a waiver of that party's right to insist upon appropriate performance or to assert any such right on any future occasion.

Section 13. It is expressly understood and agreed that, in the execution of this agreement, no party waives, nor shall hereby be deemed to waive, any immunity or defense that would otherwise be available to it against claims arising during the exercise of governmental powers and functions.

CITY OF SHERMAN, TEXAS	**COUNTY OF GRAYSON, TEXAS**
BY: ______________________	**BY:** ______________________
George Olson, City Manager	**Drue Bynum, County Judge**
ATTEST:	**ATTEST:**
BY: ______________________	**BY:** ______________________
Linda Ashby, City Clerk	**Wilma Bush,** **Grayson County Clerk**
APPROVED AS TO FORM:	**APPROVED AS TO FORM:**
BY: ______________________	**BY:** ______________________
Brandon S. Shelby, City Attorney	**David Van Brunt Price,** **Attorney for Grayson County**

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. C.4

**** RESOLUTION NO. 5587***
Accepting the Contract with J.R. Sheldon & Co., Inc. as Complete for the Improvements to the Sherman Wastewater Treatment Plant Fine Screens

Issue
To consider acceptance of the contract with J.R. Sheldon & Co., Inc. as complete for the Sherman Wastewater Treatment Plant (WWTP) Fine Screens

Background
J. R. Sheldon & Co., Inc. has completed all work required under their contract to improve Sherman WWTP Fine Screens.

Origination
Greater Texoma Utility Authority (GTUA)

Financial Consideration
This project was funded through a GTUA revenue bond issue.

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

Alternatives
As may be directed by the City Council

Attachments
Resolution No. 5587
Project Close Out Documents
Project Location Map

Prepared by:
Mark Gibson, Dir. of Engineering and Public Works

Approved by:
George Olson, City Manager

RESOLUTION NO. 5587

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH J.R. SHELDON & CO., INC. AS COMPLETE FOR THE IMPROVEMENTS TO THE SHERMAN WASTEWATER TREATMENT PLANT FINE SCREENS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Sherman has entered into a Contract for the Sherman Wastewater Treatment Plant (WWTP) Fine Screens with J.R. Sheldon & Co., Inc.; and

WHEREAS, representatives of the City of Sherman and the project engineer have inspected the Sherman WWTP Fine Screens and found the project to be complete;

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

SECTION 1. That the City of Sherman hereby formally accepts the contracted work of J.R. Sheldon & Co., Inc. for the Sherman WWTP Fine Screens as complete.

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

PASSED AND APPROVED on this the _____ day of ________________, 2011.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ______________________________
LINDA ASHBY, CITY CLERK

BY: ______________________________
BILL MAGERS, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: ______________________________
BRANDON S. SHELBY,
CITY ATTORNEY

CONTRACTOR'S CERTIFICATION AND GUARANTEE

Date: July 7, 2011

Project: 2009 WWTP FINE SCREEN IMPROVEMENTS

Owner: Greater Texoma Utility Authority/City of Sherman

Contractor: J.R. SHELTON & CO., INC.

Date of Contract: December 20, 2009

Date of Project Completion: December 10, 2010

Final Contract Amount: $556,915.05

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

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

Contractor: J.R. SHELDON & CO., INC.

By: [illegible]

Date: President - 07/10/2011

Attest: Stanley Josephson

CERTIFICATE OF PROJECT COMPLETION

Project: _ 2009 WWTP FINE SCREEN IMPROVEMENTS ___

Date of Issuance: _______July 7, 2011_________________

Owner:______Greater Texoma Utility Authority/City of Sherman, Texas _______

Contractor: __ J.R. SHELDON & CO., INC. ______

Engineer: ____ Freeman-Millican, Inc. __________________

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

All specified work

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

And to _______J.R. SHELDON & CO., INC.___________________
CONTRACTOR

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

_____ December 10, 2010 _____
Date of Completion

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

RESPONSIBILTIES:

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

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

Payment and Performance Bonds

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

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

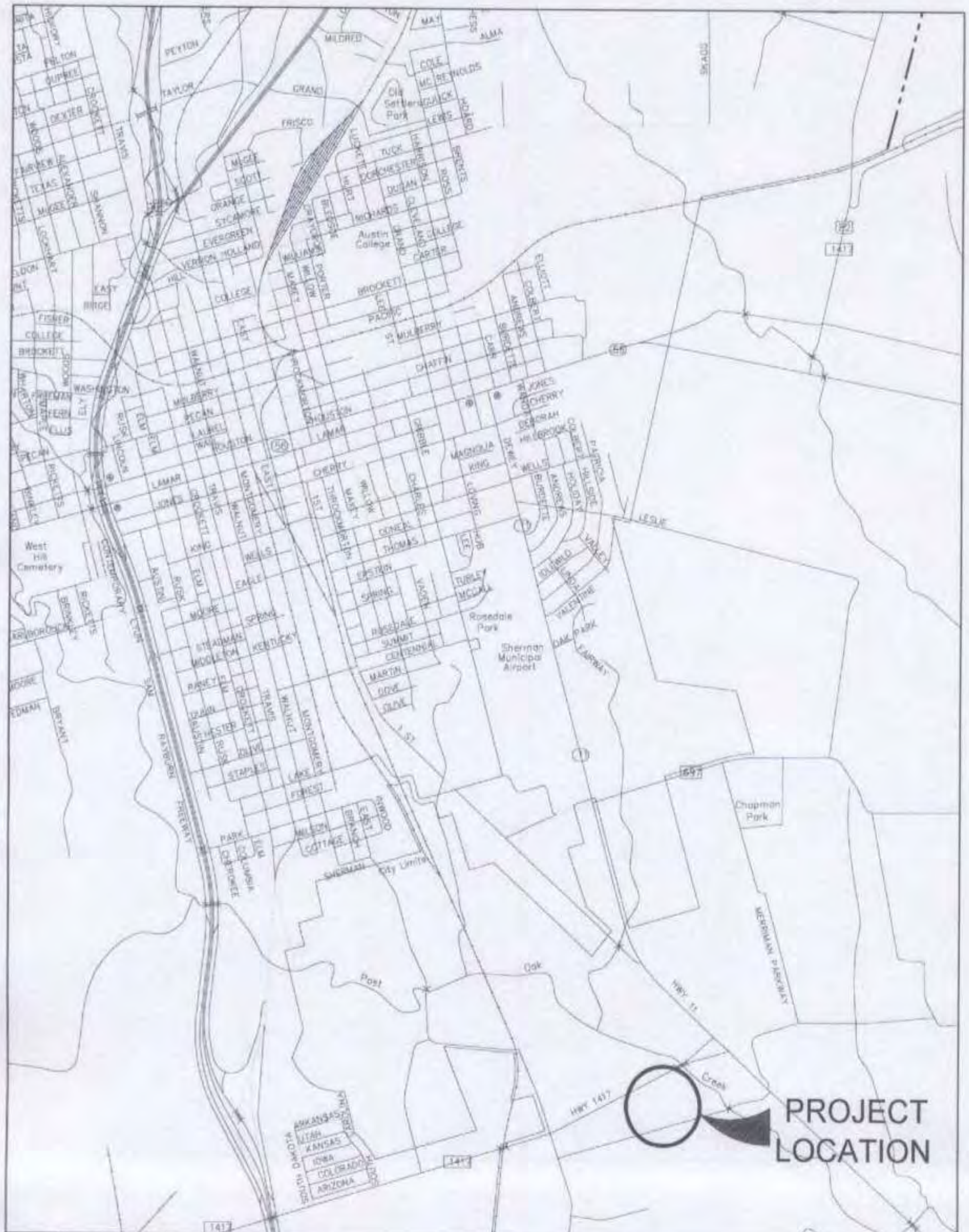
---

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

Executed by ENGINEER on ____July 7, 2011 ______.

____Freeman-Millican, Inc. ________
ENGINEER

By: David S. Battes



City of Sherman, Texas

WASTEWATER TREATMENT PLANT

PROJECT LOCATION MAP

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. C.5

**** RESOLUTION NO. 5588***
Accepting the Contract with J.R. Sheldon & Co., Inc. as Complete for the Improvements to the Sherman Wastewater Treatment Plant Clarifier

Issue
To consider acceptance of the contract with J.R. Sheldon & Co., Inc. as complete for the Sherman Wastewater Treatment Plant (WWTP) Clarifier Improvements

Background
J. R. Sheldon & Co., Inc. has completed all work required under their contract to improve the Sherman WWTP Clarifier.

Origination
Greater Texoma Utility Authority (GTUA)

Financial Consideration
The project was funded through a GTUA revenue bond issue.

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

Alternatives
As may be directed by the City Council

Attachments
Resolution No. 5588
Project Completion Certifications
Project Location Map

Prepared by:
Mark Gibson, Dir. of Engineering and Public Works

Approved by:
George Olson, City Manager

RESOLUTION NO. 5588

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH J.R. SHELDON & CO., INC. AS COMPLETE FOR THE IMPROVEMENTS TO THE SHERMAN WASTEWATER TREATMENT PLANT CLARIFIER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Sherman has entered into a Contract for the Sherman Wastewater Treatment Plant (WWTP) Clarifier Improvements with J.R. Sheldon & Co., Inc.; and

WHEREAS, representatives of the City of Sherman and the project engineer have inspected the Sherman WWTP Clarifier Improvements and found the project to be complete;

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

SECTION 1. That the City of Sherman hereby formally accepts the contracted work of J.R. Sheldon & Co., Inc. for the Sherman WWTP Clarifier Improvements as complete.

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

PASSED AND APPROVED on this the _____ day of ________________, 2011.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ______________________________
LINDA ASHBY, CITY CLERK

BY: ______________________________
BILL MAGERS, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: ______________________________
BRANDON S. SHELBY,
CITY ATTORNEY

CERTIFICATE OF PROJECT COMPLETION

Project: _ PRIMARY CLARIFIER NO. 2 EQUIPMENT REPLACEMENT ___

Date of Issuance: _______July 7, 2011_________________

Owner:______Greater Texoma Utility Authority/City of Sherman, Texas _______

Contractor: __ J.R. SHELDON & CO., INC. ______

Engineer: ____ Freeman-Millican, Inc. _________________

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

All specified work

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

And to _______J.R. SHELDON & CO., INC.___________________
CONTRACTOR

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

____ May 27, 2011 ____
Date of Completion

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

RESPONSIBILTIES:

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

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

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

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

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

Executed by ENGINEER on ____July 7, 2011 ______.

____Freeman-Millican, Inc. ________
ENGINEER

By: David E. Hattis

CONTRACTOR'S CERTIFICATION AND GUARANTEE

Date: July 7, 2011

Project: 2009 WWTP PRIMARY CLARIFIER NO. 2 EQUIPMENT REPLACEMENTS

Owner: Greater Texoma Utility Authority/City of Sherman

Contractor: J.R. SHELTON & CO., INC.

Date of Contract: June 21, 2010

Date of Project Completion: May 27, 2011

Final Contract Amount: $265,000.00

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

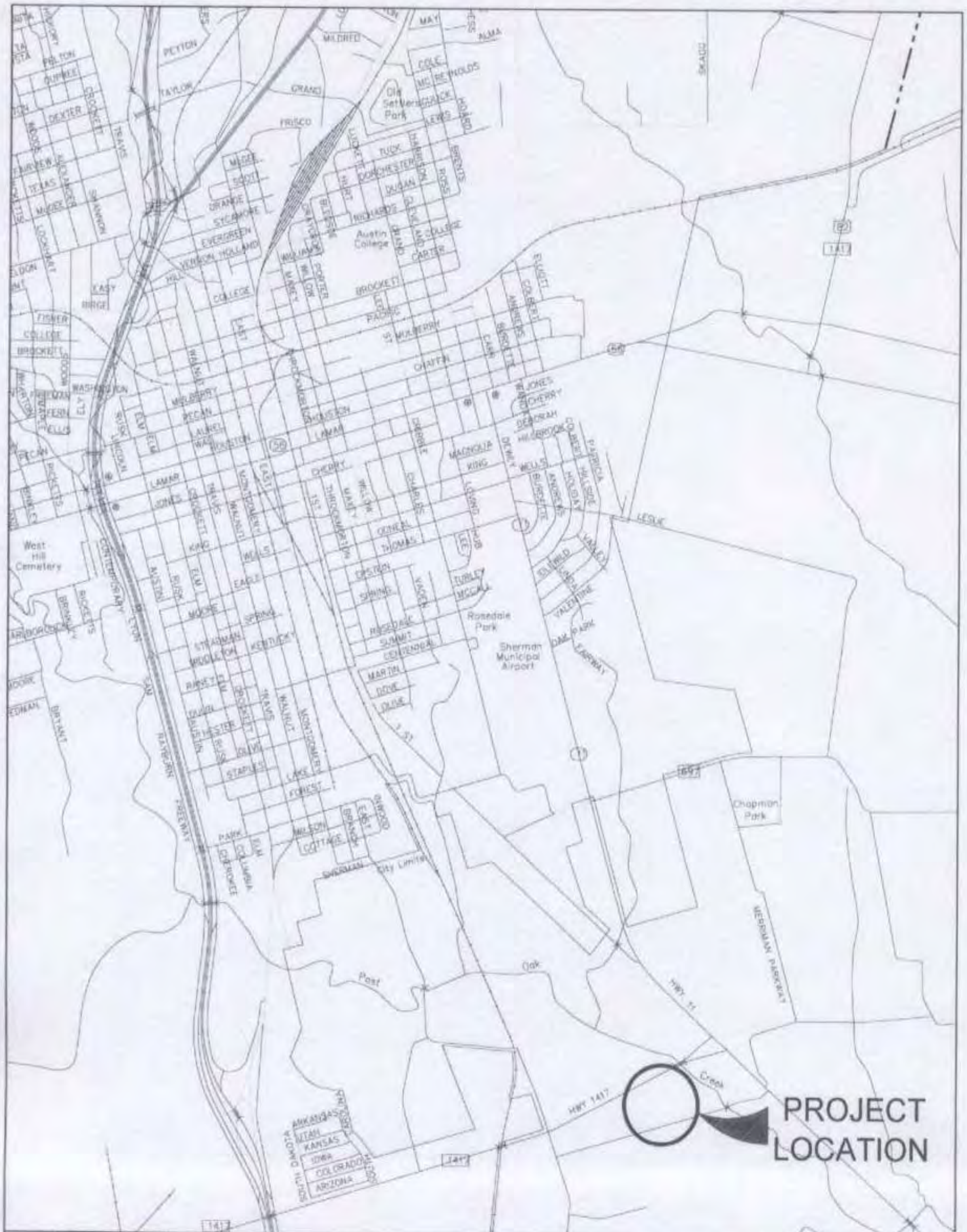
The CONTRACTOR shall guarantee all materials and equipment furnished and WORK performed for a period of two (2) years from the date of completion as evidenced by the Engineer's Final Certificate. The CONTRACTOR warrants and guarantees for a period of two (2) years from the date of completion that all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

Contractor: J.R. SHELDON & CO., INC.

By: [signature]

Date: President - 07/10/2011

Attest: Stanley Josephson



City of Sherman, Texas

WASTEWATER TREATMENT PLANT

PROJECT LOCATION MAP

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. C.6

**** RESOLUTION NO. 5589***

Accepting the Contract with Lynn Vessels Construction, LLC. as Complete for Construction of the Sherman Highway 75 North Sewer Contract "A"

Issue

To consider acceptance of the contract with Lynn Vessels Construction, LLC. as complete for the construction of the Sherman Highway 75 North Sewer Contract "A"

Background

Lynn Vessels Construction has completed all work required under their contract to construct the Sherman Highway 75 North Sewer Contract "A".

Origination

Greater Texoma Utility Authority (GTUA)

Financial Consideration

The project was funded through a GTUA revenue bond issue.

Staff Recommendation

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

Alternatives

As may be directed by the City Council

Attachments

Resolution No. 5589
Project Close Out Documents
Project Location Map

Prepared by:
Mark Gibson, Dir. of Engineering and Public Works

Approved by:
George Olson, City Manager

RESOLUTION NO. 5589

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC. AS COMPLETE FOR CONSTRUCTION OF THE SHERMAN HIGHWAY 75 NORTH SEWER CONTRACT "A"; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Sherman has entered into a Contract for construction of the Sherman Highway 75 North Sewer Contract "A" with Lynn Vessels Construction, LLC.; and

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

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

SECTION 1. That the City of Sherman hereby formally accepts the contracted work of Lynn Vessels Construction, LLC. for the construction of the Sherman Highway 75 North Sewer Contract "A" as complete.

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

PASSED AND APPROVED on this the _____ day of ________________, 2011.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

BY: ________________________________
BILL MAGERS, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: ________________________________
BRANDON S. SHELBY, CITY ATTORNEY

CONTRACTOR'S CERTIFICATION AND GUARANTEE

Date: July 7, 2011

Project: SHERMAN HIGHWAY 75 NORTH SEWER CONTRACT "A"

Owner: Greater Texoma Utility Authority/City of Sherman

Contractor: LYNN VESSELS CONSTRUCTION, LLC

Date of Contract: February 15, 2010

Date of Project Completion: June 15, 2011

Final Contract Amount: $788,962.47

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

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

Contractor: _LYNN VESSELS CONSTRUCTION, LLC_

By: Lynn Vessels

Date: 7-7-2011

Attest: Kenla W. Vessels

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

RESPONSIBILTIES:

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

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

---

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

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

---

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

Executed by ENGINEER on ____July 7, 2011 ______.

Freeman-Millican, Inc.
ENGINEER

By: David E. Gattis

CONTRACTOR'S CERTIFICATION AND GUARANTEE

Date: July 7, 2011

Project: SHERMAN HIGHWAY 75 NORTH SEWER CONTRACT "A"

Owner: Greater Texoma Utility Authority/City of Sherman

Contractor: LYNN VESSELS CONSTRUCTION, LLC

Date of Contract: February 15, 2010

Date of Project Completion: June 15, 2011

Final Contract Amount: $788,962.47

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

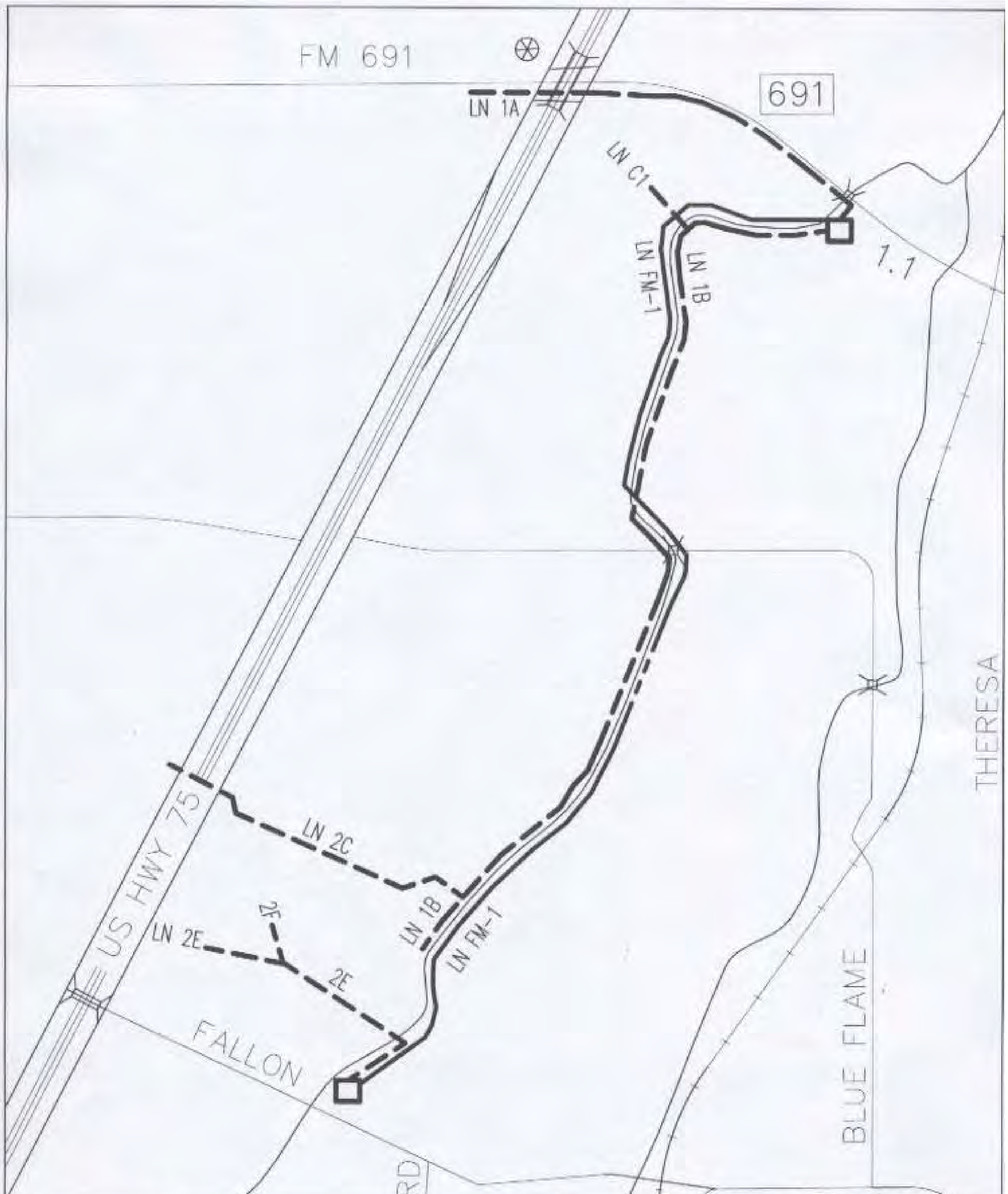
The CONTRACTOR shall guarantee all materials and equipment furnished and WORK performed for a period of two (2) years from the date of completion as evidenced by the Engineer's Final Certificate. The CONTRACTOR warrants and guarantees for a period of two (2) years from the date of completion that all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

Contractor: _LYNN VESSELS CONSTRUCTION, LLC_

By: Lynn Vessels

Date: 7-7-2011

Attest: Kenla W. Vessels



City of Sherman, Texas

Highway 75 North Sewer Contract "A"

PROJECT LOCATION MAP

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. C.7

**** RESOLUTION NO. 5590***

Awarding a Bid to and Authorizing Execution of a Contract with Ergon Asphalt and Emulsions, Inc. for the Purchase of an Annual Supply of Emulsified Asphalt Oil for the 2011 Seal Coat Program

Issue

To consider the award of a bid to Ergon Asphalt and Emulsions, Inc. of Mt. Pleasant, Texas for the purchase of up to 80,000 gallons of CRS-2 emulsified asphalt oil for the 2011 Street Seal Coat Program

Background

Following the required advertising in the local newspaper and notices being sent to oil suppliers, three bids for emulsified asphalt oil were received and opened on May 24, 2011. No local vendors sell this type of material.

Origination

Department of Public Works

Financial Consideration

Ergon Asphalt and Emulsion's bid for the required asphalt oil was $2.3961 per gallon. This is a $.38/gallon increase over last year. There are sufficient funds in the fiscal year 2010-2011 annual Street Department operating budget to purchase up to 80,000 gallons of emulsified asphalt oil.

Staff Recommendation

Award the bid for seal coat emulsified asphalt oil to Ergon Asphalt and Emulsions, Inc.

Alternatives

As may be recommended by the City Council

Attachments

Resolution No. 5590
Contract of Sale with Bid Sheet
Bid Tabulation
Recommendation Memorandum

Prepared by:
Don Keene, Exec. Director of Planning/Public Works

Approved by:
George Olson, City Manager

RESOLUTION NO. 5590

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH ERGON ASPHALT AND EMULSIONS, INC FOR THE PURCHASE OF AN ANNUAL SUPPLY OF EMULSIFIED ASPHALT OIL FOR THE 2011 SEAL COAT PROGRAM; 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 Ergon Asphalt and Emulsions, Inc. is hereby awarded the bid in the total amount of One Hundred Ninety-One Thousand Six Hundred Eighty-Eight Dollars and No Cents ($191,688.00) for an annual supply of emulsified asphalt oil for the 2011 Seal Coat Program and that the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved by the City Attorney, to execute a contract with Ergon Asphalt and Emulsions, Inc. for an annual supply of emulsified asphalt oil, in accordance with all contract documents attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED on this the _____ day of _________________, 2011.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

BY: ________________________________
BILL MAGERS, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: ________________________________
BRANDON S. SHELBY, CITY ATTORNEY

CONTRACT OF SALE

THE STATE OF TEXAS	§	
	§	**KNOW ALL MEN BY THESE**
COUNTY OF GRAYSON	§	

That the **CITY OF SHERMAN, TEXAS**, a municipal corporation, hereinafter referred to as "BUYER", and ERGON ASPHALT & EMULSIONS, INC. of AUSTIN, Texas, hereinafter referred to as "SELLER."

WITNESSETH:

Terms of Purchase. SELLER agrees to sell and will deliver to BUYER, and BUYER agrees to purchase from SELLER,

[Item DESCRIBED HERE]

(hereinafter referred to as "[name of item]")

As consideration for this Contract, SELLER agrees to make the *Item* available for the amount specified herein and BUYER agrees to purchase these items exclusively from the SELLER, as specified in Exhibit "A."

Reference is hereby made to the specifications and requirements of the Invitation to Bid prepared by BUYER and the Bid submitted by SELLER on _________________, in answer to BUYER's Invitation to Bid. All of the specifications and requirements of BUYER's Invitation to Bid and SELLER's Bid, identified as Exhibit "A", are incorporated herein by reference and made a part of this contract for all purposes.

SELLER hereby agrees to deliver the *Item* to BUYER at Sherman, Texas, as requested by BUYER.

BUYER retains the right to reject all or any part of the *Item* delivered by SELLER that do not comply with the specifications as set forth in the Invitation to Bid and the Bid Proposal submitted by SELLER. Should any of the *Item* be rejected because of failure to meet specifications, and SELLER not supply conforming products within ten (10) days of date of rejection, then BUYER may purchase such products from the next lowest bidder willing to honor its bid, and SELLER agrees to pay to BUYER in cash the difference in the Bid Proposals.

Ownership of Items. SELLER represents that it is the record and beneficial owner of the items set forth in Exhibit "A," free and clear of any Lien and any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of the items, and will transfer and deliver to Buyer the items free and clear of any Lien and any such limitation or restriction.

Insurance. SELLER agrees to carry insurance as specified in Exhibit "A" and to name the BUYER as an additional insured.

INDEMNIFICATION. SELLER AGREES TO DEFEND, INDEMNIFY AND HOLD BUYER, ITS OFFICERS, AGENTS AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES INCLUDING ATTORNEYS FEES, FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM, FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY SELLER'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, OR BY ANY NEGLIGENT, GROSSLY NEGLIGENT, STRICTLY LIABLE ACT, OR ANY OMISSION OF SELLER, ITS OFFICERS, AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THIS AGREEMENT (HEREINAFTER "CLAIMS"); EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OR FAULT OF BUYER, ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS. IN ADDITION, THIS INDEMNIFICATION AND SAVE HARMLESS SHALL APPLY TO ANY IMPUTED OR ACTUAL JOINT ENTERPRISE LIABILITY.

No Waiver of Governmental Immunity. This Agreement does not waive, nor shall it be deemed to waive, any immunity or defense, including, but not limited to, governmental immunity, that would otherwise be available to the BUYER against claims arising from the exercise of governmental powers and functions.

Litigation. There is no action, suit, investigation, or proceeding pending against, or to the knowledge of SELLER threatened against or affecting, SELLER or any of their respective properties before any court or arbitrator or any governmental body, agency or official which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

Payment of Monies Owed to the City of Sherman. BUYER may, in its discretion, apply any monies owed to SELLER, the contracting party under this agreement, in partial or complete satisfaction of any property taxes due or other monies owe the City of Sherman, which are or become delinquent during the term of this contract.

Amendment of Contract. This agreement may not be changed, varied or altered except by an instrument in writing, duly executed on behalf of BUYER and by SELLER.

Assignment of Contract. No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Contract.

Severability. Any provision or part of this Contract is held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the BUYER and SELLER, who agree that the Contract shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

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

Applicable Laws and Venue. <u>This agreement shall be construed in accordance with the laws of the State of Texas, shall be deemed performable and enforceable in the State of Texas, with venue in Grayson County, Texas.</u>

IN WITNESS WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of SELLER and on behalf of BUYER, City of Sherman, by its City Manager and attested by its City Clerk, effective the ______________ day of ________________________, 2009.

SELLER:
ERGON ASPHALT & EMULSIONS, INC.

BY: R M McKemie
NAME: R. M. McKEMIE
TITLE: VICE PRESIDENT
[INSERT ADDRESS]
11612 RM 2244, BUILDING 1, SUITE 250
AUSTIN, TEXAS 78738
DATE: MAY 20, 2011

ATTEST:

BY: Karen Sellers
NAME: KAREN SELLERS
TITLE: ADMINISTRATIVE ASSISTANT

BUYER:
CITY OF SHERMAN, TEXAS

BY: ________________________

CITY MANAGER
220 W. MULBERRY
SHERMAN, TEXAS 75090

DATE: ________________________

ATTEST:

____
LINDA ASHBY, CITY CLERK

APPROVED:

____
CITY ATTORNEY

CITY OF SHERMAN
BID SHEET
CRS2 AND/OR CRS-2H EMULSIFIED ASPHALT
MAY 24, 2011, 3:00 P.M.

Does your bid meet all specifications contained herein? Yes X No ____

Does your material and workmanship meet all specifications? Yes X No ____

If no is indicated, attached a sheet indicating exceptions

PRICE PER GALLON:$ 2.3961 NET BID:$ 191,688.00

DELIVERY TIME: 24 HOURS AFTER NOTIFICATION

NOTICE TO BIDDERS: Any bidder who falsifies responses indicating compliance or non-compliance wit minimum requirements listed will be suspended and/or disqualified from bidding

ERGON ASPHALT & EMULSIONS, INC.
BIDDER

SIGNED BY

VICE PRESIDENT
TITLE

11612 RM 2244, BLDG. 1, SUITE 250
ADDRESS: STREET OR PO BOX

AUSTIN, TEXAS 78738
CITY STATE ZIP

(512) 469-9292 (512) 469-0391
PHONE FAX

BID SHEET MUST ME SIGNED BY AN AUTHORIZED AGENT OF YOUR FIRM

Federal Environmental Fee will be added to above prices at rate of $.4424/ton for asphalt & polymer loads or $.00133/gal for emulsion loads.

THIS BID IS FOR FULL TRANSPORT LOADS OF 5,500 GALLONS. FREIGHT IS BASED ON A FULL TRANSPORT LOAD, EVEN IF A FULL LOAD OF MATERIAL IS NOT ORDERED. THE COMMON CARRIER BILLS DEMURRAGE AT $80.00 PER HOUR, AFTER THE SECOND HOUR. RETURN FREIGHT IS ONE-HALF OF THE OUTGOING TARIFF. PUMP AND HOSE CHARGE IS $80.00 PER LOAD.

BID TABULATION
CITY OF SHERMAN

BID TITLE: CRS-2

DATE: May 24, 2011

VENDOR	UNIT PRICE	AMOUNT	DISCOUNT	NET BID	DELIVERY	BID BOND	REMARKS/ EXCEPTIONS
Ergon	2.3961			191,688.00			
Cleveland Asphalt	2.4773			—	error		
Martin Asphalt	2.55			180,000.00	correct calc.		
				204,000.00			

FILE REFERENCE ____________

memorandum

DATE: June 6, 2011

TO: Mary Ann Winkler, Purchasing Agent

FROM: Jim Cullen, Street Superintendent

Cc: Scott Taylor, Assistant Director of Engineering and Public Works

SUBJECT: Materials Bids for 2011 Seal Coat

After review of the bids received for the materials for the 2011 Seal Coat season, the Street Department makes the following recommendations:

- Crushed Rock Coverstone; Only one bid was received. This bid came from James Thorpe Company. In the past most vendors stated there was not enough material for them to bid on. This vendor was also the only bid year before last. The unit price is reasonable.
- CRS-2 and CRS-2h Emulsion Oil; Ergon Asphalt and Emulsions Inc. was the lowest responsible bid for this product.

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. C.8

**** RESOLUTION NO. 5591***

Awarding a Bid to and Authorizing Execution of a Contract with James Thorpe Company for the Purchase of an Annual Supply of Cover Stone for the 2011 Seal Coat Program

Issue
To consider an award of bid for the purchase of cover stone for the 2011 Seal Coat Program

Background
Following the required advertising in the local newspaper and notices being sent to local material suppliers, one cover stone bid meeting the City's specifications was received and opened on May 24, 2011. James Thorpe Company of Pottsboro, Texas, submitted the only bid at $17.84 per ton. Bidders, who did not bid, were contacted about the reason for no bid submittal. Their response was that the amount of material was less than they cared to bid on. The bid received is a reasonable price.

Origination
Department of Public Works

Financial Consideration
Funds for purchasing seal coat materials were appropriated in the fiscal year 2010-2011 Street Department budget. There were sufficient funds appropriated in the Street Department operating budget to purchase up to 3,000 tons of seal coat cover stone.

Staff Recommendation
Staff recommends that the City Council award the bid to James Thorpe Company to purchase seal coat cover stone at $17.84 per ton.

Alternatives
Those as may be recommended by the City Council

Attachments
Resolution No. 5591
Contract of Sale with Bid Sheet
Recommendation Memorandum

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

Approved by:
George Olson, City Manager

RESOLUTION NO. 5591

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH JAMES THORPE COMPANY FOR THE PURCHASE OF AN ANNUAL SUPPLY OF COVER STONE FOR THE 2011 SEAL COAT PROGRAM; 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 James Thorpe Company of Pottsboro, Texas, is hereby awarded the bid in the total amount of Fifty-Three Thousand Five Hundred Twenty Dollars and No Cents ($53,520.00) for an annual supply of cover stone and that the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a contract with James Thorpe Company for an annual supply of cover stone for the 2011 Seal Coat Program, in accordance with all contract documents attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED on this the _____ day of ________________, 2011.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ______________________________
LINDA ASHBY, CITY CLERK

BY: ______________________________
BILL MAGERS, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: ______________________________
BRANDON S. SHELBY, CITY ATTORNEY

CONTRACT OF SALE

THE STATE OF TEXAS	§	
	§	**KNOW ALL MEN BY THESE**
COUNTY OF GRAYSON	§	

That the **CITY OF SHERMAN, TEXAS**, a municipal corporation, hereinafter referred to as "BUYER", and James Thorpe Co, of Pottsboro, Texas, hereinafter referred to as "SELLER."

WITNESSETH:

Terms of Purchase. SELLER agrees to sell and will deliver to BUYER, and BUYER agrees to purchase from SELLER,

[Item DESCRIBED HERE]

(hereinafter referred to as "[name of item]")

As consideration for this Contract, SELLER agrees to make the *Item* available for the amount specified herein and BUYER agrees to purchase these items exclusively from the SELLER, as specified in Exhibit "A."

Reference is hereby made to the specifications and requirements of the Invitation to Bid prepared by BUYER and the Bid submitted by SELLER on 5-24-11, in answer to BUYER's Invitation to Bid. All of the specifications and requirements of BUYER's Invitation to Bid and SELLER's Bid, identified as Exhibit "A", are incorporated herein by reference and made a part of this contract for all purposes.

SELLER hereby agrees to deliver the *Item* to BUYER at Sherman, Texas, as requested by BUYER.

BUYER retains the right to reject all or any part of the *Item* delivered by SELLER that do not comply with the specifications as set forth in the Invitation to Bid and the Bid Proposal submitted by SELLER. Should any of the *Item* be rejected because of failure to meet specifications, and SELLER not supply conforming products within ten (10) days of date of rejection, then BUYER may purchase such products from the next lowest bidder willing to honor its bid, and SELLER agrees to pay to BUYER in cash the difference in the Bid Proposals.

Ownership of Items. SELLER represents that it is the record and beneficial owner of the items set forth in Exhibit "A," free and clear of any Lien and any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of the items, and will transfer and deliver to Buyer the items free and clear of any Lien and any such limitation or restriction.

Insurance. SELLER agrees to carry insurance as specified in Exhibit "A" and to name the BUYER as an additional insured.

INDEMNIFICATION. SELLER AGREES TO DEFEND, INDEMNIFY AND HOLD BUYER, ITS OFFICERS, AGENTS AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES INCLUDING ATTORNEYS FEES, FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM, FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY SELLER'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, OR BY ANY NEGLIGENT, GROSSLY NEGLIGENT, STRICTLY LIABLE ACT, OR ANY OMISSION OF SELLER, ITS OFFICERS, AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THIS AGREEMENT (HEREINAFTER "CLAIMS"); EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OR FAULT OF BUYER, ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS. IN ADDITION, THIS INDEMNIFICATION AND SAVE HARMLESS SHALL APPLY TO ANY IMPUTED OR ACTUAL JOINT ENTERPRISE LIABILITY.

No Waiver of Governmental Immunity. This Agreement does not waive, nor shall it be deemed to waive, any immunity or defense, including, but not limited to, governmental immunity, that would otherwise be available to the BUYER against claims arising from the exercise of governmental powers and functions.

Litigation. There is no action, suit, investigation, or proceeding pending against, or to the knowledge of SELLER threatened against or affecting, SELLER or any of their respective properties before any court or arbitrator or any governmental body, agency or official which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

Payment of Monies Owed to the City of Sherman. BUYER may, in its discretion, apply any monies owed to SELLER, the contracting party under this agreement, in partial or complete satisfaction of any property taxes due or other monies owe the City of Sherman, which are or become delinquent during the term of this contract.

Amendment of Contract. This agreement may not be changed, varied or altered except by an instrument in writing, duly executed on behalf of BUYER and by SELLER.

Assignment of Contract. No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Contract.

Severability. Any provision or part of this Contract is held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the BUYER and SELLER, who agree that the Contract shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

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

Applicable Laws and Venue. This agreement shall be construed in accordance with the laws of the State of Texas, shall be deemed performable and enforceable in the State of Texas, with venue in Grayson County, Texas.

IN WITNESS WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of SELLER and on behalf of BUYER, City of Sherman, by its City Manager and attested by its City Clerk, effective the ______________ day of ________________________, 2009.

SELLER:	**BUYER:**
James Thorpe Co.	**CITY OF SHERMAN, TEXAS**
BY: James T. Thorpe	**BY:** ______________________
NAME: James T. Thorpe	
TITLE: Owner	**CITY MANAGER**
[INSERT ADDRESS]	**220 W. MULBERRY**
PO Box 1555	**SHERMAN, TEXAS 75090**
Pottsboro, Tx 75076	
DATE: 5-24-11	**DATE:** ______________________
ATTEST:	**ATTEST:**
BY: ______________________	______________________
NAME: ______________________	**LINDA ASHBY, CITY CLERK**
TITLE: ______________________	
	APPROVED:
	______________________
	CITY ATTORNEY

CITY OF SHERMAN
BID SHEET
CRUSHED ROCK COVERSTONE
MAY 24, 2011, 3:00 P.M.

Does your bid meet all specifications contained herein? Yes X No______

Does your material and workmanship meet all specifications? Yes X No______

If no is indicated, attached a sheet indicating exceptions

PRICE PER TON:$ 17.84

NET BID:$ 53,520.00

NOTICE TO BIDDERS: Any bidder who falsifies responses indicating compliance or non-compliance with minimum requirements listed will be suspended and/or disqualified from bidding

James Thorpe Co.
BIDDER

James L. Thorpe
SIGNED BY

Owner
TITLE

PO Box 1555
ADDRESS: STREET OR PO BOX

Pottsboro, Tx. 75076
CITY STATE ZIP

903-786-6097 903-786-2755
PHONE FAX

BID SHEET MUST ME SIGNED BY AN AUTHORIZED AGENT OF YOUR FIRM

FILE REFERENCE ____________

memorandum

DATE: June 6, 2011

TO: Mary Ann Winkler, Purchasing Agent

FROM: Jim Cullen, Street Superintendent

Cc: Scott Taylor, Assistant Director of Engineering and Public Works

SUBJECT: Materials Bids for 2011 Seal Coat

After review of the bids received for the materials for the 2011 Seal Coat season, the Street Department makes the following recommendations:

- Crushed Rock Coverstone; Only one bid was received. This bid came from James Thorpe Company. In the past most vendors stated there was not enough material for them to bid on. This vendor was also the only bid year before last. The unit price is reasonable.
- CRS-2 and CRS-2h Emulsion Oil; Ergon Asphalt and Emulsions Inc. was the lowest responsible bid for this product.

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. C.9

**** RESOLUTION NO. 5592***

Authorizing Execution of an Amendment to the Engineering Services Contract with Freeman-Millican, Inc. for the Equalization Basin Stormwater Contingency, Phase II Project

Issue

To consider increasing the engineering fee for the Equalization Basin Stormwater Contingency, Phase II Project by $29,000.00

Background

The project design was impacted by the location of the current biosolids operation within the proposed construction area, necessitating relocation of previously designed project elements. In addition, City staff requested changes to the project following the completion of the initial design. Finally, a value engineering analysis was conducted on the project to further minimize costs as the estimated construction costs surpassed the project budget. These changes resulted in significant additional engineering endeavors. Section 2.1.3 of the existing contract addresses additional services of the Engineer and provides for additional compensation in such instances.

Origination

Department of Utility Administration

Financial Consideration

The contract revision results in an increase of $29,000.00 to the original engineering fee, resulting in a revised fee of $64,630.00. It is anticipated that the additional engineering efforts will result in approximately $153,000.00 in savings to the total construction cost. These engineering costs are being funded through Greater Texoma Utility Authority.

Staff Recommendation

It is recommended that the contract amendment to revise the engineering fees be approved.

Alternatives

As may be recommended by the Council

Attachments

Resolution No. 5592; Contract Amendment; Applicable Contract Conditions (Section 2.1.3); Original Construction Estimate; Revised Construction Estimate; and Location Map

Prepared by:
Mark Gibson, Dir. of Engineering and Public Works

Approved by:
George Olson, City Manager

RESOLUTION NO. 5592

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AMENDMENT TO THE ENGINEERING SERVICES CONTRACT WITH FREEMAN-MILLICAN, INC. FOR THE EQUALIZATION BASIN STORMWATER CONTINGENCY, PHASE II 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 Manager be and is hereby authorized and directed, subject to all documents being properly completed and approved as to form and content by the City Attorney, to execute an amendment to the Engineering Services Contract with Freeman-Millican, Inc. to increase engineering fees for the Equalization Basin Stormwater Contingency, Phase II Project by Twenty-Nine Thousand Dollars and No Cents ($29,000.00), in accordance with the terms and provisions of the contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the _____ day of ________________, 2011.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ______________________________
LINDA ASHBY, CITY CLERK

BY: ______________________________
BILL MAGERS, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: ______________________________
BRANDON S. SHELBY,
CITY ATTORNEY

AMENDMENT TO CONTRACT

THIS AMENDMENT of that certain Contract is amended and entered into this 18th day of July 2011 by and between Freeman-Millican, Inc. (“Contractor”) and the City of Sherman, Texas (“City”) to witness the following:

WHEREAS, Contractor and the City entered into a Contract Between the City of Sherman and Freeman-Millican, Inc. for the Equalization Basin Stormwater Contingency, Phase II Project (“Contract”) on or about August 9, 2010;

WHEREAS, the parties hereto wish to exercise their right to amend the terms of the contract;

THEREFORE, for and in consideration of the mutual promises, covenants, warranties and representations herein, the parties hereto to the following amendment to the terms of the Contract as follows:

1. The City agrees to an increase of engineering fees for the Equalization Basin Stormwater Contingency, Phase II Project of Twenty-Nine Thousand Dollars and No Cents ($29,000.00), in accordance with the terms and provisions of the contract documents for services resulting from significant changes to the Project initiated or requested by the City.

IN WITNESS WHEREOF, the parties have executed this Amendment to stated Contract by signing below. The effective date of this amendment shall be the date of execution by the City Manager or his designee.

FREEMAN-MILLICAN, INC.

BY: ______________________________
Terry Millican, P.E., President

CITY OF SHERMAN, TEXAS

Date: ____________________

BY: ______________________________
George Olson, City Manager

APPROVED AS TO FORM:

BY: ______________________________
Brandon S. Shelby, City Attorney

or exhaustive examinations have been made by ENGINEER to check the quality or quantity of the work or to review the means, methods, sequences, techniques or procedures of construction or safety precautions or programs incident thereto or that ENGINEER has made an examination to ascertain how or for what purposes any Contractor has used the moneys paid on account of the Contract Price, or that title to any of the work, materials or equipment has passed to OWNER free and clear of any lien, claims, security interests or encumbrances, or that Contractor(s) have completed their work exactly in accordance with the Contract Documents.

1.5.6 Conduct in company with OWNER, an inspection to determine if the Project is substantially complete and a final inspection for compliance with the Contract Documents and if each Contractor has fulfilled all of his obligations thereunder so that ENGINEER may recommend, in writing, final payment to each Contractor and may give written notice to OWNER and the Contractor(s) that the work is acceptable (subject to any conditions therein expressed), but any such recommendation and notice shall be subject to the limitations expressed in paragraph 1.5.5.

1.5.7 ENGINEER shall not be responsible for the acts or omissions of any Contractor, or subcontractor, or any of the Contractor(s)' or subcontractors' agents or employees or any other persons (except ENGINEER'S own employees and agents) at the site or otherwise performing any of the Contractor(s)' work; however, nothing contained in paragraphs 1.5.1 through 1.5.7, inclusive, shall be construed to release ENGINEER from liability for failure to properly perform duties undertaken by him in the Contract Documents.

1.5.8 Revise contract drawings (unless redrawing is required), with the assistance of the OWNER and Contractor(s), and furnish one (1) set of Mylar reproducible record drawings, one set of AutoCAD drawings and one set in Adobe Acrobat Portable Document Format (pdf).

SECTION 2 - ADDITIONAL SERVICES OF ENGINEER

2.1 GENERAL

If authorized in writing by OWNER, ENGINEER shall furnish or obtain from others Additional Services of the following types which are not considered normal or customary Basic Services

2.1.1 Preparation of applications and supporting documents for governmental grants, loans or advances in connection with the Project; preparation or review of environmental assessments and impact statements; review and evaluation of the effect on the design requirements of the Project of any such statements and documents prepared by others; and assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Project.

2.1.2 Services to make measured drawings of or to investigate existing conditions or facilities, or to verify the accuracy of drawings or other information furnished by OWNER.

2.1.3 Services resulting from significant changes in extent of the Project or its design including, but not limited to, changes in size, complexity, OWNER'S schedule, or character of construction or method of financing; and revising previously accepted studies, reports, design documents or Contract Documents when such revisions are due to causes beyond ENGINEER'S control.

2.1.4 Providing renderings or models for OWNER'S use.

2.1.5 Furnishing the services of special consultants for other than the normal civil, structural, mechanical and electrical engineering and normal architectural design incidental thereto, such as consultants for interior design, furniture, furnishings, communications, acoustics, kitchens and landscaping; and providing data or services of the types described in paragraph 3.3 when OWNER authorizes ENGINEER to provide such data or services in lieu of furnishing the same in accordance with paragraph 3.3.

2.1.6 Services resulting from the arranging for performance by persons other than the principal prime contractors of services for the OWNER and administering OWNER'S contracts for such services.

2.1.7 Providing any type field surveys for design purposes and engineering surveys and staking to enable Contractor(s) to proceed with their work; and providing other special field surveys.

2.1.8 Services during out-of-town travel required of ENGINEER other than visits to the site and OWNER'S office as required by SECTION 1 and authorized by OWNER.

2.1.9 Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) a significant amount of defective or neglected work of Contractor(s), (3) prolongation of the contract time of any prime contract by more than sixty days, (4) acceleration of the progress schedule involving services beyond normal working hours, and (5) default by Contractor(s).

2.1.10 Preparation of operating and maintenance manuals; protracted or extensive assistance in the utilization of any equipment or system (such as initial startup, testing, adjusting and balancing); and training personnel for operation and maintenance.

2.1.11 Services after completion of the Construction Phase, such as inspections during any guarantee period and reporting observed discrepancies under guarantees called for in any contract for the Project.

2.1.12 Preparing to serve or serving as a consultant or witness for OWNER in any litigation, public hearing or other legal or administrative proceeding involving the Project (except as agreed to under Basic Services).

2.1.13 Additional services in connection with the Project, including services normally furnished by OWNER and services not otherwise provided for in this Agreement.

2.1.14 Preparation of property or easement descriptions.

2.1.15 Additional copies of reports (over agreed number) and additional sets of Contract Documents (over agreed number).

2.1.16 Services of a resident Project representative, and other field personnel as required, for on-the-site observation of construction.

2.1.17 Any other special or miscellaneous assignments specifically authorized by OWNER.

CITY OF SHERMAN

PHASE 2

Engineer's Estimate of Probable Construction Cost

Item	Description	No. of Units	Units	Unit Cost	Total Cost
1	30" DIP w/ joint restraints	470	L.F.	150.00	70,500.00
2	Raise 2" water line	1	EA.	2,000.00	2,000.00
3	Aphalt road repair	100	S.Y.	50.00	5,000.00
4	Repair fence	40	L.F.	20.00	800.00
5	4" French drain w/ flapper valve	75	L.F.	50.00	3,750.00
6	Concrete encasement w/ reinforcement	300	L.F.	50.00	15,000.00
7	Sludge Processing conflict, delays & coffer dams/slu lev	1	EA.	55,000.00	55,000.00
8	30" Flapgate	2	EA.	6,000.00	12,000.00
9	Outlet Structure	2	LS.	25,000.00	50,000.00
10	5'x2' Culvert Triple barrel	-	L.F.	2,000.00	-
11	Energy Relief Sumps	2	EA.	15,000.00	30,000.00
12	Flexible 12" base road repair	-	S.Y.	40.00	-
13	Lower 6" sludge line w/ concrete encasement	1	EA.	3,000.00	3,000.00
14	5" concrete rip-rap	300	S.Y.	55.00	16,500.00
15	Splitter Box connection 30" pipe w/ wall timble	1	LS.	6,000.00	6,000.00
16	Whipps sluice gate w/ electric actuator and electrical	3	LS.	17,500.00	52,500.00
17	aluminum handrails	190	L.F.	60.00	11,400.00
18	aluminum grating	105	S.F.	55.00	5,775.00
19	Davit Fdn	1	LS.	1,000.00	1,000.00
20	Stairs	1	LS.	8,000.00	8,000.00
21	4' wide concrete sidewalk	9	S.Y.	50.00	450.00
22	Salvage pumps/motors in sludge basin decant pump	1	LS.	2,000.00	2,000.00
23	Abandon dry well (approx 24 c.y.)	1	LS.	12,000.00	12,000.00
24	modify wet well top w/ aluminum cover and 4' wide slab	1	LS.	5,000.00	5,000.00
25	Thern davit crane and base	1	EA.	5,000.00	5,000.00
26	Tsurumi pump w/ piping, rails, cables	1	EA.	8,000.00	8,000.00
27	Pump control panel, wiring, gate motor underground condu	1	LS.	10,000.00	10,000.00
28	Place grout at wet well bottom	1	LS.	1,000.00	1,000.00
29	Hydromulch	1	LS.	2,000.00	2,000.00
30	Trench Safety	470	L.F.	4.00	1,880.00
31	SWPPP	1	L.S.	3,000.00	3,000.00
	Construction Cost				$398,555.00
	OH, Profit and Contingency				99,638.75
	Total Construction Cost				**$498,193.75**

REVISED

CITY OF SHERMAN

PHASE 2
Engineer's Estimate of Probable Construction Cost

Item	Description	No. of Units	Units	Unit Cost	Total Cost
1	30" DIP w/ joint restraints	470	L.F.	150.00	70,500.00
2	Raise 2" water line	1	EA.	2,000.00	2,000.00
3	Aphalt road repair	9	S.Y.	50.00	450.00
4	Repair fence	40	L.F.	20.00	800.00
5	4" French drain w/ flapper valve	75	L.F.	50.00	3,750.00
6	Concrete encasement w/ reinforcement	40	L.F.	50.00	2,000.00
7	30" DIP Tee	1	EA.	4,000.00	4,000.00
8	30" Flapgate	2	EA.	3,000.00	6,000.00
9	Outlet Structure	1	LS.	20,000.00	20,000.00
10	5'x2' Culvert Triple barrel	18	L.F.	2,000.00	36,000.00
11	Headwall	2	EA.	8,000.00	16,000.00
12	Flexible 12" base road repair	40	S.Y.	40.00	1,600.00
13	Lower 6" sludge line w/ concrete encasement	1	EA.	3,000.00	3,000.00
14	5" concrete rip-rap	238	S.Y.	55.00	13,090.00
15	Splitter Box connection 30" pipe w/ wall timble	1	LS.	6,000.00	6,000.00
16	Whipps sluice gate w/ electric actuator and electrical	1	LS.	15,000.00	15,000.00
17	aluminum handrails	190	L.F.	60.00	11,400.00
18	aluminum grating	105	S.F.	55.00	5,775.00
19	Davit Fdn	1	LS.	1,000.00	1,000.00
20	Stairs	1	LS.	8,000.00	8,000.00
21	4' wide concrete sidewalk	9	S.Y.	50.00	450.00
22	Salvage pumps/motors in sludge basin decant pump	1	LS.	2,000.00	2,000.00
23	Abandon dry well (approx 24 c.y.)	1	LS.	12,000.00	12,000.00
24	modify wet well top w/ aluminum cover and 4' wide slab	1	LS.	5,000.00	5,000.00
25	Thern davit crane and base	1	EA.	5,000.00	5,000.00
26	Tsurumi pump w/ piping, rails, cables	1	EA.	8,000.00	8,000.00
27	Pump control panel, wiring, gate motor underground condu	1	LS.	10,000.00	10,000.00
28	Place grout at wet well bottom	1	LS.	1,000.00	1,000.00
29	Hydromulch	1	LS.	2,000.00	2,000.00
30	Trench Safety	470	L.F.	4.00	1,880.00
31	SWPPP	1	L.S.	3,000.00	3,000.00
	Construction Cost				$276,695.00
	OH, Profit and Contingency				69,173.75
	Total Construction Cost				**$345,868.75**

City of Sherman, Texas

WASTEWATER TREATMENT PLANT

PROJECT LOCATION MAP

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. D.1

**** CHANGE ORDER NO. 1***
Sherman Wastewater Treatment Plant Fine Screen Improvements;
J.R. Sheldon & Co., Inc.; $6,915.05 Increase

Issue
Change Order No. 1 is a final change order for the project to add the cost of additional aluminum grating for the screening and grit removal structure.

Background
The additional grating was requested by the owner to improve access to the screens during operation and maintenance activities.

Origination
Department of Utility Services
Greater Texoma Utility Authority

Financial Consideration
The change order resulted in a $6,915.05 increase in the total project cost, yielding a final revised contract amount of $556,915.05.

Staff Recommendation
It is recommended that the Change Order No. 1 be approved.

Alternatives
As may be directed by the Council

Attachments
Change Order No. 1
Change Construction Order Details
Change Order Costs

Prepared by:
Mark Gibson, Dir. of Engineering & Public Works

Approved by:
George Olson, City Manager

DAVID GATTIS (FAX 214-503-1148)

CHANGE ORDER NO. 1

PROJECT :	**2009 WWTP FINE SCREEN IMPROVEMENTS**
OWNER :	**GREATER TEXOMA UTILITY AUTHORITY**
CONTRACTOR:	J.R. SHELDON & CO., INC.
ENGINEER :	Freeman - Millican, Inc., Dallas, Texas
DATE :	July 6, 2011

TO THE CONTRACTOR:

You are hereby authorized, subject to the Contract provisions, to make the changes as outlined in this change order No. 1 all in accordance with the plans and specifications.

Construct additional aluminum grating per the attached drawings, CO1 & CO2 for improved access to screens for operation and maintenance.	$6,915.05

ATTACHMENTS: CO1, CO2, Cost Sh. & 2 Invoices

Needed for larger vendor equipment and layout.

Original Contract Amount	**$550,000.00**
Revised Contract Amount with this Change Order No. 1	**$556,915.05**

RECOMMENDED: David S. Gattis

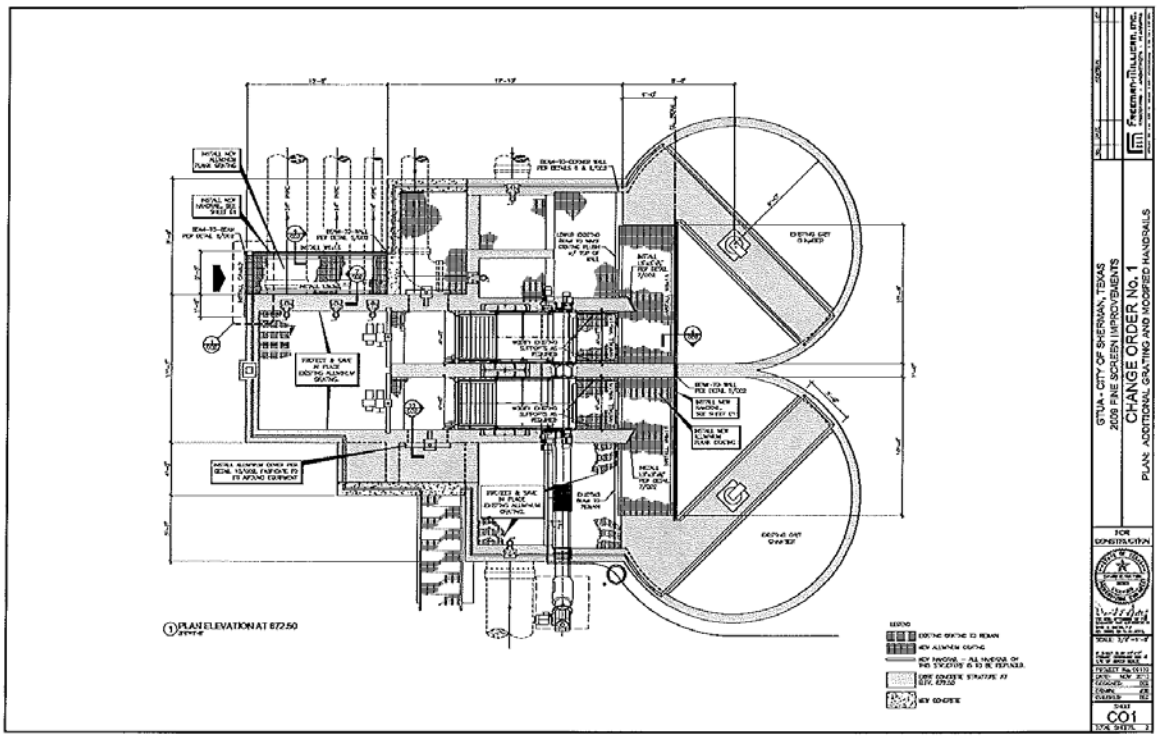
Freeman - Millican, Inc. — July 6, 20011 — Date

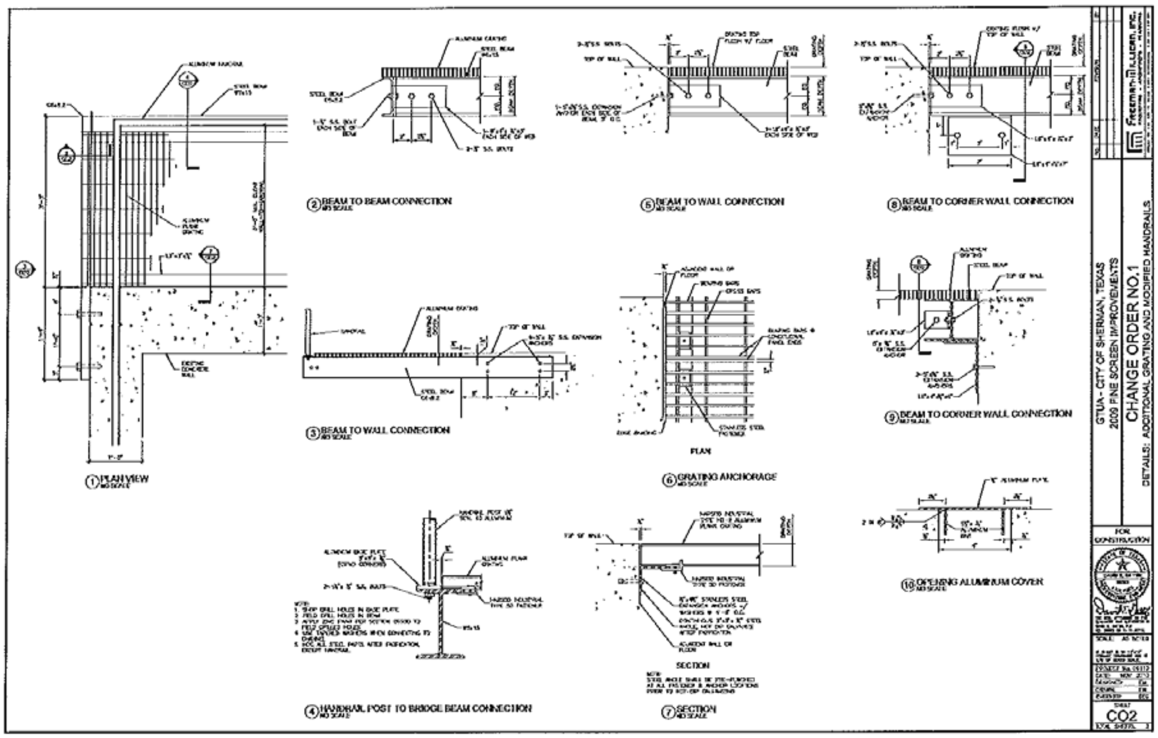
APPROVED: [signature]

Contractor JRSCO, — 07-06-2011 — Date

Owner — Date

Sheet 1 of 4


PLAN ELEVATION AT 672.50
GTUA - CITY OF SHERMAN, TEXAS
2009 FINE SCREEN IMPROVEMENTS
CHANGE ORDER No. 1
PLAN: ADDITIONAL GRATING AND MODIFIED HANDRAILS
CO1



PLAN VIEW
NO SCALE
BEAM TO BEAM CONNECTION
NO SCALE
BEAM TO WALL CONNECTION
NO SCALE
BEAM TO CORNER WALL CONNECTION
NO SCALE
BEAM TO WALL CONNECTION
NO SCALE
PLAN
GRATING ANCHORAGE
NO SCALE
BEAM TO CORNER WALL CONNECTION
NO SCALE
HANDRAIL POST TO BRIDGE BEAM CONNECTION
NO SCALE
SECTION
SECTION
NO SCALE
OPENING ALUMINUM COVER
NO SCALE
GTUA - CITY OF SHERMAN, TEXAS
2009 FINE SCREEN IMPROVEMENTS
CHANGE ORDER NO.1
DETAILS: ADDITIONAL GRATING AND MODIFIED HANDRAILS
FOR CONSTRUCTION
SHEET
CO2

FAX 214 503 1148

David: COST SH.

The additional grating for the fine screen structure is as follows:

Grating and structural	$2,325.00	2325.00
Grating and structural	~~$5,081.25~~ (LESS $1591.20)	= 3490.05
Labor (2 days @ 550.00)	$1,100.00	1100.00
Total, Labor and material	$8,506.25	6915.05
~~Overhead and profit @ 15%~~	~~$1,275.00~~	
Total, additional grating cost	~~$9,781.25~~	6915.05

ALAN Uptergrove

J. R. SHELDON & Co, Inc.

2 OF 4

HYDRO PRODUCTS, INC.
Custom Built Water Control Products
P.O. Box 55
YALE, OKLAHOMA 74085

(918) 387-2039

2423

DATE	ORDER NO.
1/31/2011	by ALAN UPTERGROVE

SHIP TO
PROJECT: SHERMAN TX
WASTEWATER TREATMENT PLANT

TO JR SHELDON CO
PO BOX 2069
PILOT POINT TX 76258

SALESPERSON	DATE SHIPPED	SHIPPED VIA	F.O.B. POINT	TERMS
CHARLES	1/31/2011	CUSTOMER	YALE	NET 30 DAYS

QUANTITY	DESCRIPTION	UNIT PRICE		TOTAL
	CHANGE ORDER ITEMS			
1 LOT	ALUMINUM PLANK GRATING AS LISTED	825.00	LOT	825.00
	2 PC 36"x36" HD ALUM PLANK GRATING BANDED			
	2 PC 30"x36" HD ALUM PLANK GRATING BANDED			
1 LOT	ALUMINUM CHANNEL, ANGLE and BEAM AS LISTED	1500.00	LOT	1500.00
	1 PC ALUM C10x5.28 x 72" LONG			
	1 PC ALUM 3"x3"x¼" ANGLE x 128" LONG			
	1 PC ALUM C10x5.28 x 128" LONG FABRICATED			
	1 PC ALUM 8" H BEAM x 7.02# x 127½" LONG			
	1 PC ALUM 8" H BEAM x 7.02# x 125 3/4" LONG			
	1 LOT ALUM 8" H BEAM x 7.02# WALL SUPPORTS			
	SUB-TOTAL			2325.00
	SALES TAX EXEMPT - OUT OF STATE SALE			0
	TOTAL THIS INVOICE			2325.00

Cantilever Catwalk

Thank You!

3 OF 4

law

HYDRO PRODUCTS, INC.
Custom Built Water Control Products
P.O. Box 55
YALE, OKLAHOMA 74085

(918) 387-2039

2437

DATE: 3/8/2011
ORDER NO.: ALAN

TO: JR SHELDON CO
PO BOX 2069
PILOT POINT TX 76258

SHIP TO: PROJECT: SHERMAN, TEXAS
WASTEWATER TREATMENT PLANT

SALESPERSON	DATE SHIPPED	SHIPPED VIA	F.O.B. POINT	TERMS
CHARLES	3/7&8/2011	HYDRO	YALE	NET 30 DAYS

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
1 LOT	FABRICATED 1 1/4" ALUMINUM PLANK BANDED	3981.25LOT	3981.25
TAKE OUT	~~1 PC 10'6"x30"~~ (26.25 ft) 853.65		
	~~3 PC 4'8"x42"~~ (48.93 ft) 1591.20		
	~~3 PC 4'6"x42"~~ (47.25 ft) 1536.37		
1 LOT	MISC. STRUCTURAL ALUMINUM FOR SUPPORTS	850.00LOT	850.00
	SUB-TOTAL		4831.25
	SALES TAX EXEMPT - OUT OF STATE SALE		0
	DELIVERY CHARGE		250.00
	TOTAL THIS INVOICE		5081.25
	122.43 ft = $32.52/SQ FT		

Thank You!

4 OF 4 ✓

CONTRACTOR'S CERTIFICATION AND GUARANTEE

Date: July 7, 2011

Project: SHERMAN HIGHWAY 75 NORTH SEWER CONTRACT "A"

Owner: Greater Texoma Utility Authority/City of Sherman

Contractor: LYNN VESSELS CONSTRUCTION, LLC

Date of Contract: February 15, 2010

Date of Project Completion: June 15, 2011

Final Contract Amount: $788,962.47

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

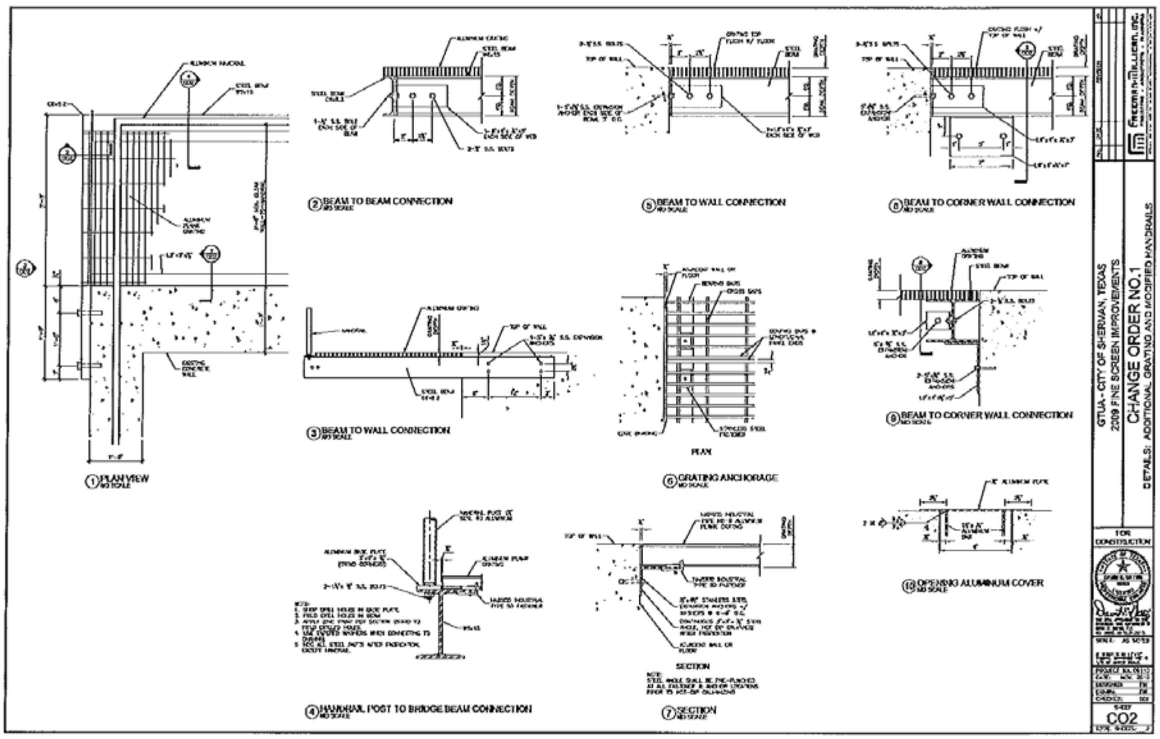
The CONTRACTOR shall guarantee all materials and equipment furnished and WORK performed for a period of two (2) years from the date of completion as evidenced by the Engineer's Final Certificate. The CONTRACTOR warrants and guarantees for a period of two (2) years from the date of completion that all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

Contractor: _LYNN VESSELS CONSTRUCTION, LLC_

By: Lynn Vessels

Date: 7-7-2011

Attest: Kenla W. Vessels



1 PLAN VIEW
NO SCALE
2 BEAM TO BEAM CONNECTION
NO SCALE
3 BEAM TO WALL CONNECTION
NO SCALE
4 HANDRAIL POST TO BRIDGE BEAM CONNECTION
NO SCALE
5 BEAM TO WALL CONNECTION
NO SCALE
6 GRATING ANCHORAGE
NO SCALE
PLAN
7 SECTION
NO SCALE
SECTION
8 BEAM TO CORNER WALL CONNECTION
NO SCALE
9 BEAM TO CORNER WALL CONNECTION
NO SCALE
10 OPENING ALUMINUM COVER
NO SCALE
GTUA - CITY OF SHERMAN, TEXAS
2009 FINE SCREEN IMPROVEMENTS
CHANGE ORDER NO.1
DETAILS: ADDITIONAL GRATING AND MODIFIED HANDRAILS
FOR CONSTRUCTION
CO2

FW: Sherman Highway 75 North Sewer - Contract "A"

From:	David Gattis <dgattis@fml-dallas.com>
To:	Lynn Vessels
Subject:	FW: Sherman Highway 75 North Sewer - Contract "A"
Date:	Jul 7, 2011 4:39 PM

Need you to sign the below letter and mail the original to to GTUA. Email me a copy.
Mr. Jerry Chapman,

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

Thank you,

Lynn Vessels
Lynn Vessels Construction, LLC
903-893-4300

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. D.2

**** CHANGE ORDER NO. 1***

Sherman Highway 75 North Sewer Contract "A"; Lynn Vessels Construction, LLC.; $25,474.56 Decrease

Issue

Change Order No. 1 is a final reconciliatory Change Order to adjust final project quantities for the Sherman Highway 75 North Sewer Contract "A".

Background

Contract "A" of the Sherman Highway 75 North Sewer Project has been completed. This project was funded through debt issued by Greater Texoma Utility Authority on the City's behalf. The majority of the cost decrease was due to the elimination of grade stabilization that was not required.

Origination

Department of Utility Services
Greater Texoma Utility Authority

Financial Consideration

The change order results in a $25,474.56 decrease in the original contract amount of $814,437.03, yielding a final contract price of $788,962.47.

Staff Recommendation

It is recommended that Change Order No. 1 be approved.

Alternatives

As may be recommended by the City Council

Attachments

Change Order No. 1
Project Location Map

Prepared by:
Mark Gibson, Dir. of Engineering and Public Works

Approved by:
George Olson, City Manager

CHANGE ORDER NO. 1

PROJECT : SHERMAN HIGHWAY 75 NORTH SEWER CONTRACT "A"

OWNER : GREATER TEXOMA UTILITY AUTHORITY

CONTRACTOR: LYNN VESSELS CONSTRUCTION, LLC

ENGINEER : Freeman - Millican, Inc., Dallas, Texas

DATE : July 7, 2011

TO THE CONTRACTOR:

You are hereby authorized, subject to the Contract provisions, to make the changes as outlined in this change order No. 1 all in accordance with the plans and specifications.

P.25 - 64 additional vertical feet 24" diameter concrete pier at $59.61 per foot.	$3,815.04
P.32 - 420 square yards of stabilize finished grade with slope exceeding 20% (creek banks) not used at $63.28 per square yard.	($26,577.60)
P.33 - 100 cubic yards of crushed stone trench foundation not used at $27.12 per cubic yard.	($2,712.00)
Net decrease in contract amount	($25,474.56)

ATTACHMENT: Final Pay Application #11

Needed to reconcile final quantities provided in project.

Original Contract Amount **$814,437.03**

Revised Contract Amount with this Change Order No. 1 **$788,962.47**

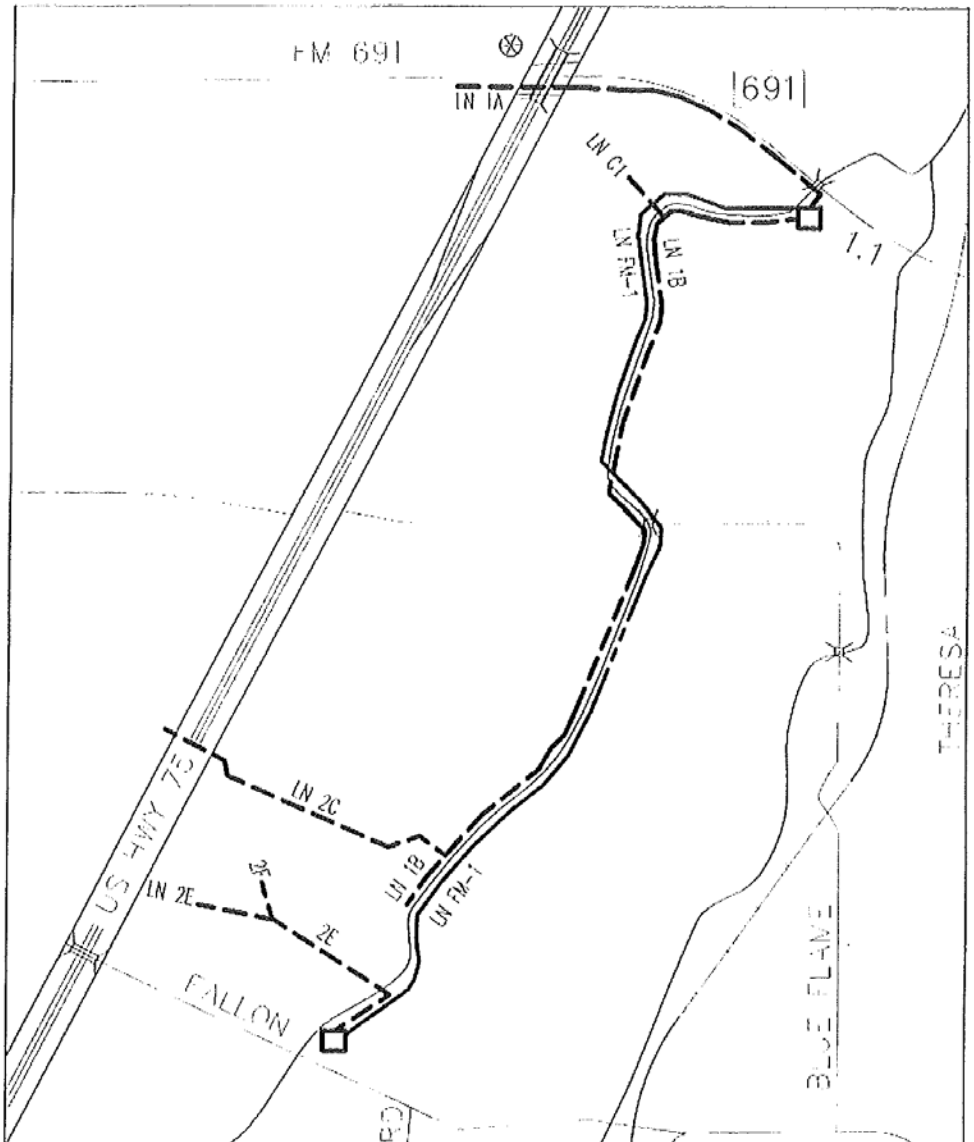
RECOMMENDED: David E. Gattis

Freeman - Millican, Inc. — July 7, 20011. Date

APPROVED: [signature]

Contractor — 7-7-2011 Date

Owner — Date



City of Sherman, Texas

Highway 75 North Sewer Contract "A"

PROJECT LOCATION MAP

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. D.3

OTHER BUSINESS
Review 2011-2012 Draft Budget

Issue
Reviewing the draft budget for the 2011-2012 fiscal year

Background
The City Charter requires that a draft budget be submitted to the Council at least 50 days prior to the start of the new fiscal year. This draft budget reflects the direction given by the Council at the recent budget workshop held during June 17, 2011 and is focused on continuing to provide essential services. The budget contains $57.1 million in appropriations, which is nearly identical to the prior year's original budget of $57.2 million. In accordance with the discussions at the budget workshop, the draft budget maintains the property tax rate at $.32/$100 and provides for increases in water/sewer rates of about 4%. More detailed information is available on the attachments.

Origination
Assistant City Manager/Chief Financial Officer

Financial Consideration
The proposed draft budget contains appropriations of $57.1 million for the 2011-2012 fiscal year.

Staff Recommendation
The staff recommends that the budget ordinance be prepared using the draft budget as presented herein. If the draft meets with the Council's approval, the staff will present the budget ordinance at the August 1, 2011 meeting of the City Council.

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

Attachments
Summary budget text; summary budget schedule; individual fund statements; bonded debt summary; property tax historical summary

Prepared by:
Robby Hefton, Assistant City Manager/CFO

Approved by:
George Olson, City Manager

DRAFT BUDGET FOR THE CITY OF SHERMAN
FOR FISCAL YEAR 2011-2012
July 18, 2011

SUMMARY:

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

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

Appropriations for 2011-2012 total about $57.1 million, of which $2.4 million is earmarked for capital spending. This total is about the same as the $57.2 million in the original 2010-2011 budget.

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

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

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

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

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

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

DETAILED INFORMATION:

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

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

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

SUMMARY SCHEDULES, DETAILED FUND STATEMENTS, AND OTHER INFORMATION

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

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

	General Fund	Enterprise Funds	Internal Service Funds	Special Revenue Funds	Capital Improvement Funds	Trust Fund	Debt Service Funds	Elim. Interfund Transfers	Totals
Beginning Fund Balance	$ 5,584,168	$ 5,784,730	$ 528,798	$ 471,757	$ 2,876,435	$ 1,289,144	$ 503,379	$ 74,118	$ 17,112,529
Receipts:									
Taxes	21,090,500	-	-	495,000	-	-	1,561,500	-	23,147,000
Water Sales	-	11,090,000	-	-	-	-	-	-	11,090,000
Sewer Sales	-	6,416,000	-	-	-	-	-	-	6,416,000
Solid Waste Sales	-	5,586,850	-	-	-	-	-	-	5,586,850
Other Fees for Services	3,709,390	647,000	7,191,479	914,000	118,000	-	-	(6,350,979)	6,228,890
Interest	70,000	17,400	2,100	1,625	30,450	70,000	1,100	-	192,675
Other	232,220	874,095	40,081	185,100	166,500	15,000	-	-	1,512,996
Transfers In	3,206,500	1,167,500	1,069,615	-	90,393	-	565,000	(6,099,008)	-
Total Receipts	28,308,610	25,798,845	8,303,275	1,595,725	405,343	85,000	2,127,600	(12,449,987)	54,174,411
Expenditures/Expenses:									
Personnel	20,214,727	5,894,740	973,883	136,590	-	-	-	-	27,219,940
Supplies	1,162,481	1,107,693	1,039,709	569,250	-	-	-	-	3,879,133
Maintenance	993,289	1,677,447	882,450	140,350	-	-	-	-	3,693,536
Utilities	1,354,900	2,799,400	74,000	49,800	-	-	-	-	4,278,100
Contract Wages	202,420	66,080	6,500	-	-	-	-	-	275,000
Computer Services	496,790	88,090	11,250	-	-	-	-	(596,130)	-
Debt Service	69,263	5,841,567	267,844	-	-	-	2,113,901		8,292,575
Contractual Services	1,545,829	3,305,748	4,364,102	434,350	-	-	-	(3,291,870)	6,358,159
Vehicle Usage	1,291,020	1,171,959	-	890	-	-	-	(2,462,979)	890
Capital Expenses	151,068	21,500	756,468	17,000	1,480,000	-	-	-	2,426,036
Other	-	330,107	-	354,911	-	-	-	-	685,018
Transfers Out	569,711	4,536,267	-	128,200	850,000	-	14,830	(6,099,008)	-
Total Expenditures/Expenses	28,051,498	26,840,598	8,376,206	1,831,341	2,330,000	-	2,128,731	(12,449,987)	57,108,387
Ending Fund Balance	$ 5,841,280	$ 4,742,977	$ 455,867	$ 236,141	$ 951,778	$ 1,374,144	$ 502,248	$ 74,118	$ 14,178,553

General Fund
Summary of Revenues & Expenditures (Budget Basis)

	Actual 2009-2010	Adjusted Budget 2010-2011	Projected 2010-2011	Requested 2011-2012
Beginning Fund Balance	$ 5,399,709	$ 3,908,199	$ 5,044,396	$ 5,473,908
Revenues				
Property Taxes	6,184,599	6,733,500	6,727,540	6,041,500
Sales Taxes	11,248,428	11,260,000	11,420,000	11,727,000
Franchise Taxes	3,296,355	3,191,000	3,199,000	3,195,000
Other Taxes	123,489	137,000	127,000	127,000
Fines & Forfeitures	785,704	877,700	1,013,800	1,053,700
Recreation	255,346	297,400	276,250	275,000
Permits & Licenses	293,550	155,045	220,750	227,500
Rentals	80,636	70,950	71,300	70,650
Cemetery Sales and Services	125,693	241,000	191,700	190,200
Sales & Services	333,294	478,860	480,900	492,340
Ambulance Services	1,418,114	1,300,000	1,384,000	1,400,000
Interest	102,264	65,000	69,000	70,000
Grants and Miscellaneous	497,842	342,710	532,000	193,600
Total Revenues	24,745,314	25,150,165	25,713,240	25,063,490
Transfers In	2,799,000	3,138,066	3,138,066	3,206,500
Total Receipts	27,544,314	28,288,231	28,851,306	28,269,990
Total Funds Available	32,944,023	32,196,430	33,895,702	33,743,898
Expenditures				
Personnel	20,378,036	20,577,585	20,679,381	20,214,727
Supplies	1,097,147	1,462,254	1,496,315	1,162,481
Maintenance	796,755	1,092,397	1,038,157	993,289
Utilities	1,532,331	1,420,200	1,370,100	1,354,900
Contract Wages	285,710	312,330	294,615	202,420
Computer Services	502,869	556,700	568,180	496,790
Debt Service	259,267	69,262	69,262	69,263
Contractual and Sundry Services	1,366,204	1,493,879	1,498,537	1,403,779
Vehicle Usage	1,081,870	1,060,430	1,179,136	1,291,020
Equipment and Buildings	178,375	33,000	113,000	151,068
Transfer Out to Debt Service Fund	210,000	-	-	75,563
Transfer Out to Fleet Fund	211,063	15,111	115,111	494,148
Total Expenditures	27,899,627	28,093,149	28,421,794	27,909,448
Excess Receipts over Expenditures	(355,313)	195,082	429,512	360,542
Ending Fund Balance	$ 5,044,396	$ 4,103,281	$ 5,473,908	$ 5,834,450

Utility Fund
Summary of Revenues & Expenses (Budget Basis)

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

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

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

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

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

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

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

Public Charities Fund
Summary of Receipts & Expenditures

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

Land Transaction Fund
Summary of Receipts & Expenditures

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

Street Revolving Fund
Summary of Receipts & Expenditures

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

TIF #2 Construction Fund
Summary of Receipts & Expenditures

	Actual 2009-2010	Projected 2010-2011	Requested 2011-2012
Beginning Fund Balance	$ 511,102	$ 528,241	$ 489,241
Receipts			
Transfer from TIF Debt Service	70,000	10,000	14,830
Property Tax	-	-	60,000
Transfer from General Fund	-	-	75,563
Interest	871	1,000	500
Total Receipts	70,871	11,000	150,893
Total Funds Available	581,973	539,241	640,134
Expenditures			
Improvements	53,732	50,000	50,000
Transfer to 2009 CO Debt Service	-	-	450,000
Total Expenditures	53,732	50,000	500,000
Ending Fund Balance	$ 528,241	$ 489,241	$ 140,134

TIF #3 Construction Fund
Summary of Receipts & Expenditures

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

Auditorium Debt Service Fund
Summary of Receipts & Expenditures

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

TIF #1 Debt Service Fund
Summary of Receipts & Expenditures

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

TIF #2 Debt Service Fund
Summary of Receipts & Expenditures

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

2008 CO Debt Service Fund
Summary of Receipts & Expenditures

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

2009 CO Debt Service Fund
Summary of Receipts & Expenditures

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

2009A CO Bond Debt Service
Summary of Receipts & Expenditures

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

2009 Tax Notes Debt Service
Summary of Receipts & Expenditures

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

Police Programs Fund
Summary of Receipts & Expenditures

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

Parks Pride Fund
Summary of Receipts & Expenditures

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

Police Pride Fund
Summary of Receipts & Expenditures

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

Donations Fund
Summary of Receipts & Expenditures

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

Hotel/Motel Tax Fund
Summary of Receipts & Expenditures

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

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

Drug Enforcement Fund
Summary of Receipts & Expenditures

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

Municipal Airport Fund
Summary of Receipts & Expenditures

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

Insurance Fund
Summary of Receipts & Expenditures

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

Computer Service Fund
Summary of Receipts & Expenditures

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

Equipment Service Fund
Summary of Receipts & Expenditures

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

Fleet Replacement Fund
Summary of Receipts & Expenditures

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

Water Customer Deposits
Summary of Receipts and Expenses

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

Water & Sewer Pro Rata Fund
Summary of Receipts and Expenses

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

TRANSFERS SCHEDULE

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

City of Sherman, Texas

Bonded Debt as of 7/31/11

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

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

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

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

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

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

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

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

City of Sherman, Texas

Bonded Debt as of 7/31/11

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

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

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

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

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

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

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

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

City of Sherman, Texas

Bonded Debt as of 7/31/11

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

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

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

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

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

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

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

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

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

City of Sherman, Texas

Bonded Debt as of 7/31/11

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

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

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City of Sherman

Property Tax Historical Summary

Fiscal Year		Estimated Taxable Value (in 000)		Tax Levy (in 000)		Total Collections (in 000)		Property Tax Rate (per $100)
2003	$	1,474,063	$	5,896	$	5,846	$	0.40
2004	$	1,514,256	$	6,057	$	5,921	$	0.40
2005	$	1,557,228	$	6,229	$	6,258	$	0.40
2006	$	1,767,235	$	7,069	$	6,802	$	0.40
2007	$	1,894,959	$	7,580	$	7,283	$	0.40
2008	$	1,994,144	$	7,921	$	7,491	$	0.40
2009	$	2,070,926	$	6,627	$	6,478	$	0.32
2010	$	2,226,215	$	7,124	$	7,020	$	0.32
2011(est)	$	2,220,000	$	7,104	$	6,915	$	0.32

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. D.4

CITIZEN REQUESTS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. D.5

MEDIA QUESTIONS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. D.6

COUNCIL COMMENTS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. D.7

ADJOURNMENT

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 7-18-2011

Subject: Agenda Item No. N/A

COUNCIL CALENDAR

2011

CITY COUNCIL MEETINGS

JANUARY

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

FEBRUARY

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

MARCH

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

APRIL

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

MAY

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

JUNE

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

JULY

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

AUGUST

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

SEPTEMBER

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

OCTOBER

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

NOVEMBER

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

DECEMBER

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

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

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