CITY OF SHERMAN
CITY COUNCIL CALLED MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
WEDNESDAY, JULY 5, 2023
5:00 P.M.

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

A. 2. PLEDGE OF ALLEGIANCE LED BY DEPUTY MAYOR JOSH STEVENSON

A. 3. INVOCATION BY DEPUTY MAYOR JOSH STEVENSON

Proclamations

B. 1. Parks and Recreation Month - July 2023

Citizen Comments

C. 1. CITIZEN COMMENTS

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

Consent Agenda

D. 1. CONSENT AGENDA

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

Resolutions

E. 1. RESOLUTION NO. 7097

Determining a Public Necessity to Acquire by Eminent Domain Certain Property Interests for Public Use, Including Permanent Water Easement and Temporary Construction Easements for the Construction, Expansion, Access, Repair and Maintenance of Public Water and Other Utility Improvements Consisting of Two Tracts of Land Comprising +/- 3.392 acres (Permanent Water Easement) and a +/- 3.762 acres for a Temporary Construction Easement owned by Sherman Ventures, LLC Recorded Under Document No. 2019-29426 of the Official Public Records of Grayson County, Texas, Within the Thomas Jones Survey, Abstract No. 635, Extraterritorial Jurisdiction of the City of Sherman, Grayson County, Texas, as Deemed Necessary by the City Manager or His Designee; Giving Notice of an Official Determination to Acquire the Permanent Water Easement and Temporary Construction Easement for Public Use by Eminent Domain for Such Uses; Authorizing the City Manager of the City of Sherman, Texas, to Establish Procedures for Acquiring the Easements, Offering to Acquire the Easements, Voluntarily, from the Landowner Through the Making of Bona Fide Offers; Appropriating Funds; Providing for Repealing, Savings and Severability Clauses; and Providing for an Effective Date

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

E. 2. **RESOLUTION NO. 7098**

Determining a Public Necessity to Acquire by Eminent Domain Certain Property Interests for Public Use, Including Permanent Water Easement and Temporary Construction Easements for the Construction, Expansion, Access, Repair and Maintenance of Public Water and Other Utility Improvements Consisting of Two Tracts of Land Comprising +/- 1.454 acres (Permanent Water Easement) and +/- 1.699 acres for a Temporary Construction Easement owned by 6401 Skillman I, Ltd, as Described in the Special Cash Warranty Deed, in Volume 4008, Page 808 of the Deed Records of Grayson County, Texas, Within the William Martin Survey, Abstract No. 765, City of Sherman, Grayson County, Texas, as Deemed Necessary by the City Manager or His Designee; Giving Notice of an Official Determination to Acquire the Permanent Water Easement and Temporary Construction Easement for Public Use by Eminent Domain for Such Uses; Authorizing the City Manager of the City of Sherman, Texas, to Establish Procedures for Acquiring the Easements, Offering to Acquire the Easements, Voluntarily, from the Landowner Through the Making of Bona Fide Offers; Appropriating Funds; Providing for Repealing, Savings and Severability Clauses; and Providing for an Effective Date

E. 3. **RESOLUTION NO. 7099**

Determining a Public Necessity to Acquire by Eminent Domain Certain Property Interests for Public Use, Including Permanent Water Easement and Temporary Construction Easements for the Construction, Expansion, Access, Repair and Maintenance of Public Water and Other Utility Improvements Consisting of Two Tracts of Land Comprising +/- 2.594 acres (Permanent Water Easement) and a +/- 3.524 acres for a Temporary Construction Easement owned by Ronald A. Schachar and Kathy Schachar, Trustees of the Schachar Family Trust, Recorded Under Document No. 201900024353 of the Official Public Records of Grayson County, Texas, Within the William Martin Survey, Abstract No. 765, City of Sherman, Grayson County, Texas, as Deemed Necessary by the City Manager or His Designee; Giving Notice of an Official Determination to Acquire the Permanent Water Easement and Temporary Construction Easement for Public Use by Eminent Domain for Such Uses; Authorizing the City Manager of the City of Sherman, Texas, to Establish Procedures for Acquiring the Easements, Offering to Acquire the Easements, Voluntarily, from the Landowner Through the Making of Bona Fide Offers; Appropriating Funds; Providing for Repealing, Savings and Severability Clauses; and Providing for an Effective Date

E. 4. ***RESOLUTION NO. 7100***

Awarding a Bid to and Authorizing Execution of a Contract with Nema 3 Electric, Inc. for the Purchase and Installation of Sports Field - Hike & Bike Lighting at Pecan Grove West Athletic Complex

E. 5. **RESOLUTION NO. 7101**

Authorizing Execution of a Contract with Veolia WTS Solutions USA, Inc, a Texas Corporation for EDR Stack Replacements Materials and Services

E. 6. **** RESOLUTION NO. 7102***

Appointing and Authorizing the City Manager to Negotiate an Agreement with FORVIS to Perform the Fiscal Year 2023 Audit

E. 7. **** RESOLUTION NO. 7103***

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 the Modification of a Traffic Signal at the Intersection of FM 1417 and Quail Run Road

Other Business

F. 1. OTHER BUSINESS

Consider Scheduling a Joint Meeting of the City Council and the Sherman Economic Development Corporation Board of Directors for 12:00 p.m. on Tuesday, September 12, 2023, to Review and Approve SEDCO's Annual Budget and Work Plan

G. COUNCIL COMMENTS

Executive Session

H. 1. EXECUTIVE SESSION

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

Tex. Gov't Code § 551.071	Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.
Tex. Gov't Code § 551.072	Deliberating the purchase, exchange, lease or value of real property if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.
Tex. Gov't Code § 551.073	Deliberating a negotiated contract for a prospective gift or donation to the City if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.
Tex. Gov't Code § 551.074	Deliberating the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing.
Tex. Gov't Code § 551.076	Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit.
Tex. Gov't Code § 551.087	Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. (a) Hospital project

Tex. Gov't Code § 551.089	Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices.

The Council reconvenes into General Session

I. 1. OPEN MEETING
Reconvene into Open Meeting and Consider Action, if any, on items discussed in Executive Session

J. ADJOURNMENT

COUNCIL CALENDAR

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Called Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on Friday, June 30, 2023 at 4:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 30th day of June 2023.
City of Sherman, Texas

_____
City Clerk

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

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

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

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

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

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

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

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

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting **B. 1.**

Meeting Date: 07/05/2023

Prepared By: Theresa Hutchinson, Parks & Recreation Manager

Approved By: Robby Hefton, City Manager

Caption:

Parks and Recreation Month - July 2023

Issue:

To present a proclamation designating July 2023 as "Parks and Recreation Month" in Sherman.

Background:

Because parks and recreation is an integral part of communities, the U.S. House of Representatives has designated July as Parks and Recreation Month. Sherman's parks and recreation programs and activities provide our citizens with many activities and advantages, and are a major part of the quality of life in our community.

Origination:

Parks and Recreation Department

Financial Consideration:

There is no financial consideration.

Staff Recommendation:

It is recommended that the City Council present a proclamation designating July 2023 as "Parks and Recreation Month" in Sherman.

Alternatives:

The City Council could choose not to present the proclamation.

Attachments

Parks and Recreation Month Proclamation

Sherman
CLASSIC TOWN. BROAD HORIZON

Proclamation

WHEREAS, parks and recreation is an integral part of communities throughout this country, including Sherman, Texas, and

WHEREAS, our parks and recreation are vitally important to establishing and maintaining the quality of life in our communities, ensuring the health of all citizens, and contributing to the economic and environmental well-being of a community and region, and

WHEREAS, parks and recreation programs build healthy, active communities that aid in the prevention of chronic disease, provide therapeutic recreation services for those who are mentally or physically disabled, and also improve the mental and emotional health of all citizens, and

WHEREAS, parks and recreation programs increase a community's economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction, and

WHEREAS, parks and recreation areas are fundamental to the environmental well-being of our community, and

WHEREAS, parks and natural recreation areas improve water quality, protect groundwater, prevent flooding, improve the quality of the air we breathe, provide vegetative buffers to development, and produce habitat for wildlife, and

WHEREAS, our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors, and

WHEREAS, the U.S. House of Representatives has designated July as Parks and Recreation month, and Sherman, Texas, recognizes the benefits derived from parks and recreation resources.

NOW THEREFORE, I, David Plyler, Mayor of the City of Sherman, Texas, by the authority vested in me, do hereby proclaim July 2023

PARKS AND RECREATION MONTH

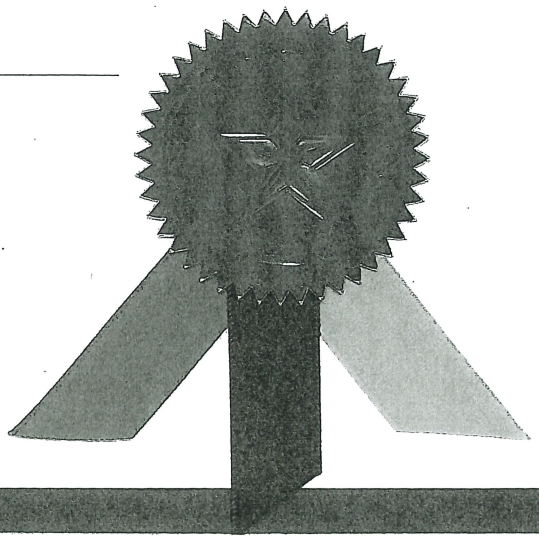
in the City of Sherman and urge all citizens to participate in activities provided by Sherman's Parks and Recreation Department, and to take advantage of the wonderful infrastructure, including parks, hiking trails, athletic courts, The Splash, special events, children's activities, and senior activities, that are offered by the Sherman Parks and Recreation Department.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Sherman to be affixed, this the 5th day of July, 2023.

Mayor

ATTEST:

Linda Ashby
City Clerk



SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting **D. 1.**

Meeting Date: 07/05/2023

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

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

Issue:

**** RESOLUTION NO. 7102***

E. 6. Appointing and Authorizing the City Manager to Negotiate an Agreement with FORVIS to Perform the Fiscal Year 2023 Audit

E. 7. **** RESOLUTION NO. 7103***

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 the Modification of a Traffic Signal at the Intersection of FM 1417 and Quail Run Road

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SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting **E. 1.**

Meeting Date: 07/05/2023

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7097

Determining a Public Necessity to Acquire by Eminent Domain Certain Property Interests for Public Use, Including Permanent Water Easement and Temporary Construction Easements for the Construction, Expansion, Access, Repair and Maintenance of Public Water and Other Utility Improvements Consisting of Two Tracts of Land Comprising +/- 3.392 acres (Permanent Water Easement) and a +/- 3.762 acres for a Temporary Construction Easement owned by Sherman Ventures, LLC Recorded Under Document No. 2019-29426 of the Official Public Records of Grayson County, Texas, Within the Thomas Jones Survey, Abstract No. 635, Extraterritorial Jurisdiction of the City of Sherman, Grayson County, Texas, as Deemed Necessary by the City Manager or His Designee; Giving Notice of an Official Determination to Acquire the Permanent Water Easement and Temporary Construction Easement for Public Use by Eminent Domain for Such Uses; Authorizing the City Manager of the City of Sherman, Texas, to Establish Procedures for Acquiring the Easements, Offering to Acquire the Easements, Voluntarily, from the Landowner Through the Making of Bona Fide Offers; Appropriating Funds; Providing for Repealing, Savings and Severability Clauses; and Providing for an Effective Date

Issue:

To consider granting authority to negotiate for property rights for public use, including the construction, expansion, access, repair and maintenance of the 36" West Sherman Water Main project, and to complete condemnation proceedings.

Background:

It is the intent of the City to acquire the necessary easements for the purpose of, among other things, the construction, access, repair and maintenance of the public 36-inch West Water Extension Project. The project is over 14 miles long, along the west side of Sherman near FM 691 south to Shepherd Rd. The project includes numerous easements along the alignment shown. In order to keep the land acquisition process on schedule, staff is asking City Council to give authority to the City Manager to make Bona Fide Offers, work toward the voluntary conveyance of the necessary easements and, only if required, to move forward with the eminent domain process. We will work diligently with property owners to ensure eminent domain is only used as a last resort in acquiring any easement for this project.

City Council motion must be made as follows: **"I move that the City Council of the City of Sherman authorize the use of the power of eminent domain to acquire two tracts of land comprising +/- 3.392 acres and a +/- 3.762 acres, as described in Exhibit A to the resolution, for a permanent water**

easement and temporary construction easement."

Origination:
City Manager's Office

Financial Consideration:
Easement acquisition costs, along with costs for appraisals, surveys, maps and photos.

Staff Recommendation:
Staff recommends approval.

Alternatives:
As may be directed by the Council.

Attachments

Resolution No. 7097
Exhibit A
Location Map

RESOLUTION NO. 7097

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DETERMINING A PUBLIC NECESSITY TO ACQUIRE BY EMINENT DOMAIN CERTAIN PROPERTY INTEREST FOR PUBLIC USE, INCLUDING PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR THE CONSTRUCTION, EXPANSION, ACCESS, REPAIR AND MAINTENANCE OF PUBLIC WATER AND OTHER UTILITY IMPROVEMENTS, CONSISTING OF TWO TRACTS OF LAND COMPRISING OF +/-3.392 ACRES (PERMANENT WATER EASEMENT) AND A +/- 3.762 ACRES FOR A TEMPORARY CONSTRUCTION EASEMENT OWNED BY SHERMAN VENTURES, LLC RECORDED UNDER DOCUMENT NO. 2019-29426 OF THE OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS, WITHIN THE THOMAS JONES SURVEY, ABSTRACT NO. 635, EXTRATERRITORIAL JURISDICTION OF THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, AS DEEMED NECESSARY BY THE CITY MANAGER OR HIS DESIGNEE; GIVING NOTICE OF AN OFFICIAL DETERMINATION TO ACQUIRE THE PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR PUBLIC USE BY EMINENT DOMAIN FOR SUCH USES; AUTHORIZING THE CITY MANAGER OF THE CITY OF SHERMAN, TEXAS, TO ESTABLISH PROCEDURES FOR ACQUIRING THE EASEMENTS, OFFERING TO ACQUIRE THE EASEMENTS, VOLUNTARILY, FROM THE LANDOWNER THROUGH THE MAKING OF BONA FIDE OFFERS; APPROPRIATING FUNDS; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") finds that there is a public necessity for the acquisition, by eminent domain, of a Permanent Water Easement and a Temporary Construction Easement, as described and depicted in Exhibit A, attached hereto and incorporated herein for all purposes (collectively, the "Easements"), as deemed necessary by the City Manager or his designee for the Project (hereinafter defined); and

WHEREAS, it is the intent of the City of Sherman, Texas ("Sherman") to acquire the necessary Easements for the purposes of, among other things, the construction, access, repair and maintenance of public wastewater, including the Northwest Southwest Transmission Pipeline Project (collectively, the "Project"); and

WHEREAS, the City Council finds that the description of the Easements to be acquired by eminent domain for the Project complies with Chapter 2206 of the Texas Government Code, as amended ("Chapter 2206"), in that the same provides property owner(s) in and around the area

reasonable notice that the owners' property may be subject to condemnation proceedings during the planning or construction of the Project; and

WHEREAS, the City Council finds that the Project is necessary for public use; and

WHEREAS, it is necessary to establish procedures for determining the establishment and approval of just compensation for the Easements to be acquired by eminent domain for the Project; and

WHEREAS, the City Manager, or his designee ("City Manager"), is authorized to make a bona fide offer, as defined by and in compliance with Section 21.0113 of the Texas Property Code ("Bona Fide Offer"), to acquire the Easements for public use, voluntarily, from the subject landowner prior to moving forward with acquisition by eminent domain; and

WHEREAS, the City Council has investigated and determined that the passage of this Resolution complies with Chapter 2206 and other applicable laws.

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

SECTION 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2: Acquisition of Easements. The City Council hereby determines that there is a public necessity for, and the public welfare and convenience will be served by, the acquisition, by eminent domain, of the Easements, and it is Sherman's intent to acquire the Easements for public use as described and depicted herein, specifically for the purpose of, among other things, the construction, access, repair and maintenance of public wastewater improvements necessary for the Project.

SECTION 3: Authority of City Manager/Bona Fide Offer. The City Manager is hereby authorized to contract, on behalf of the City Council, with professional appraisers for appraisal services and with attorneys for preparation of title opinion(s) needed by Sherman from time to time in connection with the acquisition of the Easements. The City Council hereby ratifies any contracts entered into, prior to the effective date of this Resolution, by the City Manager with professional appraisers for appraisal services and with attorneys for preparation of title opinion(s) needed for the acquisition of the Easements. The City Manager shall first make a Bona Fide Offer to acquire the Easements from the subject landowner, voluntarily. Should the landowner fail to provide the Easements, voluntarily, through said Bona Fide Offer, the City Manager is authorized to move forward with acquiring the Easements by eminent domain.

SECTION 4: Determination of Just Compensation. The City Manager is hereby authorized and directed to examine and rely on independent appraisal reports and other information to make a determination as to the establishment and approval of a fair market value offer and the just compensation for the Easements for the purpose of making the Bona Fide Offer. After such consideration, the City Manager shall establish and approve the amount determined to be just

compensation for acquisition of said Easements and shall have the authority to execute any and all documents necessary to complete the acquisition of same.

SECTION 5: Authority to Make an Offer. Upon establishment and approval by the City Manager of the amount of just compensation for the acquisition of the Easements, the City Manager is authorized to send a written Bona Fide Offer to the landowner of said Easement Property at the full amount determined and established to be just compensation therefore, and to negotiate with said landowner(s) on behalf of Sherman to acquire the Easements voluntarily.

SECTION 6: Authority to Execute Documents. The City Manager is hereby authorized to execute all documents necessary to acquire the Easements needed for the Project, on behalf of Sherman, whether by purchase or eminent domain. The City Council hereby ratifies any documents executed, prior to the effective date of this Resolution, by the City Manager which were necessary for the acquisition of the Easements for the Project.

SECTION 7: Disposal of Improvements. The City Manager is hereby authorized to remove improvements, if any, located on the Easement Property acquired in connection with this Project, should they interfere with the intended use and enjoyment of said Easements.

SECTION 8: Eminent Domain Authorized. Should the City Manager be unable to acquire the Easements, voluntarily, from the landowner(s), through the making of the Bona Fide Offer, the City Manager is authorized to instruct the law firm of Abernathy, Roeder, Boyd & Hullett, P.C., to commence eminent domain proceedings for the acquisition of the Easements for the Project.

SECTION 9: Source of Funds. The amount to be paid, if any, for acquiring the Easements for the Project will be appropriated from any lawful source.

SECTION 10: Savings/Repealing. All provisions of any resolution in conflict with this Resolution are hereby repealed to the extent they are in conflict. Any remaining portion of conflicting resolutions shall remain in full force and effect.

SECTION 11: Severability. Should any section, subsection, sentence, clause or phrase of this Resolution be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Resolution shall remain in full force and effect. The City Council hereby declares that it would have passed this Resolution, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, and phrases be declared unconstitutional or invalid.

SECTION 12: Public Notice. The City Council finds that the meeting at which this Resolution was introduced and passed was open to the public and that public notice of the time, place and purpose of said meeting was given all as required by law.

SECTION 13: Effective Date. This Resolution shall take effect immediately from and after its passage.

INTRODUCED on this the 5th day of July 2023.

ADOPTED on this the 5th day of July 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT "A"

OWNER: SHERMAN VENTURES LLC, A TEXAS LIMITED LIABILITY COMPANY
45' WIDTH PERMANENT WATERLINE EASEMENT
THOMAS JONES SURVEY, ABSTRACT NUMBER 635
CITY OF SHERMAN ETJ, GRAYSON COUNTY, TEXAS

Being a 3.392 acre tract of land situated within the Thomas Jones Survey, Abstract Number 635, Extraterritorial Jurisdiction of the City of Sherman, Grayson County, Texas, being a portion a called 587.056 acre tract of land as described in the Special Warranty Deed with Vendors Lien to Sherman Ventures LLC, a Texas Limited Liability Company under Document No. 2019-29426 of the Official Public Records of Grayson County, Texas. Said 3.392 acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a point on the centerline of O.B. Groner Road, a generally recognized public road, no recording document found, being the northeast corner of a called 202.02 acre tract of land described to Reginald B. Smith in Volume 1147, Page 682 of the Deed Records of Grayson County, Texas, from which a 1/2-inch iron rod found bears NORTH 74 degrees 53 minutes 26 seconds EAST, 479.85 feet;

THENCE SOUTH 14 degrees 23 minutes 36 seconds EAST, with the west line of said called 587.056 acre tract passing at 20.77 feet a 5/8-inch iron rod found, continuing for a total distance of 53.00 feet to the **POINT OF BEGINNING**, having a surface coordinate of N: 7,268,564.25 feet and E: 2,531,113.71 feet;

THENCE the following three (3) calls, through the interior of said called 587.056 acre tract of land:

1. NORTH 74 degrees 32 minutes 42 seconds EAST, 449.81 feet;
2. SOUTH 14 degrees 18 minutes 00 seconds EAST, 2,806.83 feet;
3. NORTH 83 degrees 22 minutes 25 seconds EAST, 30.27 feet to the centerline of said Bradley Road, being the west line of the remainder of a called 190 acre tract described to the Munson Realty Company under Volume 925, Page 261 of said Deed Records;

THENCE SOUTH 14 degrees 18 minutes 00 seconds EAST, 45.41 feet with the centerline of said Bradley Road to a point from which a railroad spike found at the intersection of the centerline of said Bradley Road and Old Dorchester Road, a generally recognized public road, no recording document found, bears SOUTH 14 degrees 18 minutes 00 seconds EAST, 154.00 feet;

THENCE the following three (3) calls, through the interior of said called 587.056 acre tract of land:

1. SOUTH 83 degrees 22 minutes 25 seconds WEST, 75.68 feet;
2. NORTH 14 degrees 18 minutes 00 seconds WEST, 2,800.26 feet;
3. SOUTH 74 degrees 32 minutes 42 seconds WEST, 404.72 feet;

THENCE NORTH 14 degrees 23 minutes 36 seconds WEST, 45.01 feet with the west line of said called 587.056 acre tract of land, being the east line of said called 202.02 acre tract to the **POINT OF BEGINNING**, containing 3.392 acres.

Bowman Consulting Group, Ltd. 1200 West Magnolia Road, Suite 300 Fort Worth, Texas 76104 214-484-8586

TEMPORARY CONSTRUCTION EASEMENT

The above-described permanent waterline easement is also subject to a temporary construction easement as shown on the accompanying survey plat. Said temporary construction easement shall expire as noted in the easement agreement.

NOTES:

1. Bearings are based on the Texas State Plane Coordinate System, North American Datum of 1983 (NAD83), North Central Zone (4202). Coordinates and distances are surface values and can be converted to grid by using the scale factor of 1.00012 (0,0 base point).

2. A plat of same date accompanies this legal description.

3. This survey was performed with the benefit of a title report. There may be easements and/or covenants affecting this property not shown hereon.

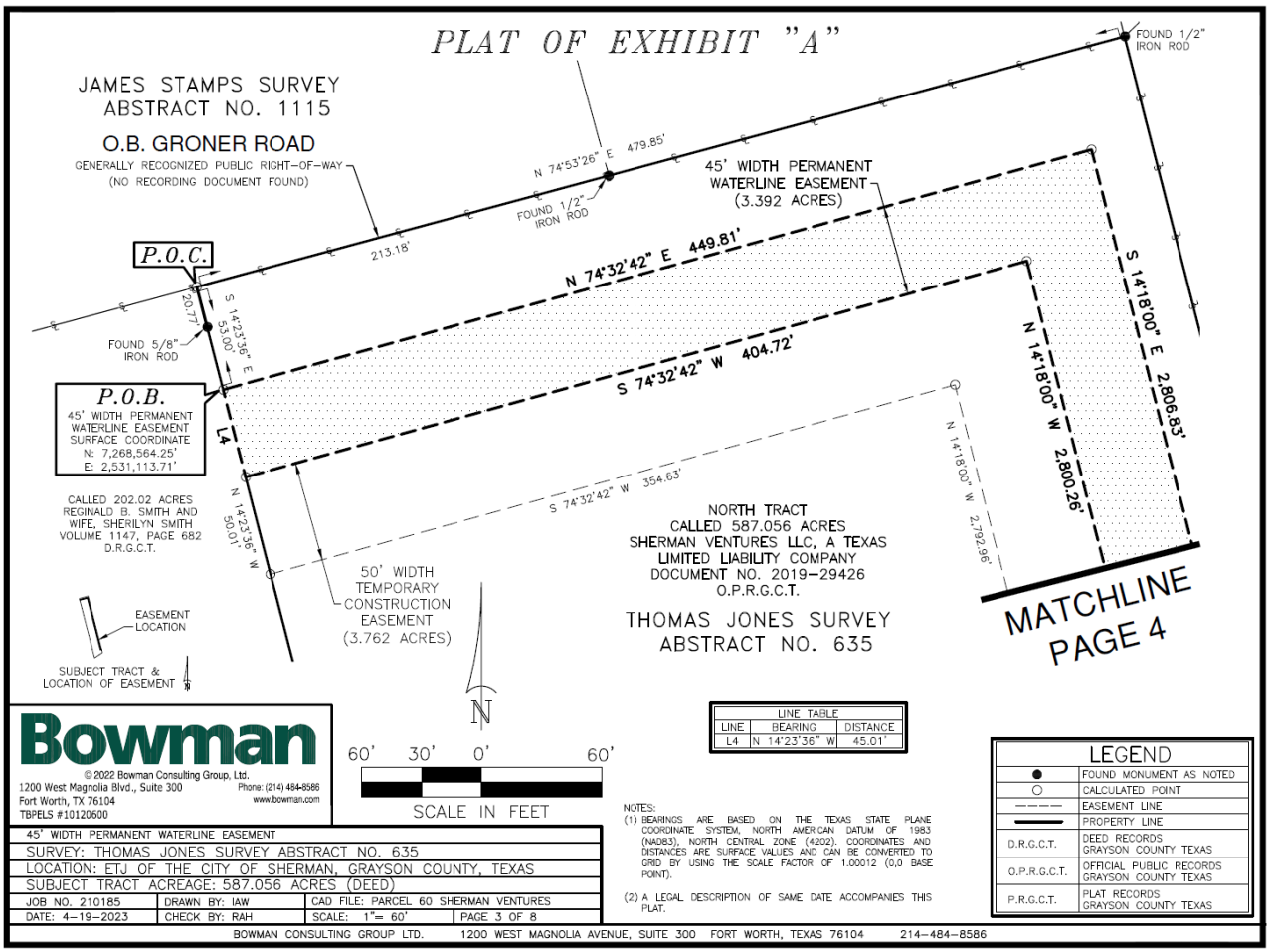
* SURVEYOR'S CERTIFICATE *

TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY STATE THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FROM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUND AND THAT SAME IS TRUE AND CORRECT.

Company Name: **Bowman Consulting Group, Ltd.**

By:_____
Surveyor's Name: Robert A. Hansen
LSLS & Registered Professional Land Surveyor
Texas No. 6439
Date: 2023-04-19
Texas Firm No. 10120600

SUBJECT SURVEYS AND LEGAL DECRIPTIONS



LINE TABLE		
LINE	BEARING	DISTANCE
L4	N 14°23'36" W	45.01'

LEGEND	
●	FOUND MONUMENT AS NOTED
○	CALCULATED POINT
– – – –	EASEMENT LINE
———	PROPERTY LINE
D.R.G.C.T.	DEED RECORDS GRAYSON COUNTY TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS GRAYSON COUNTY TEXAS
P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY TEXAS

NOTES:
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(2) A LEGAL DESCRIPTION OF SAME DATE ACCOMPANIES THIS PLAT.

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TBPELS #10120600
Phone: (214) 484-8586
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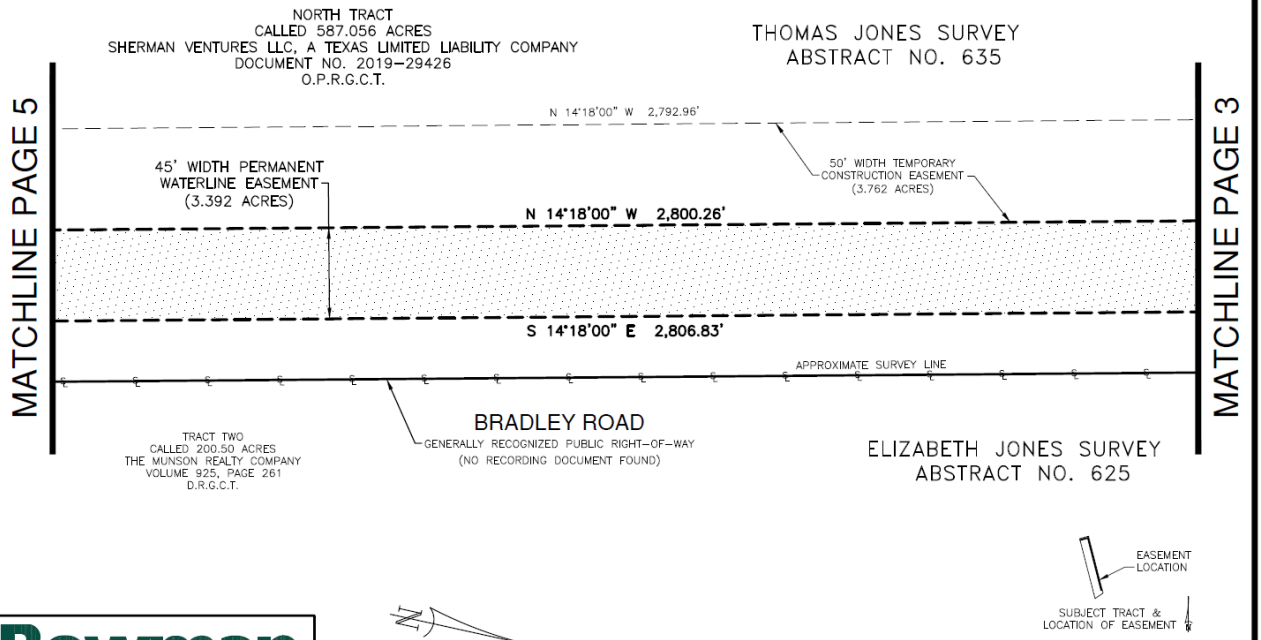
45' WIDTH PERMANENT WATERLINE EASEMENT			
SURVEY: THOMAS JONES SURVEY ABSTRACT NO. 635			
LOCATION: ETJ OF THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS			
SUBJECT TRACT ACREAGE: 587.056 ACRES (DEED)			
JOB NO. 210185	DRAWN BY: IAW	CAD FILE: PARCEL 60 SHERMAN VENTURES	
DATE: 4-19-2023	CHECK BY: RAH	SCALE: 1"= 60'	PAGE 3 OF 8

PLAT OF EXHIBIT "A"



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60' 30' 0' 60'
SCALE IN FEET

LEGEND	
●	FOUND MONUMENT AS NOTED
○	CALCULATED POINT
– – – –	EASEMENT LINE
———	PROPERTY LINE
D.R.G.C.T.	DEED RECORDS GRAYSON COUNTY TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS GRAYSON COUNTY TEXAS
P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY TEXAS

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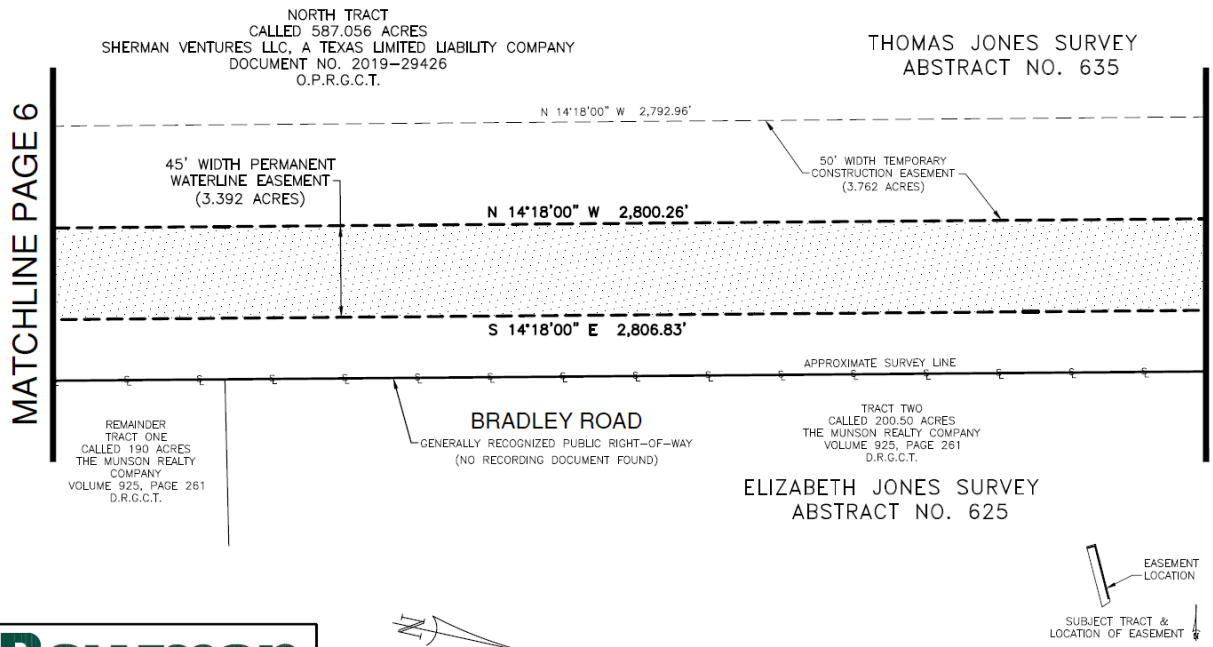

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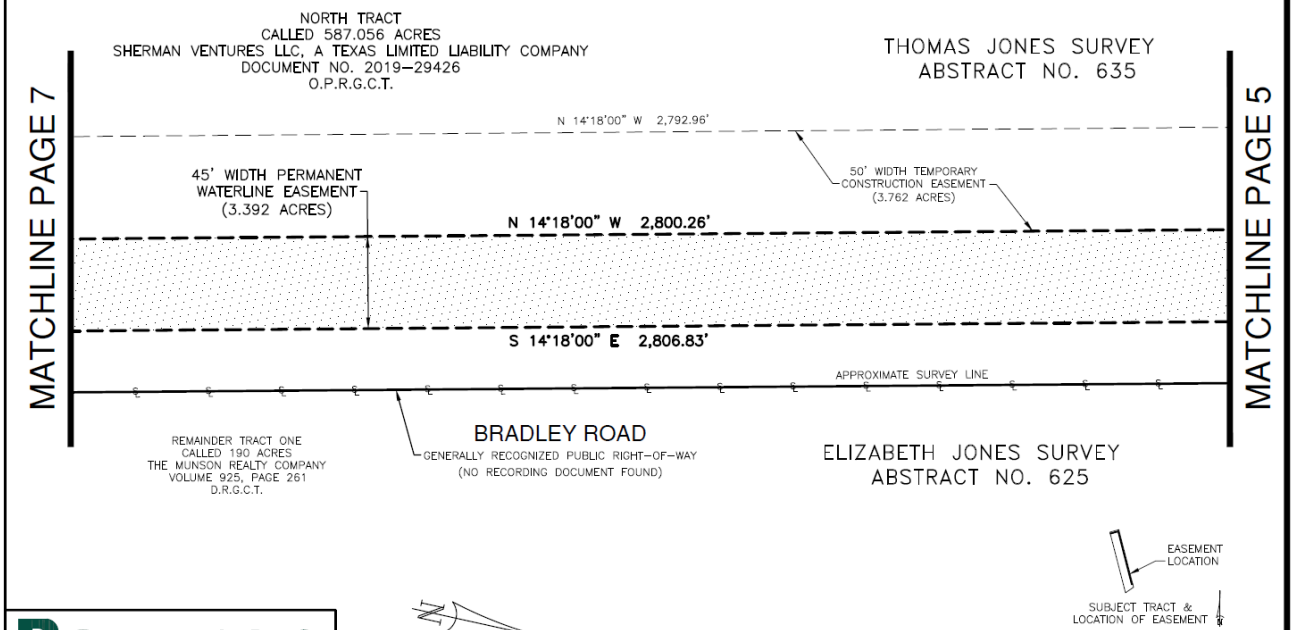
PLAT OF EXHIBIT "A"



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60' 30' 0' 60'

SCALE IN FEET

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DATE: 4-19-2023	CHECK BY: RAH	SCALE: 1"= 60'	PAGE 6 OF 8

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○	CALCULATED POINT
- - - - -	EASEMENT LINE
———	PROPERTY LINE
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O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS GRAYSON COUNTY TEXAS
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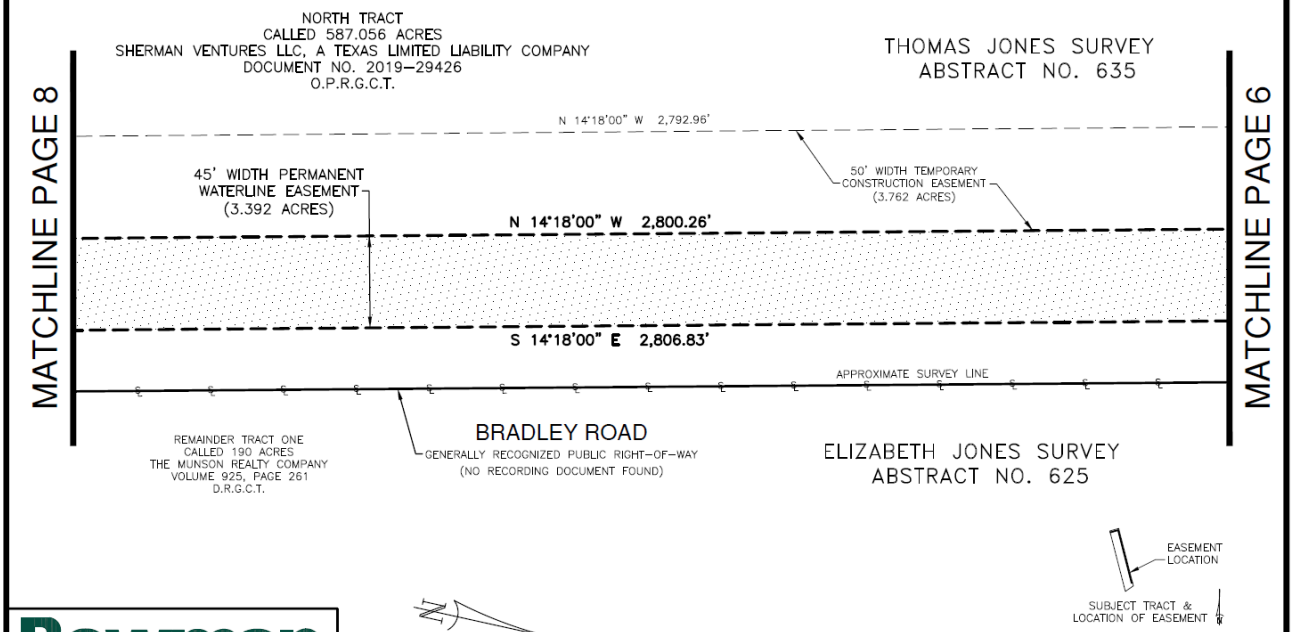
PLAT OF EXHIBIT "A"



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60' 30' 0' 60'
SCALE IN FEET

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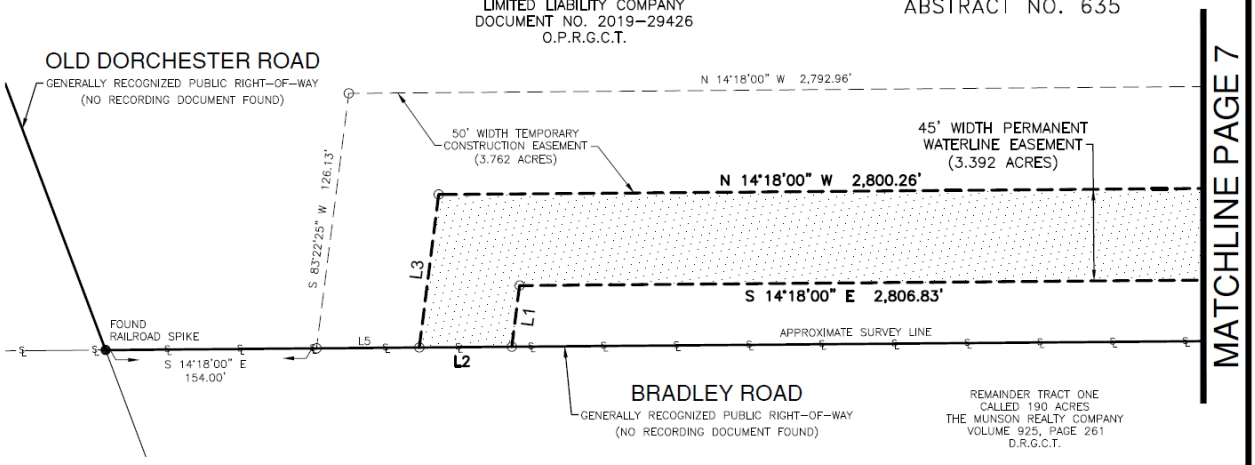
P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY TEXAS

PLAT OF EXHIBIT "A"

NORTH TRACT
CALLED 587.056 ACRES
SHERMAN VENTURES LLC, A TEXAS
LIMITED LIABILITY COMPANY
DOCUMENT NO. 2019-29426
O.P.R.G.C.T.

THOMAS JONES SURVEY
ABSTRACT NO. 635



LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 83°22'25" E	30.27'
L2	S 14°18'00" E	45.41'
L3	S 83°22'25" W	75.68'
L5	S 14°18'00" E	50.45'

LEGEND	
●	FOUND MONUMENT AS NOTED
○	CALCULATED POINT
------	EASEMENT LINE
———	PROPERTY LINE
D.R.G.C.T.	DEED RECORDS GRAYSON COUNTY TEXAS
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STATE OF TEXAS
REGISTERED
ROBERT A. HANSEN
6439
PROFESSIONAL
LAND SURVEYOR

ROBERT A. HANSEN
LSLS & REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6439

Bowman

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45' WIDTH PERMANENT WATERLINE EASEMENT
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LOCATION: ETJ OF THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS
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JOB NO. 210185	DRAWN BY: IAW	CAD FILE: PARCEL 60 SHERMAN VENTURES	
DATE: 4-19-2023	CHECK BY: RAH	SCALE: 1"= 60'	PAGE 8 OF 8

Sherman ENGINEERING DEPT.

Sherman Ventures LLC, North Tract

1" = 500'

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting **E. 2.**

Meeting Date: 07/05/2023

Prepared By: Teri Fine, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7098

Determining a Public Necessity to Acquire by Eminent Domain Certain Property Interests for Public Use, Including Permanent Water Easement and Temporary Construction Easements for the Construction, Expansion, Access, Repair and Maintenance of Public Water and Other Utility Improvements Consisting of Two Tracts of Land Comprising +/- 1.454 acres (Permanent Water Easement) and +/- 1.699 acres for a Temporary Construction Easement owned by 6401 Skillman I, Ltd, as Described in the Special Cash Warranty Deed, in Volume 4008, Page 808 of the Deed Records of Grayson County, Texas, Within the William Martin Survey, Abstract No. 765, City of Sherman, Grayson County, Texas, as Deemed Necessary by the City Manager or His Designee; Giving Notice of an Official Determination to Acquire the Permanent Water Easement and Temporary Construction Easement for Public Use by Eminent Domain for Such Uses; Authorizing the City Manager of the City of Sherman, Texas, to Establish Procedures for Acquiring the Easements, Offering to Acquire the Easements, Voluntarily, from the Landowner Through the Making of Bona Fide Offers; Appropriating Funds; Providing for Repealing, Savings and Severability Clauses; and Providing for an Effective Date

Issue:

To consider granting authority to negotiate for property rights for public use, including the construction, expansion, access, repair and maintenance of the 36" West Sherman Water Main project, and to complete condemnation proceedings.

Background:

It is the intent of the City to acquire the necessary easements for the purpose of, among other things, the construction, access, repair and maintenance of the public 36-inch West Water Extension Project. The project is over 14 miles long, along the west side of Sherman near FM 691 south to Shepherd Rd. The project includes numerous easements along the alignment shown. In order to keep the land acquisition process on schedule, staff is asking City Council to give authority to the City Manager to make Bona Fide Offers, work toward the voluntary conveyance of the necessary easements and, only if required, to move forward with the eminent domain process. We will work diligently with property owners to ensure eminent domain is only used as a last resort in acquiring any easement for this project.

City Council motion must be made as follows: **"I move that the City Council of the City of Sherman authorize the use of the power of eminent domain to acquire two tracts of land comprising +/- 1.454 acres and a +/- 1.699 acres, as described in Exhibit A to the resolution, for a permanent water**

easement and temporary construction easement."

Origination:
City Manager's Office

Financial Consideration:
Easement acquisition costs, along with costs for appraisals, surveys, maps and photos.

Staff Recommendation:
Staff recommends approval.

Alternatives:
As may be directed by the Council.

Attachments

Resolution No. 7098
Exhibit A
Location Map

RESOLUTION NO. 7098

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DETERMINING A PUBLIC NECESSITY TO ACQUIRE BY EMINENT DOMAIN CERTAIN PROPERTY INTEREST FOR PUBLIC USE, INCLUDING PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR THE CONSTRUCTION, EXPANSION, ACCESS, REPAIR AND MAINTENANCE OF PUBLIC WATER AND OTHER UTILITY IMPROVEMENTS, CONSISTING OF TWO TRACTS OF LAND COMPRISING OF +/- 1.454 ACRES (PERMANENT WATER EASEMENT) AND A +/- 1.699 ACRES FOR A TEMPORARY CONSTRUCTION EASEMENT OWNED BY 6401 SKILLMAN I, LTD, AS DESCRIBED IN THE SPECIAL CASH WARRANTY DEED, IN VOLUME 4008, PAGE 808 OF THE DEED RECORDS OF GRAYSON COUNTY, TEXAS, WITHIN THE WILLIAM MARTIN SURVEY, ABSTRACT NO. 765, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, AS DEEMED NECESSARY BY THE CITY MANAGER OR HIS DESIGNEE; GIVING NOTICE OF AN OFFICIAL DETERMINATION TO ACQUIRE THE PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR PUBLIC USE BY EMINENT DOMAIN FOR SUCH USES; AUTHORIZING THE CITY MANAGER OF THE CITY OF SHERMAN, TEXAS, TO ESTABLISH PROCEDURES FOR ACQUIRING THE EASEMENTS, OFFERING TO ACQUIRE THE EASEMENTS, VOLUNTARILY, FROM THE LANDOWNER THROUGH THE MAKING OF BONA FIDE OFFERS; APPROPRIATING FUNDS; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") finds that there is a public necessity for the acquisition, by eminent domain, of a Permanent Water Easement and a Temporary Construction Easement, as described and depicted in Exhibit A, attached hereto and incorporated herein for all purposes (collectively, the "Easements"), as deemed necessary by the City Manager or his designee for the Project (hereinafter defined); and

WHEREAS, it is the intent of the City of Sherman, Texas ("Sherman") to acquire the necessary Easements for the purposes of, among other things, the construction, access, repair and maintenance of public wastewater, including the Northwest Southwest Transmission Pipeline Project (collectively, the "Project"); and

WHEREAS, the City Council finds that the description of the Easements to be acquired by eminent domain for the Project complies with Chapter 2206 of the Texas Government Code, as amended ("Chapter 2206"), in that the same provides property owner(s) in and around the area

reasonable notice that the owners' property may be subject to condemnation proceedings during the planning or construction of the Project; and

WHEREAS, the City Council finds that the Project is necessary for public use; and

WHEREAS, it is necessary to establish procedures for determining the establishment and approval of just compensation for the Easements to be acquired by eminent domain for the Project; and

WHEREAS, the City Manager, or his designee ("City Manager"), is authorized to make a bona fide offer, as defined by and in compliance with Section 21.0113 of the Texas Property Code ("Bona Fide Offer"), to acquire the Easements for public use, voluntarily, from the subject landowner prior to moving forward with acquisition by eminent domain; and

WHEREAS, the City Council has investigated and determined that the passage of this Resolution complies with Chapter 2206 and other applicable laws.

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

SECTION 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2: Acquisition of Easements. The City Council hereby determines that there is a public necessity for, and the public welfare and convenience will be served by, the acquisition, by eminent domain, of the Easements, and it is Sherman's intent to acquire the Easements for public use as described and depicted herein, specifically for the purpose of, among other things, the construction, access, repair and maintenance of public wastewater improvements necessary for the Project.

SECTION 3: Authority of City Manager/Bona Fide Offer. The City Manager is hereby authorized to contract, on behalf of the City Council, with professional appraisers for appraisal services and with attorneys for preparation of title opinion(s) needed by Sherman from time to time in connection with the acquisition of the Easements. The City Council hereby ratifies any contracts entered into, prior to the effective date of this Resolution, by the City Manager with professional appraisers for appraisal services and with attorneys for preparation of title opinion(s) needed for the acquisition of the Easements. The City Manager shall first make a Bona Fide Offer to acquire the Easements from the subject landowner, voluntarily. Should the landowner fail to provide the Easements, voluntarily, through said Bona Fide Offer, the City Manager is authorized to move forward with acquiring the Easements by eminent domain.

SECTION 4: Determination of Just Compensation. The City Manager is hereby authorized and directed to examine and rely on independent appraisal reports and other information to make a determination as to the establishment and approval of a fair market value offer and the just compensation for the Easements for the purpose of making the Bona Fide Offer. After such consideration, the City Manager shall establish and approve the amount determined to be just

compensation for acquisition of said Easements and shall have the authority to execute any and all documents necessary to complete the acquisition of same.

SECTION 5: Authority to Make an Offer. Upon establishment and approval by the City Manager of the amount of just compensation for the acquisition of the Easements, the City Manager is authorized to send a written Bona Fide Offer to the landowner of said Easement Property at the full amount determined and established to be just compensation therefore, and to negotiate with said landowner(s) on behalf of Sherman to acquire the Easements voluntarily.

SECTION 6: Authority to Execute Documents. The City Manager is hereby authorized to execute all documents necessary to acquire the Easements needed for the Project, on behalf of Sherman, whether by purchase or eminent domain. The City Council hereby ratifies any documents executed, prior to the effective date of this Resolution, by the City Manager which were necessary for the acquisition of the Easements for the Project.

SECTION 7: Disposal of Improvements. The City Manager is hereby authorized to remove improvements, if any, located on the Easement Property acquired in connection with this Project, should they interfere with the intended use and enjoyment of said Easements.

SECTION 8: Eminent Domain Authorized. Should the City Manager be unable to acquire the Easements, voluntarily, from the landowner(s), through the making of the Bona Fide Offer, the City Manager is authorized to instruct the law firm of Abernathy, Roeder, Boyd & Hullett, P.C., to commence eminent domain proceedings for the acquisition of the Easements for the Project.

SECTION 9: Source of Funds. The amount to be paid, if any, for acquiring the Easements for the Project will be appropriated from any lawful source.

SECTION 10: Savings/Repealing. All provisions of any resolution in conflict with this Resolution are hereby repealed to the extent they are in conflict. Any remaining portion of conflicting resolutions shall remain in full force and effect.

SECTION 11: Severability. Should any section, subsection, sentence, clause or phrase of this Resolution be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Resolution shall remain in full force and effect. The City Council hereby declares that it would have passed this Resolution, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, and phrases be declared unconstitutional or invalid.

SECTION 12: Public Notice. The City Council finds that the meeting at which this Resolution was introduced and passed was open to the public and that public notice of the time, place and purpose of said meeting was given all as required by law.

SECTION 13: Effective Date. This Resolution shall take effect immediately from and after its passage.

INTRODUCED on this the 5th day of July 2023.

ADOPTED on this the 5th day of July 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT "A"

OWNER: 6401 SKILLMAN I, LTD
VARIABLE WIDTH PERMANENT WATERLINE EASEMENT
WILLIAM MARTIN SURVEY ABSTRACT NO. 765
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS

Being a 1.454 acre tract of land situated within the William Martin Survey Abstract Number 765, City of Sherman, Grayson County, Texas, being a portion of the called 54.785 acre tract of land as described in the Special Cash Warranty Deed to 6401 Skillman I, LTD., in Volume 4008, Page 808 of the Deed Records of Grayson County, Texas. Said 1.478 acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a mag nail with shiner found in Old Dorchester Road, a generally recognized public right of way, no recording document found, being the northwest corner of said called 54.785 acre tract of land;

THENCE NORTH 73 degrees 53 minutes 52 seconds EAST, 265.46 feet with the northwest line of said called 54.785 acre tract of land to the **POINT OF BEGINNING**, having a surface coordinate of N: 7,266,234.51 feet and E: 2,534,766.53 feet;

THENCE NORTH 73 degrees 53 minutes 52 seconds EAST, 45.00 feet with the northwest line of said called 54.785 acre tract of land;

THENCE the following three (3) calls, through the interior of said called 54.785 acre tract of land:

1. SOUTH 16 degrees 06 minutes 39 seconds EAST, 30.00 feet;
2. NORTH 73 degrees 53 minutes 52 seconds EAST, 514.45 feet;
3. NORTH 73 degrees 49 minutes 49 seconds EAST, 816.47 feet to a point on the east line of said called 54.785 acre tract of land, being the west line of a called 125.380 acre tract of land as described in the Warranty Deed to the Schachar Family Trust recorded under Document Number 201900024353 of the Official Public Records of Grayson County, Texas, from which a railroad spike found at the northeast corner of said called 54.785 acre tract of land, being in said Old Dorchester Road bears NORTH 00 degrees 08 minutes 36 seconds EAST, 30.24 feet;

THENCE SOUTH 00 degrees 08 minutes 36 seconds WEST, 47.87 feet with the east line of said called 54.785 acre tract of land, being the west line of said called 125.380 acre tract of land;

THENCE the following two (2) calls, crossing said called 54.785 acre tract of land;

1. SOUTH 73 degrees 53 minutes 52 seconds WEST, 1,362.52 feet;
2. NORTH 16 degrees 06 minutes 39 seconds WEST, 75.00 feet to the **POINT OF BEGINNING**, containing 1.454 acres.

Bowman Consulting Group, Ltd. 1200 West Magnolia Road, Suite 300 Fort Worth, Texas 76104 214-484-8586

TEMPORARY CONSTRUCTION EASEMENT

The above-described permanent waterline easement is also subject to a temporary construction easement as shown on the accompanying survey plat. Said temporary construction easement shall expire as noted in the easement agreement.

NOTES:

1. Bearings are based on the Texas State Plane Coordinate System, North American Datum of 1983 (NAD83), North Central Zone (4202). Coordinates and distances are surface values and can be converted to grid by using the scale factor of 1.00012 (0,0 base point).

2. A plat of same date accompanies this legal description.

3. This survey was performed with the benefit of a title report. There may be easements and/or covenants affecting this property not shown hereon.

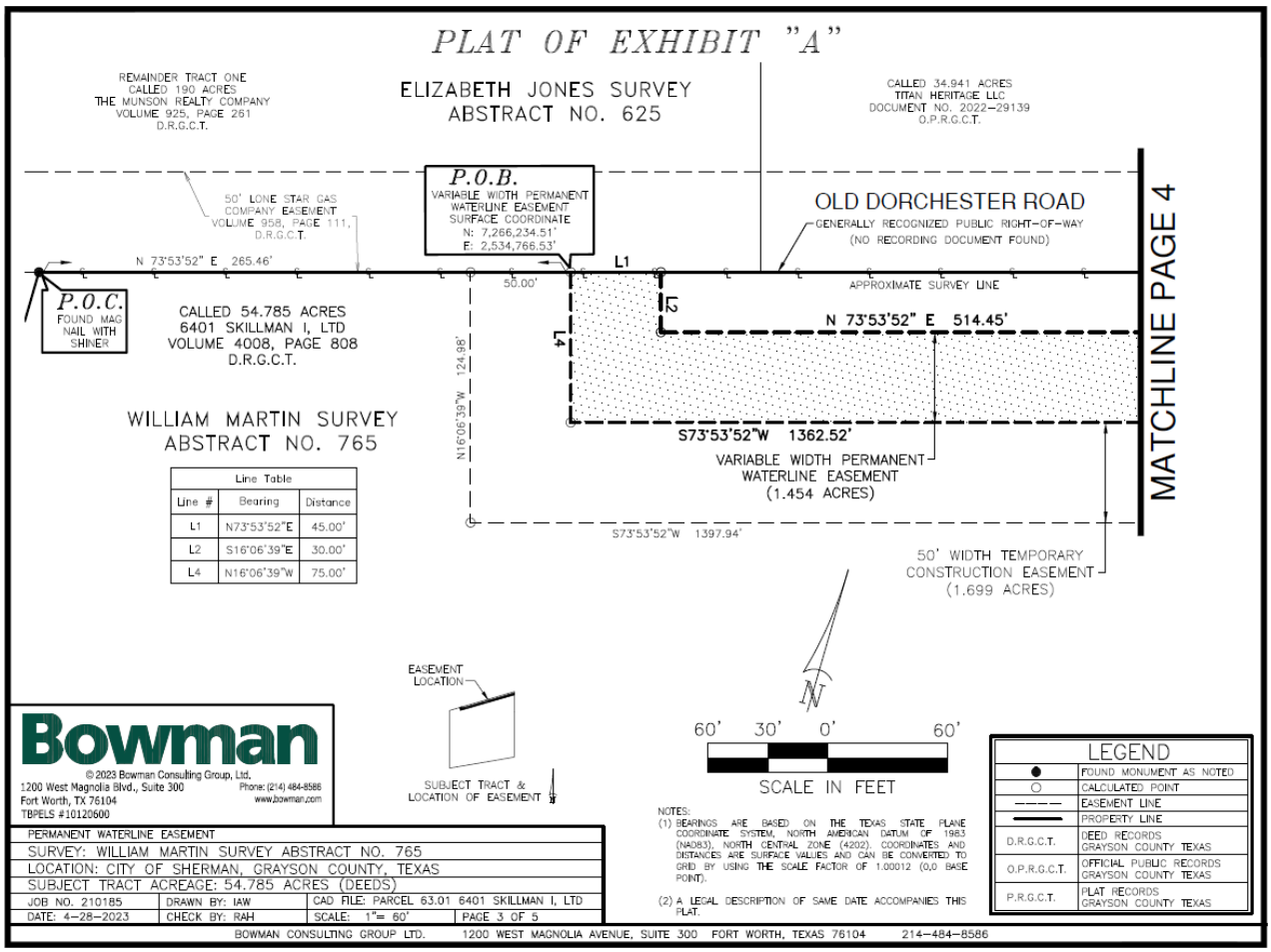
* SURVEYOR'S CERTIFICATE *

TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY STATE THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FROM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUND AND THAT SAME IS TRUE AND CORRECT.

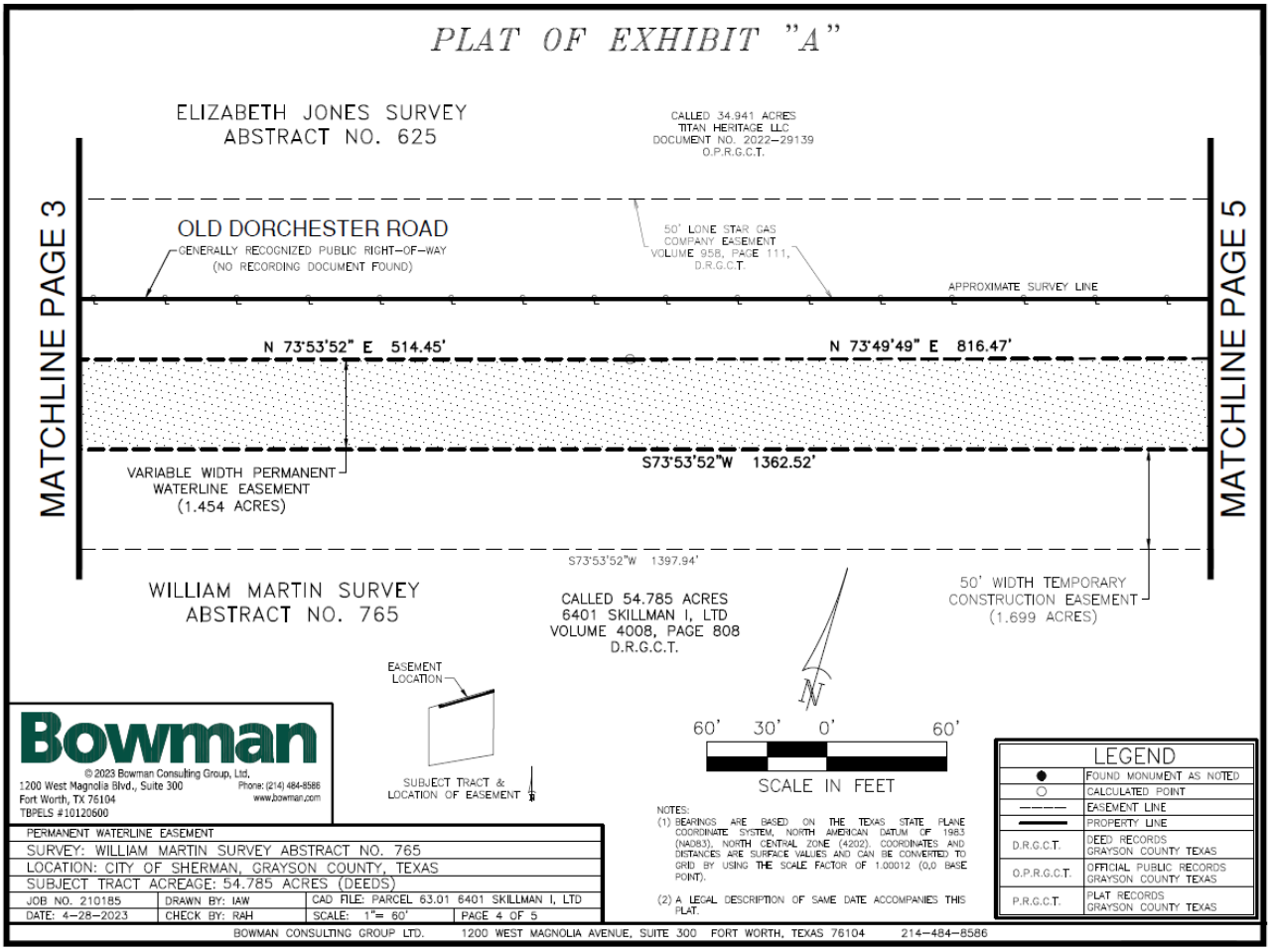
Company Name: **Bowman Consulting Group, Ltd.**

By:_____
Surveyor's Name: Robert A. Hansen
LSLS & Registered Professional Land Surveyor
Texas No. 6439
Date: 2023-04-28
Texas Firm No. 10120600

SUBJECT SURVEYS AND LEGAL DECRIPTIONS



PLAT OF EXHIBIT "A"



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TBPELS #10120600
Phone: (214) 484-8586
www.bowman.com

PERMANENT WATERLINE EASEMENT			
SURVEY: WILLIAM MARTIN SURVEY ABSTRACT NO. 765			
LOCATION: CITY OF SHERMAN, GRAYSON COUNTY, TEXAS			
SUBJECT TRACT ACREAGE: 54.785 ACRES (DEEDS)			
JOB NO. 210185	DRAWN BY: IAW	CAD FILE: PARCEL 63.01 6401 SKILLMAN I, LTD	
DATE: 4-28-2023	CHECK BY: RAH	SCALE: 1"= 60'	PAGE 4 OF 5

NOTES:
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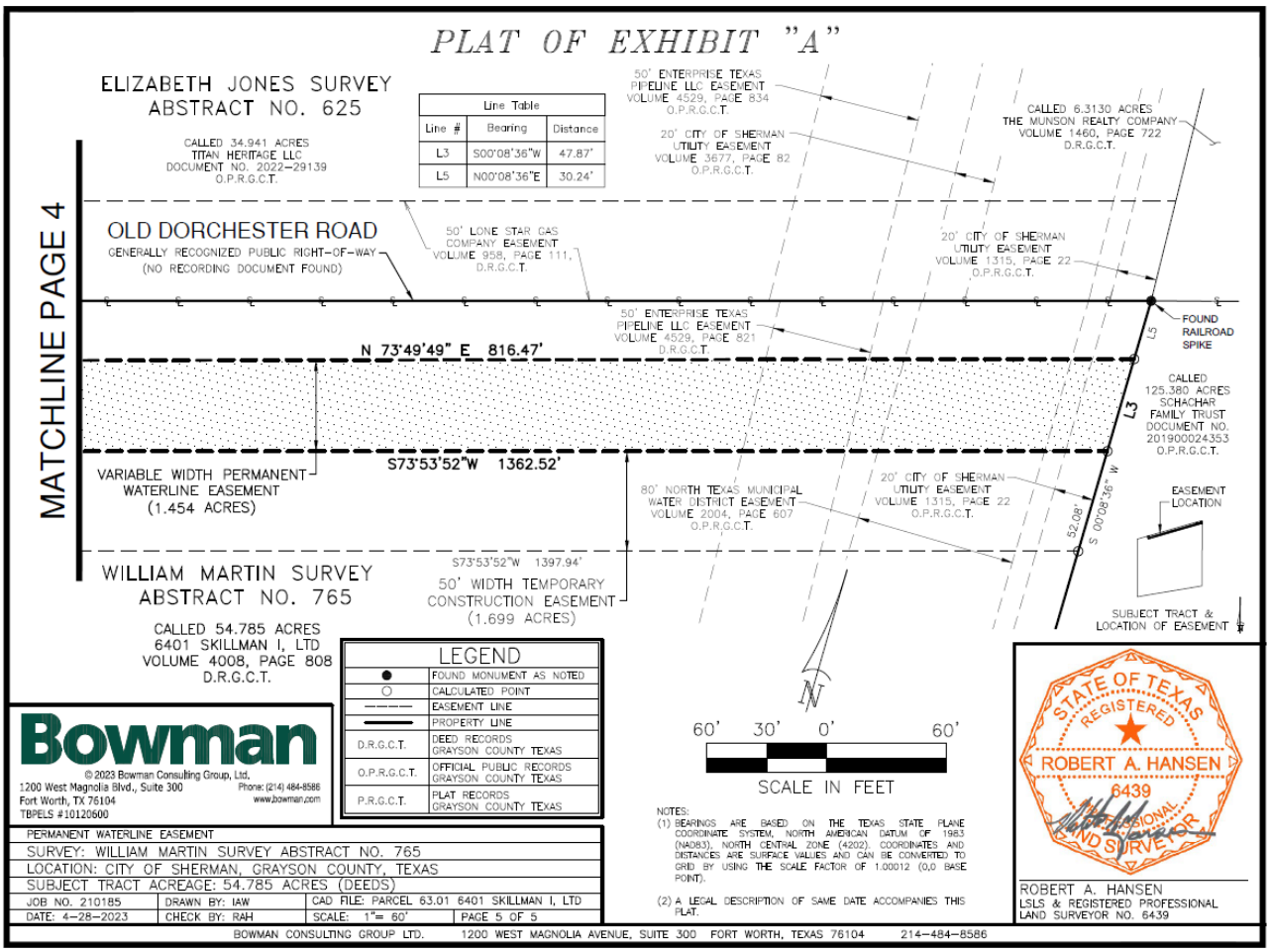
LEGEND	
●	FOUND MONUMENT AS NOTED
○	CALCULATED POINT
-----	EASEMENT LINE
———	PROPERTY LINE
D.R.G.C.T.	DEED RECORDS GRAYSON COUNTY TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS GRAYSON COUNTY TEXAS
P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY TEXAS

PLAT OF EXHIBIT "A"



Line Table		
Line #	Bearing	Distance
L3	S00°08'36"W	47.87'
L5	N00°08'36"E	30.24'

LEGEND	
●	FOUND MONUMENT AS NOTED
○	CALCULATED POINT
———	EASEMENT LINE
———	PROPERTY LINE
D.R.G.C.T.	DEED RECORDS GRAYSON COUNTY TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS GRAYSON COUNTY TEXAS
P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY TEXAS

NOTES:
(1) BEARINGS ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, NORTH AMERICAN DATUM OF 1983 (NAD83), NORTH CENTRAL ZONE (4202). COORDINATES AND DISTANCES ARE SURFACE VALUES AND CAN BE CONVERTED TO GRID BY USING THE SCALE FACTOR OF 1.00012 (0,0 BASE POINT).

(2) A LEGAL DESCRIPTION OF SAME DATE ACCOMPANIES THIS PLAT.

STATE OF TEXAS REGISTERED ROBERT A. HANSEN 6439 PROFESSIONAL LAND SURVEYOR

ROBERT A. HANSEN
LSLS & REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6439

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TBPELS #10120600
Phone: (214) 484-8586
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PERMANENT WATERLINE EASEMENT
SURVEY: WILLIAM MARTIN SURVEY ABSTRACT NO. 765
LOCATION: CITY OF SHERMAN, GRAYSON COUNTY, TEXAS
SUBJECT TRACT ACREAGE: 54.785 ACRES (DEEDS)

JOB NO. 210185	DRAWN BY: IAW	CAD FILE: PARCEL 63.01 6401 SKILLMAN I, LTD	
DATE: 4-28-2023	CHECK BY: RAH	SCALE: 1"= 60'	PAGE 5 OF 5

Sherman ENGINEERING DEPT.

6401 Skillman I, Ltd

1" = 300'

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting **E. 3.**

Meeting Date: 07/05/2023

Prepared By: Teri Fine, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7099

Determining a Public Necessity to Acquire by Eminent Domain Certain Property Interests for Public Use, Including Permanent Water Easement and Temporary Construction Easements for the Construction, Expansion, Access, Repair and Maintenance of Public Water and Other Utility Improvements Consisting of Two Tracts of Land Comprising +/- 2.594 acres (Permanent Water Easement) and a +/- 3.524 acres for a Temporary Construction Easement owned by Ronald A. Schachar and Kathy Schachar, Trustees of the Schachar Family Trust, Recorded Under Document No. 201900024353 of the Official Public Records of Grayson County, Texas, Within the William Martin Survey, Abstract No. 765, City of Sherman, Grayson County, Texas, as Deemed Necessary by the City Manager or His Designee; Giving Notice of an Official Determination to Acquire the Permanent Water Easement and Temporary Construction Easement for Public Use by Eminent Domain for Such Uses; Authorizing the City Manager of the City of Sherman, Texas, to Establish Procedures for Acquiring the Easements, Offering to Acquire the Easements, Voluntarily, from the Landowner Through the Making of Bona Fide Offers; Appropriating Funds; Providing for Repealing, Savings and Severability Clauses; and Providing for an Effective Date

Issue:

To consider granting authority to negotiate for property rights for public use, including the construction, expansion, access, repair and maintenance of the 36" West Sherman Water Main project, and to complete condemnation proceedings.

Background:

It is the intent of the City to acquire the necessary easements for the purpose of, among other things, the construction, access, repair and maintenance of the public 36-inch West Water Extension Project. The project is over 14 miles long, along the west side of Sherman near FM 691 south to Shepherd Rd. The project includes numerous easements along the alignment shown. In order to keep the land acquisition process on schedule, staff is asking City Council to give authority to the City Manager to make Bona Fide Offers, work toward the voluntary conveyance of the necessary easements and, only if required, to move forward with the eminent domain process. We will work diligently with property owners to ensure eminent domain is only used as a last resort in acquiring any easement for this project.

City Council motion must be made as follows: **"I move that the City Council of the City of Sherman authorize the use of the power of eminent domain to acquire two tracts of land comprising +/- 2.594 acres and a +/- 3.524 acres, as described in Exhibit A to the resolution, for a permanent water**

easement and temporary construction easement."

Origination:
City Manager's Office

Financial Consideration:
Easement acquisition costs, along with costs for appraisals, surveys, maps and photos.

Staff Recommendation:
Staff recommends approval.

Alternatives:
As may be directed by the Council.

Attachments

Resolution No. 7099
Exhibit A
Location Map

RESOLUTION NO. 7099

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DETERMINING A PUBLIC NECESSITY TO ACQUIRE BY EMINENT DOMAIN CERTAIN PROPERTY INTEREST FOR PUBLIC USE, INCLUDING PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR THE CONSTRUCTION, EXPANSION, ACCESS, REPAIR AND MAINTENANCE OF PUBLIC WATER AND OTHER UTILITY IMPROVEMENTS, CONSISTING OF TWO TRACTS OF LAND COMPRISING OF +/- 2.594 ACRES (PERMANENT WATER EASEMENT) AND A +/- 3.524 ACRES FOR A TEMPORARY CONSTRUCTION EASEMENT OWNED BY RONALD A. SCHACHAR AND KATHY SCHACHAR, TRUSTEES OF THE SCHACHAR FAMILY TRUST, RECORDED UNDER DOCUMENT NO. 201900024353 OF THE OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS, WITHIN THE WILLIAM MARTIN SURVEY, ABSTRACT NO. 765, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, AS DEEMED NECESSARY BY THE CITY MANAGER OR HIS DESIGNEE; GIVING NOTICE OF AN OFFICIAL DETERMINATION TO ACQUIRE THE PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR PUBLIC USE BY EMINENT DOMAIN FOR SUCH USES; AUTHORIZING THE CITY MANAGER OF THE CITY OF SHERMAN, TEXAS, TO ESTABLISH PROCEDURES FOR ACQUIRING THE EASEMENTS, OFFERING TO ACQUIRE THE EASEMENTS, VOLUNTARILY, FROM THE LANDOWNER THROUGH THE MAKING OF BONA FIDE OFFERS; APPROPRIATING FUNDS; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") finds that there is a public necessity for the acquisition, by eminent domain, of a Permanent Water Easement and a Temporary Construction Easement, as described and depicted in Exhibit A, attached hereto and incorporated herein for all purposes (collectively, the "Easements"), as deemed necessary by the City Manager or his designee for the Project (hereinafter defined); and

WHEREAS, it is the intent of the City of Sherman, Texas ("Sherman") to acquire the necessary Easements for the purposes of, among other things, the construction, access, repair and maintenance of public wastewater, including the Northwest Southwest Transmission Pipeline Project (collectively, the "Project"); and

WHEREAS, the City Council finds that the description of the Easements to be acquired by eminent domain for the Project complies with Chapter 2206 of the Texas Government Code,

as amended ("Chapter 2206"), in that the same provides property owner(s) in and around the area reasonable notice that the owners' property may be subject to condemnation proceedings during the planning or construction of the Project; and

WHEREAS, the City Council finds that the Project is necessary for public use; and

WHEREAS, it is necessary to establish procedures for determining the establishment and approval of just compensation for the Easements to be acquired by eminent domain for the Project; and

WHEREAS, the City Manager, or his designee ("City Manager"), is authorized to make a bona fide offer, as defined by and in compliance with Section 21.0113 of the Texas Property Code ("Bona Fide Offer"), to acquire the Easements for public use, voluntarily, from the subject landowner prior to moving forward with acquisition by eminent domain; and

WHEREAS, the City Council has investigated and determined that the passage of this Resolution complies with Chapter 2206 and other applicable laws.

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

SECTION 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2: Acquisition of Easements. The City Council hereby determines that there is a public necessity for, and the public welfare and convenience will be served by, the acquisition, by eminent domain, of the Easements, and it is Sherman's intent to acquire the Easements for public use as described and depicted herein, specifically for the purpose of, among other things, the construction, access, repair and maintenance of public wastewater improvements necessary for the Project.

SECTION 3: Authority of City Manager/Bona Fide Offer. The City Manager is hereby authorized to contract, on behalf of the City Council, with professional appraisers for appraisal services and with attorneys for preparation of title opinion(s) needed by Sherman from time to time in connection with the acquisition of the Easements. The City Council hereby ratifies any contracts entered into, prior to the effective date of this Resolution, by the City Manager with professional appraisers for appraisal services and with attorneys for preparation of title opinion(s) needed for the acquisition of the Easements. The City Manager shall first make a Bona Fide Offer to acquire the Easements from the subject landowner, voluntarily. Should the landowner fail to provide the Easements, voluntarily, through said Bona Fide Offer, the City Manager is authorized to move forward with acquiring the Easements by eminent domain.

SECTION 4: Determination of Just Compensation. The City Manager is hereby authorized and directed to examine and rely on independent appraisal reports and other information to make a determination as to the establishment and approval of a fair market value offer and the just compensation for the Easements for the purpose of making the Bona Fide Offer. After such

consideration, the City Manager shall establish and approve the amount determined to be just compensation for acquisition of said Easements and shall have the authority to execute any and all documents necessary to complete the acquisition of same.

SECTION 5: Authority to Make an Offer. Upon establishment and approval by the City Manager of the amount of just compensation for the acquisition of the Easements, the City Manager is authorized to send a written Bona Fide Offer to the landowner of said Easement Property at the full amount determined and established to be just compensation therefore, and to negotiate with said landowner(s) on behalf of Sherman to acquire the Easements voluntarily.

SECTION 6: Authority to Execute Documents. The City Manager is hereby authorized to execute all documents necessary to acquire the Easements needed for the Project, on behalf of Sherman, whether by purchase or eminent domain. The City Council hereby ratifies any documents executed, prior to the effective date of this Resolution, by the City Manager which were necessary for the acquisition of the Easements for the Project.

SECTION 7: Disposal of Improvements. The City Manager is hereby authorized to remove improvements, if any, located on the Easement Property acquired in connection with this Project, should they interfere with the intended use and enjoyment of said Easements.

SECTION 8: Eminent Domain Authorized. Should the City Manager be unable to acquire the Easements, voluntarily, from the landowner(s), through the making of the Bona Fide Offer, the City Manager is authorized to instruct the law firm of Abernathy, Roeder, Boyd & Hullett, P.C., to commence eminent domain proceedings for the acquisition of the Easements for the Project.

SECTION 9: Source of Funds. The amount to be paid, if any, for acquiring the Easements for the Project will be appropriated from any lawful source.

SECTION 10: Savings/Repealing. All provisions of any resolution in conflict with this Resolution are hereby repealed to the extent they are in conflict. Any remaining portion of conflicting resolutions shall remain in full force and effect.

SECTION 11: Severability. Should any section, subsection, sentence, clause or phrase of this Resolution be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Resolution shall remain in full force and effect. The City Council hereby declares that it would have passed this Resolution, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, and phrases be declared unconstitutional or invalid.

SECTION 12: Public Notice. The City Council finds that the meeting at which this Resolution was introduced and passed was open to the public and that public notice of the time, place and purpose of said meeting was given all as required by law.

SECTION 13: Effective Date. This Resolution shall take effect immediately from and after its passage.

INTRODUCED on this the 5th day of July 2023.

ADOPTED on this the 5th day of July 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT "A"

OWNER: SCHACHAR FAMILY TRUST
30 FOOT WIDE PERMANENT WATERLINE EASEMENT
WILLIAM MARTIN SURVEY, ABSTRACT NO. 765
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS

Being a 2.594 acre tract of land situated within the William Martin Survey, Abstract No. 765, City of Sherman, Grayson County, Texas, being a portion of a called 125.380 acre tract of land as described in the Warranty Deed to Ronald A. Schachar and Kathy L. Schachar, Trustees of the Schachar Family Trust, recorded under Document No. 201900024353 of the Official Public Records of Grayson County, Texas. Said 2.594 acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a railroad spike found at the northwest corner of said called 125.380 acre tract of land, being in Old Dorchester Road, a generally recognized public right-of-way, no recording document found, and being in Farmington Road, a generally recognized public right-of-way, no recording document found;

THENCE SOUTH 00 degrees 08 minutes 36 seconds WEST, 30.24 feet with the west line of said called 125.380 acre tract of land, being the east line of a called 54.785 acre tract of land as described in the Special Cash Warranty Deed to 6401 Skillman I, Ltd., recorded in Volume 4008, Page 808 of the Deed Records of Grayson County, Texas to the **POINT OF BEGINNING** having a surface coordinate of N=7,266,588.22 feet, E=2,536,096.53 feet;

THENCE the following three (3) calls through the interior of said called 125.380 acre tract of land:

1. NORTH 73 degrees 49 minutes 49 seconds EAST, 123.55 feet;
2. NORTH 74 degrees 59 minutes 37 seconds EAST, 95.48 feet;
3. NORTH 74 degrees 05 minutes 35 seconds EAST, 747.43 feet;
4. NORTH 15 degrees 54 minutes 25 seconds WEST, 10.01 feet to the south right-of-way line of FM 1417, a variable width right-of-way, as described in the deed to the State of Texas recorded in Volume 913, Page 169, and Volume 932, Page 370 of said Deed Records;

THENCE NORTH 74 degrees 11 minutes 21 seconds EAST, 175.95 feet with the south right-of-way line of said FM 1417 to a 3/4-inch iron pipe found at a salient corner of said called 125.380 acre tract of land, being the northwest corner of a called 0.38 acre tract of land as described in the deed to Donald Ray Ersch et al recorded in Volume 4008, Page 475 of said Official Public Records;

THENCE SOUTH 18 degrees 31 minutes 26 seconds EAST, with an east line of said called 125.380 acre tract of land, being the west line of said called 0.38 acre tract of land, passing at 150.00 feet a 1/2-inch iron rod found at the southwest corner of said called 0.38 acre tract of land, continuing through the interior of said called 125.380 acre tract of land a total distance of 501.52 feet to the westerly prolongation of the south line of a called 1.596 acre tract of land as described in the Executrix General Warranty Deed to John Robert Turley, recorded in Volume 4112, Page 596 of said Official Public Records;

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THENCE NORTH 74 degrees 49 minutes 35 seconds EAST, through the interior of said called 125.380 acre tract of land and with the westerly prolongation of the south line of said called 1.596 acre tract of land, passing at 109.69 feet a 1/2-inch iron rod found at a reentrant corner of said called 125.380 acre tract of land, being the southwest corner of said called 1.596 acre tract of land, continuing with the south line of said called 1.596 acre tract of land, being a northerly line of said called 125.380 acre tract of land a total distance of 369.86 feet to a 1/2-inch iron rod found at a salient corner of said 125.380 acre tract of land, being the southeast corner of said called 1.596 acre tract of land and being on the west line of a called 18.164 acre tract of land as described in the Executrix General Warranty Deed to John Robert Turley, recorded in Volume 2306, Page 472 of said Official Public Records;

THENCE SOUTH 18 degrees 51 minutes 41 seconds EAST, 1,166.08 feet with an east line of said called 125.380 acre tract of land, being the west line of said called 18.164 acre tract of land to a 1/2-inch iron rod found at the southeast corner of said called 125.380 acre tract of land, being the southwest corner of said called 18.164 acre tract of land, the northwest corner of a called 8.6766 acre tract of land as described in the deed to Larry E. Jones and wife, Belinda Jones recorded in Volume 1442, Page 417 of said Official Public Records, and being the northeast corner of a called 44.56 acre tract of land as described in the Correction Warranty Deed with Vendor's Lien to Stephen L. Blazo Sr. and Carnelia D. Blazo, recorded in Volume 5961, Page 51 of said Official Public Records;

THENCE SOUTH 73 degrees 02 minutes 26 seconds WEST, 30.02 feet with a south line of said called 125.380 acre tract of land, being the north line of said called 44.56 acre tract of land;

THENCE the following six (5) calls through the interior of said called 125.380 acre tract of land:

1. NORTH 18 degrees 51 minutes 41 seconds WEST, 1,136.96 feet parallel with the east line of said called 125.380 acre tract of land;
2. SOUTH 74 degrees 49 minutes 35 seconds WEST, 370.02 feet parallel with a north line of said called 125.380 acre tract of land;
3. NORTH 18 degrees 31 minutes 26 seconds WEST, 476.42 feet;
4. SOUTH 74 degrees 05 minutes 35 seconds WEST, 896.21 feet;
5. SOUTH 74 degrees 59 minutes 37 seconds WEST, 95.38 feet;
6. SOUTH 73 degrees 49 minutes 49 seconds WEST, 136.26 feet;

THENCE NORTH 00 degrees 08 minutes 36 seconds EAST, 46.89 feet with the west line of said called 125.380 acre tract of land, being the east line of said called 54.785 acre tract of land to the **POINT OF BEGINNING**, containing 2.594 acres.

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TEMPORARY CONSTRUCTION EASEMENT

The above-described permanent waterline easement is also subject to a temporary construction easement as shown on the accompanying survey plat. Said temporary construction easement shall expire as noted in the easement agreement.

NOTES:

1. Bearings are based on the Texas State Plane Coordinate System, North American Datum of 1983 (NAD83), North Central Zone (4202). Coordinates and distances are surface values and can be converted to grid by using the scale factor of 1.00012 (0,0 base point).

2. A plat of same date accompanies this legal description.

3. This survey was performed with the benefit of a title report. There may be easements and/or covenants affecting this property not shown hereon.

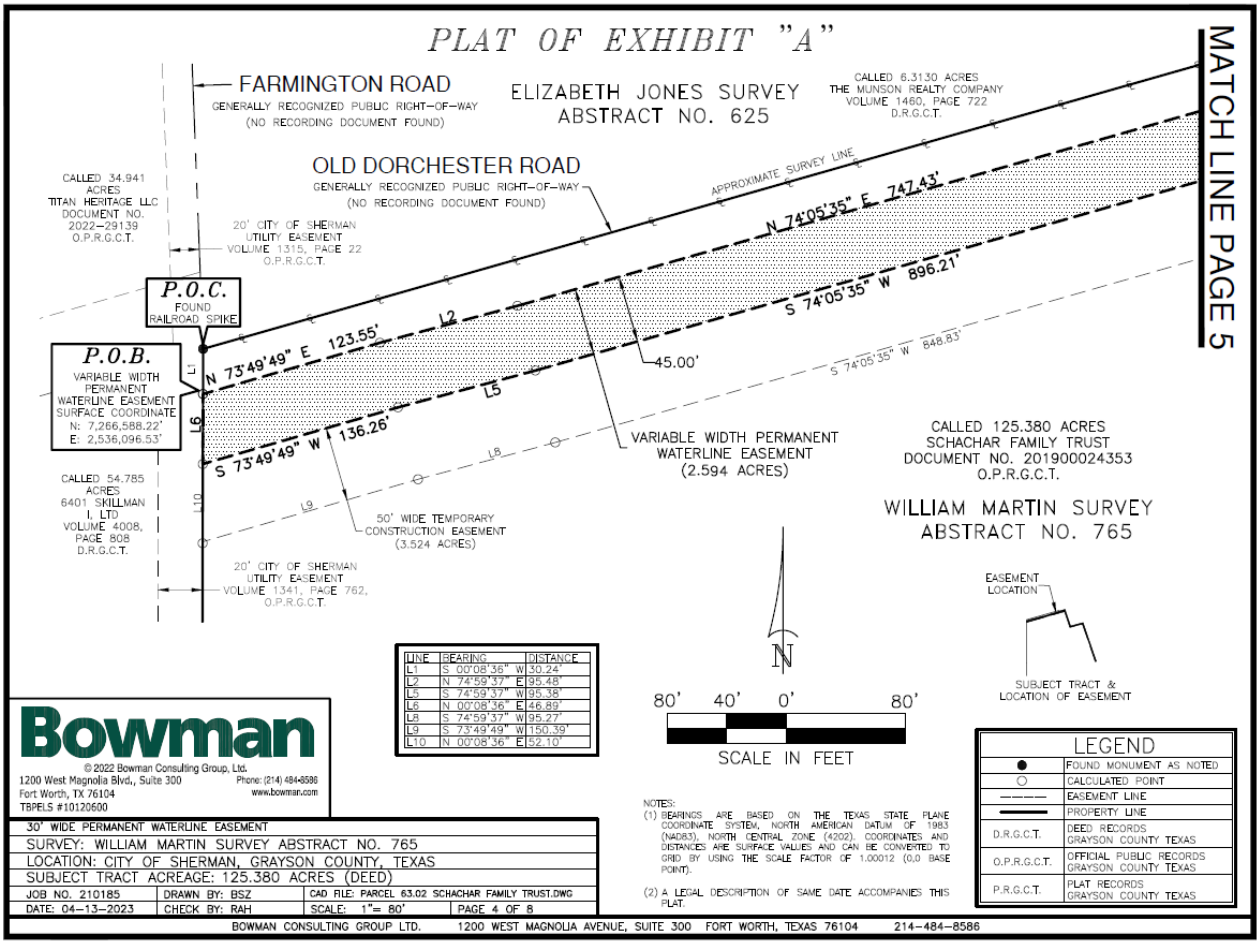
* SURVEYOR'S CERTIFICATE *

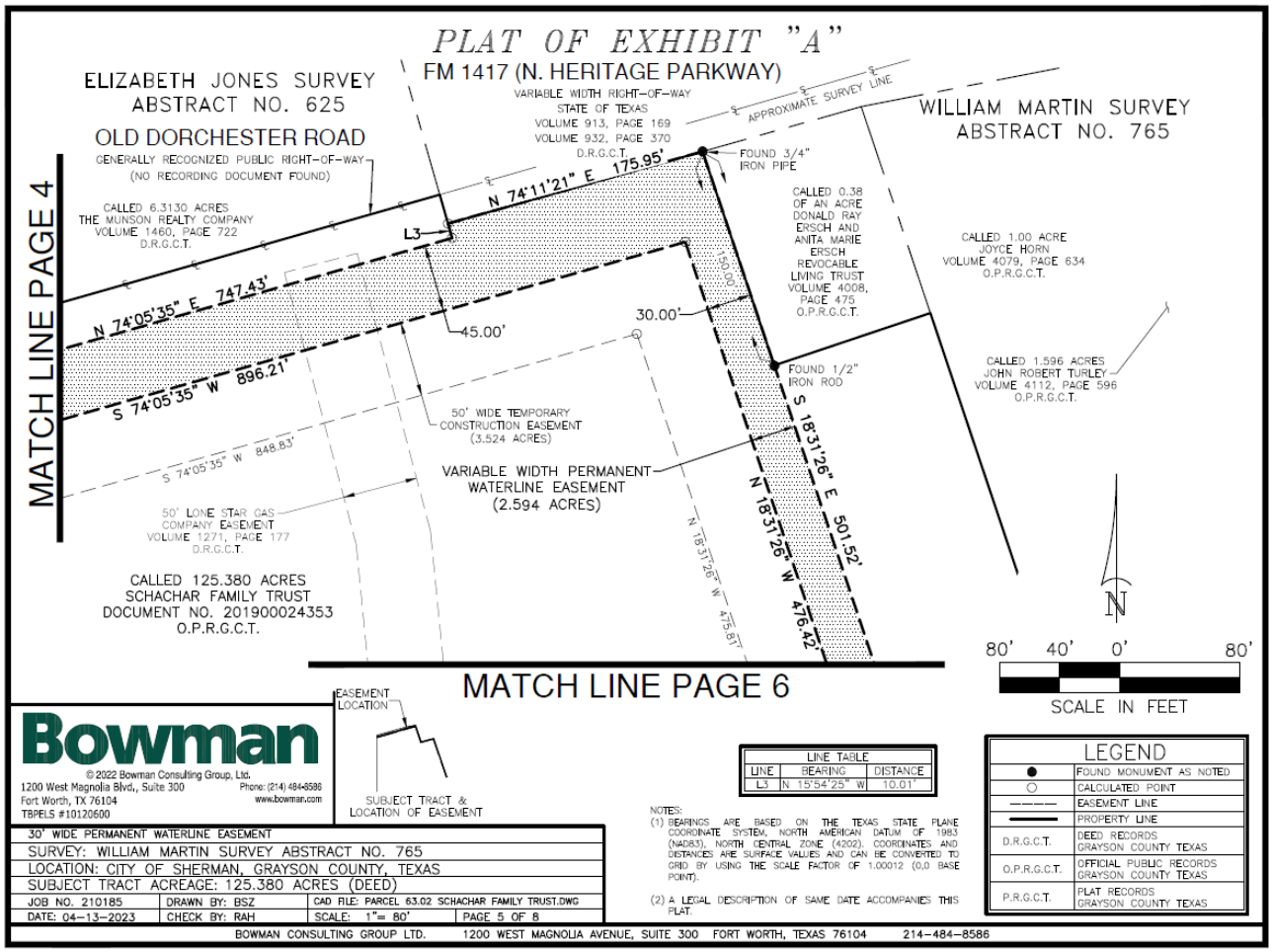
TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY STATE THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FROM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUND AND THAT SAME IS TRUE AND CORRECT.

Company Name: **Bowman Consulting Group, Ltd.**

By:_____
Surveyor's Name: Robert A. Hansen
LSLS & Registered Professional Land Surveyor
Texas No. 6439
Date: 2023-04-13
Texas Firm No. 10120600

SUBJECT SURVEYS AND LEGAL DECRIPTIONS





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TBPELS #10120600
Phone: (214) 484-8586
www.bowman.com

LINE TABLE		
LINE	BEARING	DISTANCE
L3	N 15°54'25" W	10.01'

LEGEND	
●	FOUND MONUMENT AS NOTED
○	CALCULATED POINT
———	EASEMENT LINE
———	PROPERTY LINE
D.R.G.C.T.	DEED RECORDS GRAYSON COUNTY TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS GRAYSON COUNTY TEXAS
P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY TEXAS

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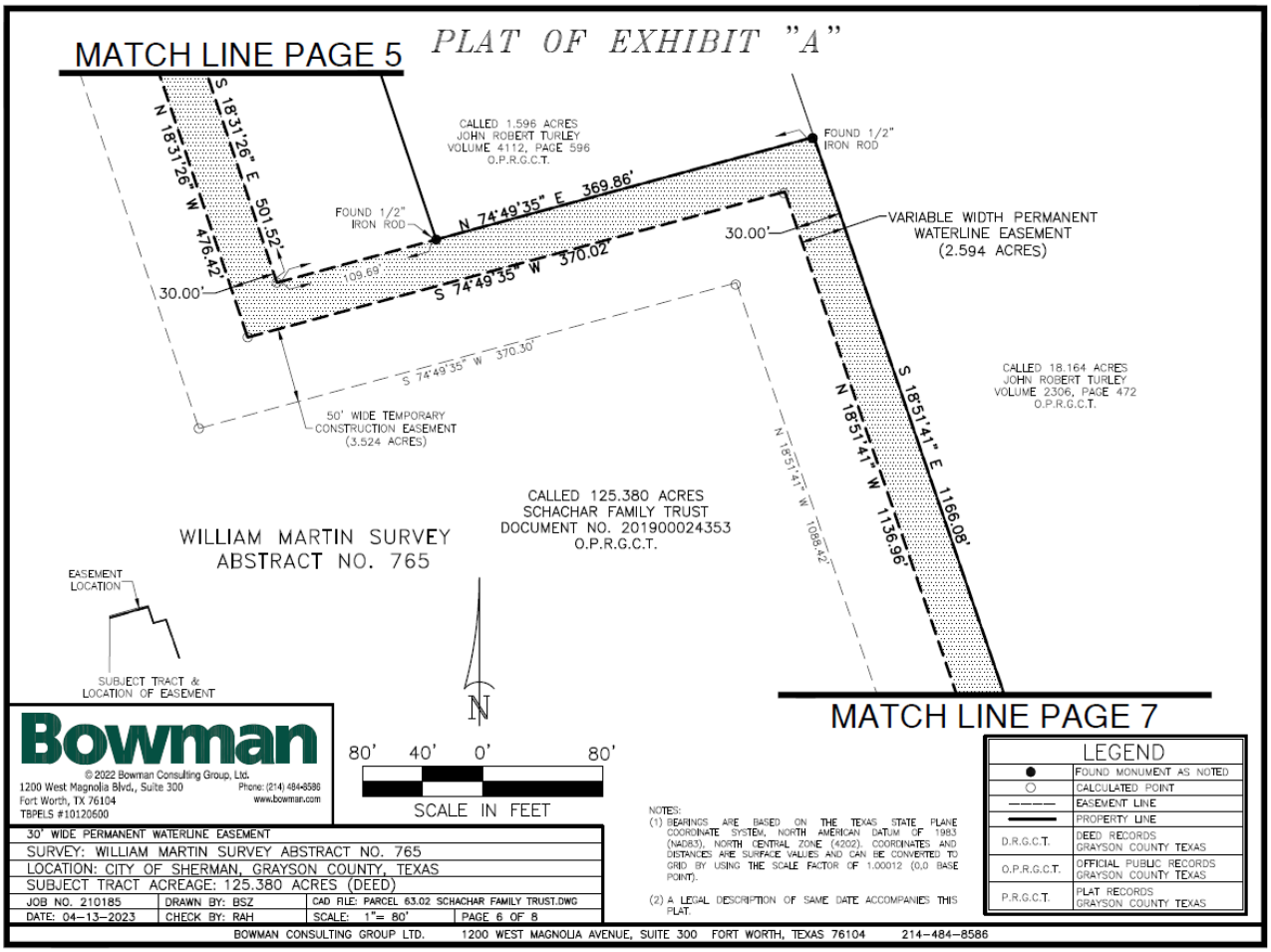
(2) A LEGAL DESCRIPTION OF SAME DATE ACCOMPANIES THIS PLAT.

30' WIDE PERMANENT WATERLINE EASEMENT			
SURVEY: WILLIAM MARTIN SURVEY ABSTRACT NO. 765			
LOCATION: CITY OF SHERMAN, GRAYSON COUNTY, TEXAS			
SUBJECT TRACT ACREAGE: 125.380 ACRES (DEED)			
JOB NO. 210185	DRAWN BY: BSZ	CAD FILE: PARCEL 63.02 SCHACHAR FAMILY TRUST.DWG	
DATE: 04-13-2023	CHECK BY: RAH	SCALE: 1"= 80'	PAGE 5 OF 8



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30' WIDE PERMANENT WATERLINE EASEMENT			
SURVEY: WILLIAM MARTIN SURVEY ABSTRACT NO. 765			
LOCATION: CITY OF SHERMAN, GRAYSON COUNTY, TEXAS			
SUBJECT TRACT ACREAGE: 125.380 ACRES (DEED)			
JOB NO. 210185	DRAWN BY: BSZ	CAD FILE: PARCEL 63.02 SCHACHAR FAMILY TRUST.DWG	
DATE: 04-13-2023	CHECK BY: RAH	SCALE: 1"= 80'	PAGE 6 OF 8

NOTES:
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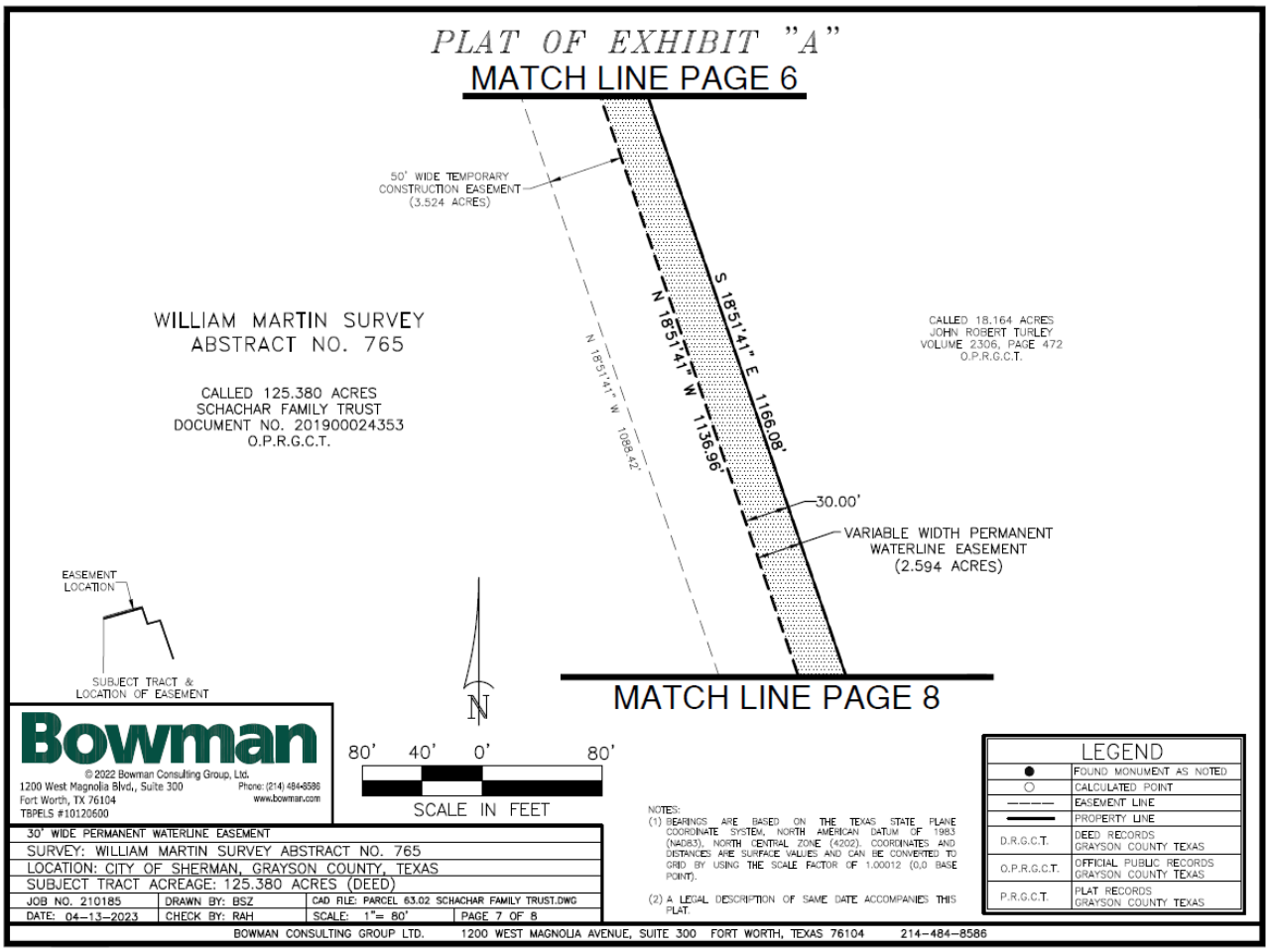
D.R.G.C.T.	DEED RECORDS GRAYSON COUNTY TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS GRAYSON COUNTY TEXAS
P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY TEXAS

PLAT OF EXHIBIT "A"



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80' 40' 0' 80'

SCALE IN FEET

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LEGEND	
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P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY TEXAS

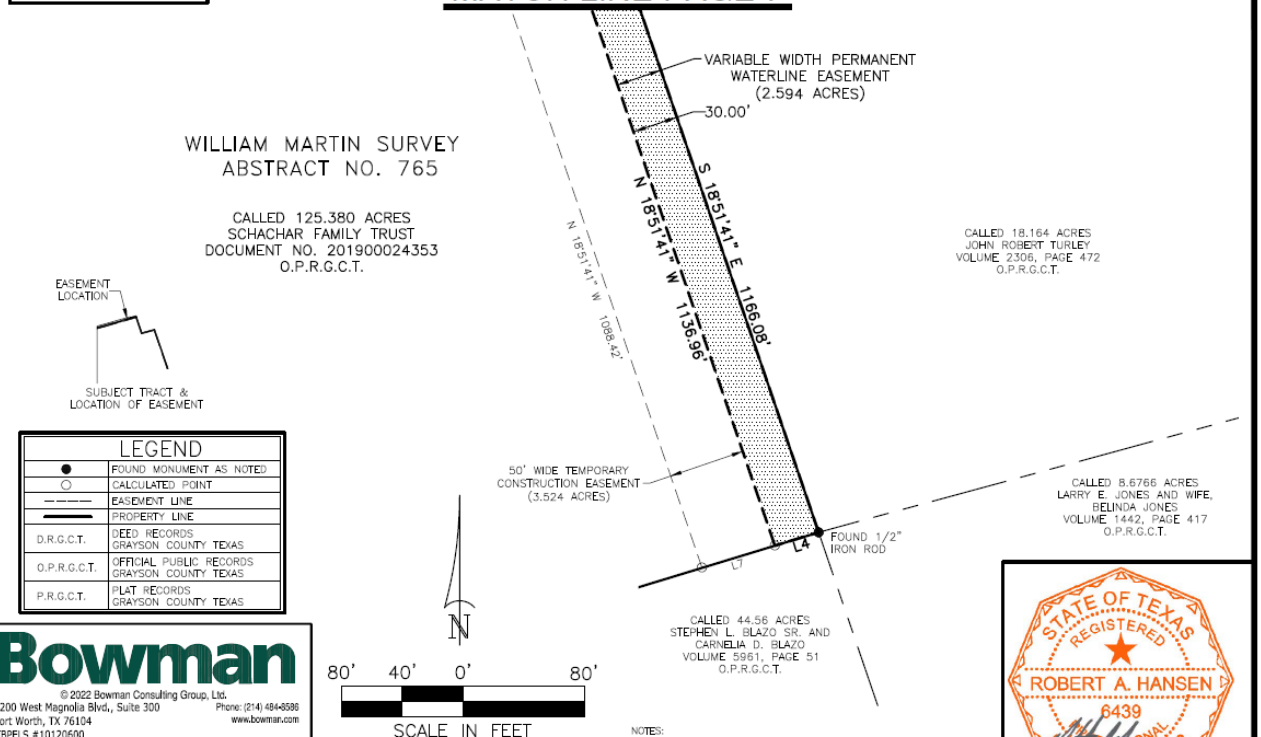
30' WIDE PERMANENT WATERLINE EASEMENT
SURVEY: WILLIAM MARTIN SURVEY ABSTRACT NO. 765
LOCATION: CITY OF SHERMAN, GRAYSON COUNTY, TEXAS
SUBJECT TRACT ACREAGE: 125.380 ACRES (DEED)

JOB NO. 210185	DRAWN BY: BSZ	CAD FILE: PARCEL 63.02 SCHACHAR FAMILY TRUST.DWG	
DATE: 04-13-2023	CHECK BY: RAH	SCALE: 1"= 80'	PAGE 7 OF 8

PLAT OF EXHIBIT "A"

MATCH LINE PAGE 7

LINE TABLE		
LINE	BEARING	DISTANCE
L4	S 73°02'26" W	30.02'
L7	S 73°02'26" W	50.03'



LEGEND	
●	FOUND MONUMENT AS NOTED
○	CALCULATED POINT
– – – –	EASEMENT LINE
———	PROPERTY LINE
D.R.G.C.T.	DEED RECORDS GRAYSON COUNTY TEXAS
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(2) A LEGAL DESCRIPTION OF SAME DATE ACCOMPANIES THIS PLAT.

STATE OF TEXAS
REGISTERED
ROBERT A. HANSEN
6439
PROFESSIONAL
LAND SURVEYOR

ROBERT A. HANSEN
LSLS & REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6439

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30' WIDE PERMANENT WATERLINE EASEMENT
SURVEY: WILLIAM MARTIN SURVEY ABSTRACT NO. 765
LOCATION: CITY OF SHERMAN, GRAYSON COUNTY, TEXAS
SUBJECT TRACT ACREAGE: 125.380 ACRES (DEED)

JOB NO. 210185	DRAWN BY: BSZ	CAD FILE: PARCEL 63.02 SCHACHAR FAMILY TRUST.DWG	
DATE: 04-13-2023	CHECK BY: RAH	SCALE: 1"= 80'	PAGE 8 OF 8

Sherman ENGINEERING DEPT.

Schachar Family Trust

1" = 300'

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting **E. 4.**

Meeting Date: 07/05/2023

Prepared By: Theresa Hutchinson, Parks & Recreation Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7100

Awarding a Bid to and Authorizing Execution of a Contract with Nema 3 Electric, Inc. for the Purchase and Installation of Sports Field - Hike & Bike Lighting at Pecan Grove West Athletic Complex

Issue:

To consider awarding a bid to and authorizing execution of a contract with Nema 3 Electric, Inc. of Midlothian, Texas based on a request for proposals for the purchase and installation of sports field - walking trail lighting at Pecan Grove West Athletic Complex project

Background:

At the January 3, 2023 meeting, City Council approved a request for advertisement for the solicitation of public bids for sports field and hike & bike trail lighting at the Pecan Grove West Athletic Complex. On May 30, 2023, one (1) responsive bid was received. The submitted proposal from Nema 3 Electric, Inc.of Midlothian, Texas, with a price of $1,144,643.00, satisfied all areas of evaluation criteria included in the Request for Proposals.

Origination:

Parks and Recreation Department

Financial Consideration:

This project is included in the FY 2022-2023 Capital Improvement Plan Budget.

Staff Recommendation:

City staff recommends awarding the bid to, and authorizing the City Manager to execute a contract with Nema 3 Electric, Inc.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 7100

Signed Agreement-Nema 3 Electric
Exhibit A_Bid Request
Exhibit B_Bid Submittal
Exhibits C through E_Nema 3 Electric
Bid Evaluation

RESOLUTION NO. 7100

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH NEMA 3 ELECTRIC, INC. FOR THE PURCHASE AND INSTALLATION OF SPORTS FIELD – HIKE & BIKE LIGHTING AT PECAN GROVE WEST ATHLETIC COMPLEX; 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 Nema 3 Electric, Inc. of Midlothian, Texas, is hereby awarded the bid for the purchase and installation of sports field – hike & bike lighting at Pecan Grove West Athletic Complex in the amount of One Million One Hundred Forty-Four Thousand Six Hundred Forty-Three Dollars and No Cents ($1,144,643.00)**;** 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 Nema 3 Electric, Inc. for purchase and installation of sports field – hike & bike lighting at Pecan Grove West Athletic Complex, in accordance with all contract documents attached hereto and made a part hereof for all purposes. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2022-2023 budget.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 5th day of July 2023.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____ **BY:** _____
LINDA ASHBY, CITY CLERK **DAVID PLYLER, MAYOR**

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

CONSTRUCTION AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS AND Nema 3 Electric, Inc.

The **City of SHERMAN, Texas,** a home-rule municipality ("SHERMAN"), and Nema 3 Electric, Inc., a Contractor ("Contractor"), enter into this Construction Agreement ("Agreement") for **Sports Field Lighting – Hike & Bike Lighting for Pecan Grove West Athletic Complex.** SHERMAN and Contractor are sometimes referred to collectively as the "parties" or individually as a "party."

WHEREAS, SHERMAN desires to engage Contractor to provide services in connection with **Sports Field Lighting – Hike & Bike Lighting for Pecan Grove West Athletic Complex** under the terms and conditions of this Agreement ("Project");

WHEREAS, SHERMAN issued a Request for Proposals, attached hereto as Exhibit A and incorporated herein for all purposes ('Bid Request"), seeking competitively sealed bids for **Sports Field Lighting – Hike & Bike Lighting for Pecan Grove West Athletic Complex**; and

WHEREAS, Contractor timely submitted a sealed response to the Bid Request, attached hereto as Exhibit B and incorporated herein for all purposes ("Submittal"), seeking to provide such services for City; and

WHEREAS, based on Contractor's representations in response to the Bid Request, including those representations set forth in the Submittal, City has selected Contractor to provide the services sought in the Bid Request under the terms and conditions of this Agreement ("Project").

WHEREAS, Contractor has agreed to provide the services for the Project.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Scope of Services.
Contractor shall provide the services and deliverables that are set forth and described in the Agreement Documents (hereinafter defined) and shall furnish all personnel, labor, equipment, supplies and all other items necessary to provide the services and deliverables as specified by the terms and conditions of the Agreement Documents (collectively, "Services"). The parties understand and agree that deviations or modifications to the scope of Services described in the Agreement Documents, in the form of one or more written change orders, may be authorized from time to time by SHERMAN ("Change Orders"). "Extra" work, "claims" invoiced as "extra" work or "claims" which have not been issued as a duly executed, written Change Orders by the SHERMAN City Manager or his designee will not be authorized for payment and/or shall not become part of this Agreement. A duly executed, written Change Order shall be preceded by the SHERMAN City Council's

authorization for the SHERMAN City Manager to execute said Change Order. Contractor agrees that SHERMAN's project managers, superintendents and/or inspectors are not authorized to issue verbal or written Change Orders.

2. Term.
Contractor shall mobilize on-site and commence performance of the Project (the "Mobilization Date") within Sixty (60) calendar days of the Effective Date of this Agreement (hereinafter defined) and shall complete the Services within One hundred fifty (150) calendar days of the Mobilization Date. All obligations relating to time set forth herein are material and are of the essence of this Agreement. This Agreement shall remain in full force and effect until completion of the Project to SHERMAN's satisfaction. The obligations listed hereunder shall be fulfilled upon the completion of the Project to SHERMAN's satisfaction.

3. Compensation.
In exchange for the Services as described in the Agreement Documents, SHERMAN agrees to pay the Contractor in an amount not to exceed One million one hundred forty four thousand six hundred forty three dollars and 00 cents ($ 1,144,643.00) for the completion of the Project contemplated by and in accordance with the Agreement Documents as follows:

On a monthly basis, Contractor shall submit a written invoice to SHERMAN for all Services completed in the immediately preceding month. The applicable portion of Contractor's Fee as reflected in each such invoice shall be due and payable by SHERMAN within thirty (30) days after SHERMAN finally accepts the Services described in each such invoice in accordance with the Agreement Documents and SHERMAN's ordinances, rules, regulations and requirements, as they exist, may be amended or in the future arising, except that SHERMAN is entitled to retain an amount equal to five percent (5%) of the Contractor's Fee, which shall be due and payable within thirty (30) days after Contractor completes the Project and SHERMAN finally accepts the same. Notwithstanding anything to the contrary herein, SHERMAN shall not be required to pay any invoice submitted by Contractor if Contractor is in breach of this Agreement.

Contractor and SHERMAN acknowledge and agree that the continuation of this Agreement after the close of any given fiscal year of SHERMAN, which fiscal year ends on September 30th of each year, shall be subject to SHERMAN City Council approval. In the event that the SHERMAN City Council does not approve the appropriation of funds for this Agreement, the Agreement shall terminate at the end of the fiscal year for which funds were appropriated, and the parties shall have no further obligations hereunder, except that SHERMAN shall be obligated to pay monies owed Contractor for Services it has provided pursuant to this Agreement through the end of that fiscal year provided that Contractor is not in breach of this Agreement.

4. Agreement Documents.
The "Agreement Documents," as that term is used herein, shall mean and include the following documents, and this Agreement expressly incorporates the same herein by reference for all purposes:

a. This Agreement;

b. The Bid Request, attached hereto as Exhibit A;

c. The Submittal, attached hereto as Exhibit B;

d. SHERMAN's Insurance Requirements, attached hereto as Exhibit C;

d. City of SHERMAN's Standard Construction Details (which is on file in with the City Engineering Department);

e. The Standard Specifications for Public Works Construction (North Central Texas Third Edition 1998) as amended and supplemented by the City of SHERMAN's Special Provisions to said Standard Specification, as amended (which is on file in the City Engineering Department);

f. Affidavit of No Prohibited Interested, attached hereto as Exhibit D;

g. Conflict of Interest Questionnaire, attached hereto as Exhibit E;

This Agreement shall incorporate the terms of the Agreement Documents in their entirety. To the extent that Exhibit A, Exhibit B, Exhibit C, Exhibit D or Exhibit E are in conflict with provisions of this Agreement or each other, the provisions of this Agreement, then the provisions of Exhibit A, Exhibit C, Exhibit D, Exhibit E and Exhibit B shall prevail in that order.

5. Liquidated Damages.
Contractor acknowledges and agrees that if Contractor fails to timely perform or complete any of the Services required under the terms of the Agreement Documents, SHERMAN will sustain actual damages as a result of such failure. The exact amount of such damages will be difficult to ascertain. Therefore, the parties agree that if Contractor fails to timely perform or complete any of the Services required under the terms of the Agreement Documents, then Contractor shall pay SHERMAN the sum of one thousand and 00/100 dollars ($1,000.00) for each calendar day in which the Services are not completed, not as a penalty but as liquidated damages for the damages that would be suffered by SHERMAN as a result of delay for each and every calendar day that the Contractor shall have failed to have completed the Services as required herein.

6. Payment, Performance and Maintenance Bonds.
Prior to commencing work under this Agreement, Contractor shall furnish to SHERMAN a payment bond and a performance bond, each of which shall be in an amount equal to one hundred percent (100%) of the total cost of the Project to ensure SHERMAN is indemnified: (i) against any claims for nonpayment of any part of the construction or work performed in connection with the Project; and (ii) for the completion of the Project in accordance with this Agreement. Prior to SHERMAN's final acceptance of the Project, Contractor shall furnish to SHERMAN a two (2) year maintenance bond in an amount equal to one hundred percent (100%) of the total cost of the Project to ensure the repair or remedy of any maintenance issues SHERMAN may have regarding the Project after SHERMAN finally accepts the same.

The bonds required by SHERMAN pursuant to this Section 5 must be: (i) good and sufficient bonds; (ii) in the amounts prescribed herein; and (iii) with a reputable and solvent corporate surety in favor of SHERMAN.

7. Entire Agreement.
The Agreement Documents contain all representations, understandings, contracts and agreements between the parties regarding the subject matter of this Agreement. The Agreement Documents supersede all oral or written previous and contemporaneous agreements, writings, understandings, representations or contracts between the parties regarding the subject matter of this Agreement. This Agreement in no way modifies or supersedes any document executed by the parties prior to the Effective Date of this Agreement which does not concern the subject matter of this Agreement. No amendment to the Agreement Documents shall be made except on the written agreement of the parties, which shall not be construed to release either party from any obligation of the Agreement Documents except as specifically provided for in such amendment.

8. Required Insurance.
Contractor shall not start work under this Agreement until Contractor has obtained, at Contractor's expense, all of the insurance specified in, and required by, the Agreement Documents. Contractor shall procure and keep in full force and effect the types and amounts of insurance specified in SHERMAN's Insurance Requirements, attached hereto as Exhibit C and incorporated herein for all purposes, for and during all aspects and phases of Contractor's work throughout the term of this Agreement at no expense to SHERMAN. Contractor also shall comply with all other requirements set forth in Exhibit C.

9. No Prohibited Interest; Vendor Disclosure.
Contractor acknowledges and agrees that it is aware of, and will abide by, the no prohibited interest requirement of the SHERMAN City Charter. Contractor shall execute and deliver to SHERMAN the Affidavit of No Prohibited Interest, attached hereto as Exhibit D and incorporated herein for all purposes, no later than the Effective Date of this Agreement (hereinafter defined). Contractor acknowledges and agrees that the existence of a prohibited interest during the term of this Agreement will render this Agreement voidable.

Contractor further acknowledges and agrees that it also is aware of, and will abide by, the vendor disclosure requirements set forth in Chapter 176 of the Texas Local Government Code, as amended. In this connection, Contractor shall execute and deliver to SHERMAN the Conflict of Interest Questionnaire, Form CIQ, attached hereto as Exhibit E and incorporated herein for all purposes, no later than the Effective Date of this Agreement.

10. Indemnity.

CONTRACTOR HEREBY RELEASES AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS SHERMAN AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS "SHERMAN" FOR PURPOSES OF THIS SECTION) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEY'S FEES AND EXPENSES INCURRED IN ENFORCING THIS SECTION), THAT IN WHOLE OR IN PART ARISE OUT OF OR ARE CONNECTED WITH GOODS AND/OR SERVICES PROVIDED BY CONTRACTOR, ITS OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES OR ANY OTHER THIRD PARTIES FOR WHOM CONTRACTOR IS LEGALLY RESPONSIBLE (COLLECTIVELY REFERRED TO AS "CONTRACTOR" FOR PURPOSES OF THIS SECTION) PURSUANT TO THIS AGREEMENT AND/OR THE NEGLIGENT, GROSSLY NEGLIGENT AND/OR INTENTIONAL WRONGFUL ACT AND/OR OMISSION OF CONTRACTOR IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OF SHERMAN (COLLECTIVELY, "CLAIMS"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "CLAIMS" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT IS NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST SHERMAN BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONTRACTOR AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH CONTRACTOR, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE.

IN ITS SOLE DISCRETION, SHERMAN SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONTRACTOR IN FULFILLING ITS OBLIGATION

HEREUNDER TO DEFEND AND INDEMNIFY SHERMAN, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY SHERMAN IN WRITING. SHERMAN RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, SHERMAN IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY SHERMAN IS NOT TO BE CONSTRUED AS A WAIVER OF CONTRACTOR'S OBLIGATION TO DEFEND SHERMAN OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY SHERMAN PURSUANT TO THIS AGREEMENT. CONTRACTOR SHALL RETAIN SHERMAN-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF SHERMAN'S WRITTEN NOTICE THAT SHERMAN IS INVOKING ITS RIGHT TO DEFENSE OR INDEMNIFICATION UNDER THIS AGREEMENT. IF CONTRACTOR FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, SHERMAN SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL COSTS INCURRED BY SHERMAN.

THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

11. Liability.
To the fullest extent permitted by law, Contractor shall be fully and solely responsible and liable for its own acts and omissions, including those of its officers, agents, representatives, employees, subcontractors, licensees, invitees and all other parties performing services for or on behalf of Contractor under this Agreement, and for any and all damage to Contractor's equipment and other property. SHERMAN assumes no such responsibility or liability. SHERMAN shall have no such responsibility or liability to either Contractor or its officers, agents, representatives, employees, subcontractors, licensees, invitees or other persons.

12. Compliance with Laws; Standard of Care.
Contractor shall comply with all federal, state and local laws, statutes, ordinances, regulations and policies, as they exist, may be amended or in the future arising, applicable to Contractor and its work. Contractor shall ensure that its officers, agents, representatives, employees, subcontractors, licensees, invitees and other parties performing services for or on behalf of Contractor under this Agreement comply with all applicable laws, statutes, ordinances, regulations and policies. If Contractor observes or is notified that the work under this Agreement is at variance with applicable laws, statutes, ordinances, regulations and policies, Contractor shall immediately notify SHERMAN in writing. Contractor shall perform the Services in accordance with the prevailing standard of care by exercising the skill and care ordinarily utilized by professionals performing the same or similar services under the same or similar circumstances in the State of Texas.

13. Termination.
SHERMAN is entitled to terminate this Agreement at any time for any reason or for no reason by giving Contractor at least thirty (30) days' prior written notice of the termination date.

SHERMAN is entitled to terminate this Agreement immediately on breach of any term or provision of the Agreement Documents by Contractor. If at any time during the term of this Agreement, Contractor shall fail to commence the work in accordance with the provisions of the Agreement Documents or fail to diligently perform the Services in an efficient, timely and careful manner and in strict accordance with the provisions of the Agreement Documents, then SHERMAN shall have the right to terminate this Agreement and complete the work in any manner it deems desirable, including engaging the services of other parties, if Contractor does not cure any such default after five (5) days written notice thereof. Any such act by SHERMAN shall not be deemed a waiver of any other right or remedy of SHERMAN.

If after exercising any remedy provided herein, the cost to SHERMAN of the performance of the balance of the work on the Project is in excess of that part of the Contractor's Fee which has not yet been paid to Contractor hereunder, Contractor shall be liable for and shall reimburse SHERMAN for such excess, without waiver of any other right or remedy of SHERMAN.

The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

14. Authority to Execute.
Each party represents and warrants to the other that it has the full power and authority to enter into and fulfill the obligations of this Agreement. The respective signatories to this Agreement, by affixing their signatures hereto, warrant and represent that they have the authority to bind their respective parties as duly authorized representatives thereof.

15. Assignment.
Contractor agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of SHERMAN. Contractor further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve Contractor of its full obligations to SHERMAN as provided by this Agreement. All such approved work performed by assignment or subletting shall be billed through Contractor, and there shall be no third party billing.

16. No Waiver of Immunity.
The parties acknowledge and agree that, in executing and performing this Agreement, SHERMAN has not waived, nor shall be deemed to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

17. Savings/Severability.
In the event that a term, condition or provision of this Agreement is determined to be invalid, illegal, void, unenforceable or unlawful by a court of competent jurisdiction, then that term, condition or provision shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been included in this Agreement.

18. Consideration.
This Agreement is executed by the parties without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

19. Attorneys' Fees.
If either party files any action or brings any proceeding against the other arising from this Agreement, then as between SHERMAN and Contractor, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.

20. Governing Law; Venue.
The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

21. Binding Effect.
This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors and assigns when permitted by this Agreement.

22. No Waiver.
Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.

23. Headings.
The headings of the various sections of this Agreement are included solely for convenience of reference and are not to be full or accurate descriptions of the content thereof.

24. Indemnity.
The parties agree that the indemnity provision set forth in Section 10 herein is conspicuous and the parties have read and understood the same.

25. Notice.
Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing the same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or to any courier service that provides a return receipt showing the date of actual delivery of the same to the addressee thereof. Notice given in accordance herewith shall be effective on receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to Contractor, to: Nema 3 Electric, Inc.
4181 Old Highway 67 N
Midlothian, TX 76065

Telephone: 972-723-1180
Email: RCooper@nema3electric.com

If to SHERMAN, to: City of SHERMAN
Attn: Robby Hefton, City Manager
220 W. Mulberry Street
Sherman, Texas 75090
Telephone: (903) 892-7201
Facsimile: (903) 892-7355
Email: robbyh@cityofsherman.com

With a copy to:
Abernathy, Roeder, Boyd & Hullett, P.C.
Attn.: Ryan D. Pittman
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Facsimile: (214) 544-4054
Email: rpittman@abernathy-law.com

26. Representations.
Each party states that they have carefully read this Agreement, know the contents hereof, have consulted with an attorney of their choice regarding the meaning and effect hereof and is signing the same solely of their own judgment.

27. Independent Contractor.
Contractor covenants and agrees that Contractor is an independent contractor and not an officer, agent, servant or employee of SHERMAN; that Contractor shall have exclusive

control of and exclusive right to control the details of the work performed hereunder and all persons performing the same; that the doctrine of respondent superior shall not apply as between SHERMAN and Contractor, its officers, agents, employees, contractors, subcontractors and consultants; and that nothing herein shall be construed as creating a partnership or joint enterprise between SHERMAN and Contractor.

28. Incorporation of Recitals.
The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement and adopted as findings of SHERMAN and the authorized representative of Contractor.

29. Reference to Contractor.
When referring to "Contractor" herein, this Agreement shall refer to and be binding upon Contractor, and its officers, directors, partners, employees, representatives, contractors, subcontractors, licensees, invitees, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Contractor is legally responsible.

30. Reference to SHERMAN.
When referring to "SHERMAN" herein, this Agreement shall refer to and be binding upon SHERMAN, its Council Members, officers, agents, representatives, employees and/or any other authorized third parties for whom SHERMAN is legally responsible.

31. Certifications Required by Texas Law.
In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms in this Section have the meanings ascribed to them in the referenced statutes if defined therein.

32. Debarment/Suspension.
SHERMAN is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. SHERMAN, Contractor and Contractor's subcontractors shall comply with federal and state regulations regarding debarment and suspension. Contractor shall include

a statement of compliance with federal and state debarment and suspension regulations in all third-party agreements for work on the Project.

33. Restrictions on Lobbying.
SHERMAN and Contractor are prohibited from using funds awarded under the Agreement for lobbying purposes. Contractor shall include a statement of compliance with this provision in applicable procurement solicitations and third-party agreements for work on the Project.

34. Miscellaneous Drafting Provisions.
This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

35. Multiple Counterparts.
This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

[*Signature page follows.*]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager

Date: _____

ATTEST:

_____
Linda Ashby, City Clerk

APPROVED AS TO FORM:

_____
Abernathy, Roeder, Boyd & Hullett, PC
Ryan D. Pittman, City Attorneys

Nema 3 Electric, Inc
4181 Old Hwy 67 N, Midlothian, TX 76065
a contractor

By: Ricky Cooper
Printed Name: Ricky Cooper
Title: President
Date: 06/06/2023

STATE OF TEXAS §
§
COUNTY OF Ellis §

BEFORE ME, the undersigned authority, on this day personally appeared Ricky Cooper known to me to be one of the persons whose names are subscribed to the foregoing instrument; that he acknowledged to me he is the President and duly authorized representative for Nema 3, Electric, Inc. and that he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 6 day of June, 2023

JENNIFER LEIGH PICKLER
Notary ID #128695018
My Commission Expires
August 4, 2023

Jennifer Leigh Pickler
Notary Public in and for the State of Texas
My Commission Expires: August 4, 2023

Exhibit A
Request for Proposal

City of Sherman
PO Box 1106
Sherman, TX 75091-1106

Request for Proposals

For

SPORTS FIELD LIGHTING - HIKE & BIKE LIGHTING FOR PECAN GROVE WEST ATHLETIC COMPLEX

RFP No. 2023-13

Publication Dates: May 14, 2023
May 21, 2023

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CITY OF SHERMAN, TEXAS

FINANCE DEPARTMENT

REQUEST FOR PROPOSAL - BID NO. 2023-13; **Sports Field Lighting - Hike & Bike Lighting for Pecan Grove West Athletic Complex**

The enclosed **REQUEST FOR PROPOSAL** (RFP) and accompanying **SPECIFICATIONS** are for your convenience in bidding the enclosed referenced **Sports Field Lighting - Hike & Bike Lighting for Pecan Grove West Athletic Complex** for the City of Sherman.

Questions may be addressed to the Finance Department at the address listed below. The bids will be opened at **2:00 p.m. on Tuesday, May 30, 2023,** at the following address:

City of Sherman – Finance Department
Municipal Building
405 N. Rusk Street
Sherman, TX
903-892-7215
craigl@cityofsherman.com

Bids may be submitted by mail to the following address:

City of Sherman
Finance Dept. – RFP for Sports Field Lighting - Hike & Bike Lighting for Pecan Grove West Athletic Complex - No. 2023-13

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

OR

Electronically at www.publicpurchase.com

OR

By delivery at the Municipal Building address listed above.

NOTICE TO BIDDERS

Bids will be received by the City of Sherman, Sherman, Texas, at the Finance Department, Attention: Craig Long, Sherman Municipal Building, 405 N. Rusk, Sherman, Texas 75091 until the hour **2:00 PM on the 30th day of May, 2023,** at which time bids duly delivered and submitted will be considered for supplying the following:

BID NO. 2023-13 – Sports Field Lighting - Hike & Bike Lighting for Pecan Grove West Athletic Complex

The award is intended to be included on the agenda of a regularly scheduled meeting of the City Council at the following address:

City Council Chambers
City Hall
220 W. Mulberry
Sherman, TX

Each bid delivered to the City shall be sealed and clearly marked "Construction of Sports Field Lighting - Hike & Bike Lighting for Pecan Grove West Athletic Complex" on the exterior of the bid. Electronic submittals may only be made through Public Purchase at https://www.publicpurchase.com. No email or faxed bids will be accepted. Each bid shall be **manually signed and dated by a person having the authority to bind the firm in a contract. Bids that are not signed and dated will be rejected.**

Bids shall be accompanied by a cashier's check or certified check, drawn upon a national or state bank, in an amount not less than five percent (5%) of the total maximum bid price, payable without recourse to the City of Sherman, or a bid bond in the same amount from a reliable surety company, as a guarantee that the bidder will enter into a contract.

Bidding Documents: Sets of Plans, Specifications and other Bidding Documents for this project may be obtained by General Contractors from Dunkin Sims Stoffels, Inc. To receive bid documents, contact by phone at 214-553-5778, upon receipt of $100.00 for each set of plans, which is non-refundable, payable to the City of Sherman. Partial sets of drawings and specifications will not be available.

Please note that all bids **must be received at the designated location or through Public Purchase by the deadline shown**. Bids received after the deadline will not be considered for the award of the contract, and shall be considered void and unacceptable. The Opening is scheduled for **2:00 p.m., Tuesday, May 30, 2023,** at which time the sealed bids will be opened.

Any bid received after stated closing time will be returned unopened. If bids are sent by mail to the Finance Department, the bidder shall be responsible for actual delivery of the bid before the advertised date and hour for opening of bids. If the mail is delayed by the postal service, courier service, or an ISP (Internet Service Provider), beyond the date and hour set for the bid opening, bids thus delayed will not be considered.

The City of Sherman will receive sealed bids for: **Sports Field Lighting - Hike & Bike Lighting for Pecan Grove West Athletic Complex.**

Bidders should carefully examine all terms, conditions, specifications and related documents.

Should a bidder find discrepancies in or omissions from the specifications or related documents, or should there be doubt as to their meaning, the City of Sherman Finance Department should be notified immediately for clarification prior to submitting the bid. In the event of any conflict between the terms and conditions of these requirements and the specifications, the specifications shall govern. In the event of any conflict of interpretation of any part of this overall document, the City of Sherman's interpretation shall govern.

Information concerning the bid plans and specifications or bid process/procedures may be submitted in writing to Craig Long, Budget Analyst at craigl@cityofsherman.com, or via phone at (903) 892-7215.

Until the final awarding by the City of Sherman, said City reserves the right to reject any and/or all bids, to waive technicalities, to re-advertise, and proceed otherwise when the best interests of said City will be realized hereby.

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CITY OF SHERMAN
GENERAL CONDITIONS

ADDENDA

It is the responsibility of the vendor to check for addenda. Addenda will be posted to: www.ci.sherman.tx.us and to www.publicpurchase.com.

ANNUAL CONTRACT FUNDING

The city operates on a fiscal year that ends on September 30th. Because state law mandates that a municipality may not commit funds beyond a fiscal year, this bid is subject to cancellation if funds for this commodity are not approved in the next fiscal year.

ASSIGNMENT OF BID/CONTRACT

The successful bidder may not assign their rights and duties under and award without the written consent of the City. Such consent shall not relieve the assignor of liability in event of default by their assignee.

BID CONSIDERATION / TABULATION

Until final award of the Contract, the city reserves the right to reject any or all bids, to waive technicalities, and to re-advertise for new bids, or proposed to do the work otherwise in the best interests of the City. Please refer to the **EVALUATION CRITERIA** for additional information.

BID SUBMISSION

Bids may be submitted in person, by mail, or electronically at www.publicpurchase.com.

- Submit bids via mail to PO Box 1106, Sherman, TX 75091-1106.
- To submit a bid via mail, all documents must be returned and an original signature provided on the proposal to bidders sheet.
- Bids will not be accepted without a signature.
- Bids submitted by email or fax will not be accepted.
- The City is not responsible for mail service. See page 4, paragraph 2 of the Notice to Bidders.

BRAND NAMES

If items for which bids have been called for have been identified by a "brand name or equal" description, such identification is intended to be descriptive, but not restrictive, and is to indicate the quality and characteristics of products that will be satisfactory. Bids offering "equal" products will be considered for award if such products are clearly identified in the bids and are determined by the City to be equal in all material respects to the brand name products referenced. **Unless the bidder clearly indicates in their bid that they are offering an "equal product", their bid shall be considered as offering a brand name product referenced in the Proposal Schedule.**

CHANGES OR ALTERATIONS

No part of this bid may be changed/altered in any way. Vendors must submit written requests to change any specifications/conditions with their proposal. ***Changes made without submission of a written request to this bid will result in disqualification.***

COMPLETING INFORMATION

Bidder must fill in all information asked for in the blanks provided under each item. Failure to comply may result in rejection of the Bid at the City's option.

CONTRACT CLAUSE

All bidders understand and agree that the vendor's bid response will become a legally binding contract upon acceptance in writing by the City. This contract may be superseded only if replaced with a more extensive contract that is agreed to by both parties.

DEFAULT

In case of default of the successful bidder, the city of Sherman may procure the articles from other sources and hold the bidder responsible for any excess cost occasioned thereby.

DELIVERY

The City reserves the right to demand bond or penalty to guarantee delivery by the date indicated. If order is given and the Bidder fails to furnish the materials by the guaranteed date, the City reserves the right to cancel the order without liability on its part. All prices are to be F.O.B. Sherman, Texas all freight prepaid.

DELIVERY DATE

Delivery date is an important factor to the City and may be required to be a part of each bid. The city of Sherman considers delivery time to be that period elapsing from the time the individual order is placed until that order or work thereunder is received by the City at the specified delivery location. The delivery date indicates a guaranteed delivery at Sherman, Texas. Failure of the bidder to meet guaranteed delivery dates or service performance could affect future City orders.

Whenever the Contractor encounters any difficulty which is delaying or threatens to delay timely performance (including actual or potential labor disputes), the Contractor shall immediately give notice thereof in writing to the City, stating all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery or performance schedule or be construed as a waiver by the City of any rights or remedies to which it is entitled by law or pursuant to provisions herein. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery or performance schedule because of such delivery.

INDEMNIFICATION

In case any action in court is brought against the Owner, or any officer or agent of the Owner, for the failure, omission, or neglect of the vendor to perform any of the covenants, acts, matters, or things by this contract undertaken; or for injury or damage caused by the alleged negligence of the

vendor or his subcontractors or his or their agents, or in connection with any claim based on lawful demands of subcontractors, workmen, materialmen, or suppliers the vendor shall indemnify and save harmless the Owner and his officers and agents, from all losses, damages, costs, expenses, judgments, or decrees arising out of such action.

INSURANCE

Deductibles, of any type, are the responsibility of the vendor/contractor.

MISCELLANEOUS

Except as to any supplies or components which the specifications provide need not be new, all supplies and components to be provided under this contract shall be new (not used or reconditioned, and not of such age or so deteriorated as to impair their usefulness or safety), of current production and of the most suitable grade for the purpose intended. If at any time during the performance of this contract the Contractor believes that the furnishing of supplies or components which are not new is necessary or desirable, they shall notify the City immediately, in writing, including the reasons therefore and proposing any consideration which will flow to the City if authorization to use supplies or components is granted.

The city of Sherman supports a recycling program. Recycled materials are acceptable and will be considered for award. The City desires to use recycled products when a comparable material/product is available. If your company distributes products made of recycled materials please submit an alternate bid for the items requested. All recycled products should meet the minimum standards established in the bid specifications provided. State any exceptions: costs, warranties and percentage of recycle materials used in the manufacture of the material/product. The City will determine the acceptability of the materials/product bid as an alternate.

Successful bidder(s) agrees to extend prices to all entities that have entered into or will enter into joint purchasing inter-local cooperation agreements with the city of Sherman. As such, the city of Sherman has executed an inter-local agreement with certain other governmental entities authorizing participation in a cooperative purchasing program. The successful vendor may be asked to provide product/services, based upon the bid price, to any other participant in the forum.

The City operates on a fiscal year that ends on September 30th. State law mandates that a municipality may not commit funds beyond a fiscal year; this bid is subject to cancellation if funds for this commodity are not approved in the next fiscal year.

PAYMENT TERMS & CONDITIONS

All bids shall specify terms and conditions of payment, which will be considered as part of, but not control, the award of bid. City review, inspection, and processing procedures ordinarily require thirty (30) days after receipt of invoice, materials or service. Bids which call for payment before 30 days from receipt of invoice, or cash discounts given on such payment, will be considered only if in the opinion of the City the review, inspection and processing procedures can be completed as to the specific purchases within the specified time.

It is the intention of the city of Sherman to make payment on completed orders within thirty (30) days

of receiving invoicing unless unusual circumstances arise. Invoices shall be fully documented as to labor, materials and equipment provided.

PROVISIONAL CLAUSES

The city of Sherman will not enter into any contract where the cost is provisional upon such clauses as are known as “escalator” or “cost-plus” clauses.

REJECTION OF BIDS

The City reserves the right to reject any or all bids or to waive technicalities at its option when in the best interests of said City. Bids will be considered irregular if they show any omissions, alteration of form, additions, or conditions not called for, unauthorized alternate bids or irregularities of any kind. However, the City reserves the right to waive any irregularities and to make the award in the best interests of the City.

The City reserves the right to reject any or all bids, and all bids submitted are subject to this reservation. Bids may be rejected, among other reasons, for any of the following specific reasons:

- Bids received after the time limit for receiving bids as stated in the advertisement.
- Proposal containing any irregularities.
- Bids submitted via fax or email.
- Unbalanced value of any items.

Bidders may be disqualified and their bids not considered, among other reasons, for any of the following specific reasons:

- Reason for believing collusion exists among the Bidders.
- Reasonable grounds for believing that any Bidder is interested in more than one Proposal for the work contemplated.
- The Bidder being interested in any litigation against the City.
- The Bidder being in arrears on any existing contract or having defaulted on a previous contract.
- Lack of competency as revealed by a financial statement, experience and equipment, questionnaires, etc.
- Uncompleted work, which in the judgment of the City will prevent or hinder the prompt completion of additional work if awarded.

REQUEST FOR NON-CONSIDERATION

Bids deposited with the City cannot be withdrawn prior to the time set for opening bids. Request for non-consideration of bids must be made in writing to the Finance Department and received by the City prior to the time set for opening bids. After other bids are opened and publicly read, the Proposal for which non-consideration is properly requested may be returned unopened. The Proposal may not be withdrawn after the bids have been opened, and the Bidder, in submitting the same, warrants and guarantees that this bid has been carefully reviewed and checked and that it is in all things true and accurate and free of mistakes and that such bid will not and cannot be withdrawn because of any mistake committed by the Bidder.

SALES TAX

The total for each bid submitted must include any applicable taxes. Although the City is exempt from most City, State, or Federal taxes, this is not true in all cases. It is suggested that taxes, if any, be separately identified, itemized, and stated on each bid. The City cannot determine for the bidder whether or not the bid is taxable to the City. The bidder through the bidder's attorney or tax consultant must make such determination. Bills submitted for taxes after the bids are awarded will not be honored.

PROPOSAL DEFINITIONS:

"City" is the City of Sherman, Texas.
"Bidder" is an individual or business submitting a bid or proposal to the City of Sherman.
"Independent contractor" or "contractor" is one who contracts to perform work or furnish materials in accordance with a contract.

I. PROPOSAL TERMS

A. The City of Sherman reserves the right to reject any and all proposals received as a result of this RFP. If a proposal is selected, it will be the most advantageous regarding price, quality of service, the independent contractor's qualifications and capabilities to provide the specified service, and other factors which the City of Sherman may consider. The City does not intend to award a contract fully on the basis of any response made to the proposal: the City reserves the right to consider proposals for modifications at any time before a contract would be awarded; and negotiations would be undertaken with the independent contractor whose proposal is deemed to best meet the City's specifications and needs.
B. Proposals must be signed by an official authorized to bind the independent contractor to its provisions for a period of at least ninety (90) days. Failure of the successful bidder to accept the obligation of the contract may result in the cancellation of any award.
C. In the event it becomes necessary to revise any part of the RFP, addenda will be provided. The deadline for submission of proposals may be adjusted to allow for revisions. To be considered, the entire proposal document, with any amendments, should be returned by the specified date, time and method identified on page 3 of this document.
D. Proposals should be prepared simply and economically providing a straightforward, concise description of the independent contractor's ability to meet the requirements of the RFP. Proposals shall be written in ink or typewritten. No erasures are permitted. Mistakes may be crossed out and corrected and must be initialed in ink by the person signing the proposal.
E. The price quotations from the contractor stated in this proposal will not be subject to any price increase from the closing date of this RFP to the mutually agreed to date of contract.
F. The City of Sherman reserves the right to increase or decrease the amount of improvements at Pecan Grove Park West Athletic Complex based upon annual budget constraints with fifteen (15) days' notice.

G. The City of Sherman reserves the right to award a separate contract to separate vendors for each item/group or to award one contract for the entire RFP.

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SCOPE OF WORK & SPECIFICATIONS

SCOPE OF WORK – Sports Field Lighting - Hike & Bike Lighting for Pecan Grove West Athletic Complex

The Scope of Work is as follows:

- Installation of lights/poles and all wiring for the existing four (4) Sports Field and the existing Trail as per the Plans and Specifications at Pecan Grove West Athletic Complex.

Bidding Documents: Sets of Plans, Specifications and other Bidding Documents for this project may be obtained by General Contractors from Dunkin Sims Stoffels, Inc. To receive bid documents, contact by phone at 214-553-5778, upon receipt of $100.00 for each set of plans, which is non-refundable, payable to the City of Sherman. Partial sets of drawings and specifications will not be available.

BIDDERS INFORMATION

Bidder's Name: _____

Bidder's Company _____

Bidder's Address _____

Bidder's City/State _____

Bidder's Phone/Fax #_____

Bidder's E-Mail _____

BID FORM

Bidder accepts all of the terms and conditions set forth in the Advertisement for Bid and the Bid Specification Package. Bidder has visited the sites and become familiar with and is satisfied as to the general conditions that may affect cost, progress, and performance of specified work.

The City of Sherman reserves the right to award a separate contract to separate vendors for each item/group or to award one contract for the entire RFP.

Sports Field Lighting& Hike & Bike Trail Lighting: ***$ _____***

Signature of Bidder _____

Bidder (print name) _____

EVALUATION PROCESS

All submitted proposals will be reviewed by the City of Sherman for compliance with the specified RFP requirements. The selection committee will decide proposals which meet the RFP requirements and receive further evaluation.

Based on the firms' response to the RFP requirements, the selection committee will determine the top firm(s) capable of meeting the needs of the City for such services. The City may invite the top firm(s) for an interview before considering a contract. Once the firm has been selected, the City will submit an agreement to the City Council for approval. The following evaluation criteria will be considered by the selection committee.

BEST VALUE EVALUATION CRITERIA

40% Pricing
40% Experience with References
20% Vendor Proposal

[REST OF THIS PAGE INENTIONALLY LEFT BLANK]

Contractor References

Customer Name: _____

Address: _____

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

Customer Name: _____

Address: _____

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

Customer Name: _____

Address: _____

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

Exhibit C
City's Insurance Requirements

I. GENERAL INSURANCE REQUIREMENTS –

A. All policies shall name the City of Sherman, its officers, agents, representatives and employees as additional insureds as to all applicable coverages with the exception of workers compensation insurance.

B. Such policies shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail.

C. Such policies shall provide for a waiver of subrogation against City for injuries, including death, property damage or any other loss to the extent the same is covered by the proceeds of the insurance.

II. INSURANCE COMPANY QUALIFICATION – All insurance companies providing the required insurance shall be authorized to transact business in the State of Texas, and shall have a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).

III. CERTIFICATE OF INSURANCE – A Certificate of Insurance and all applicable endorsement(s) evidencing the required insurance shall be submitted prior to commencing work under this Agreement. If the Agreement is renewed or extended by City, a Certificate of Insurance and all applicable endorsement(s) shall also be provided to City prior to the date the Agreement is renewed or extended.

IV. INSURANCE CHECKLIST – "X" means that the following coverage is required for this Agreement.

Coverage Required		Limits
_X_	1. Worker's Compensation & Employer's Liability	▪ Statutory Limits of the State of Texas
_X_	2. General Liability	▪ Minimum $1,000,000.00 each occurrence; ▪ Minimum $2,000,000.00 in the aggregate.
___	3. XCU Coverage	▪ Minimum $1,000,000.00 each occurrence; ▪ Minimum $2,000,000.00 in the aggregate.
___	4. Professional Liability	▪ Minimum $1,000,000.00 each claim; ▪ Minimum $2,000,000.00 in the aggregate.
___	5. Umbrella Coverage or Excess Liability Coverage	▪ An amount of $ 2,000,000.00.
_X_	6. City and its officers, agents, representatives and employees named as additional insured on General Liability Policy, as provided above. This coverage is primary to all other coverage City may possess.	
_X_	7. General Liability Insurance provides for a Waiver of Subrogation against City for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. All insurance policies that are required to name City as an additional insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance.	

X 8. Thirty (30) days' notice of cancellation, non-renewal, or material change required. The words "endeavor to" and "but failure" (to end of sentence) are to be eliminated from the Notice of Cancellation provision on standard ACORD certificates.

X 9. Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).

X 10. The Certificate of Insurance must state the project title.

___ 11. Other Insurance Requirements (State Below):

Exhibit D

Affidavit of No Prohibited Interest

THE STATE OF _____ §

THE COUNTY OF _____ §

I, _____, an authorized agent of Contractor, make this affidavit and hereby under oath state the following:

I, and/or a person or persons related to me, have the following interest in a business entity that would be affected by the work or decision under this Agreement (Check all that apply):

_____ Ownership of ten percent (10%) or more of the voting shares of the business entity.

_____ Ownership of Twenty-Five Thousand and 00/100 Dollars ($25,000) or more of the fair market value of the business entity.

_____ Funds received from the business entity exceed ten percent (10%) of my income for the previous year.

_____ Real property is involved, and I have an equitable or legal ownership with a fair market value of at least Twenty-Five Thousand and 00/100 Dollars ($25,000).

_____ A relative of mine has a substantial interest in the business entity or property that would be affected by my business decision of the public body which I am a member.

_____ Other:_____.

_____ None of the Above.

Upon filing this affidavit with the City of Sherman, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573, TEX. GOV'T CODE, as amended, is a member of a public body which took action on the agreement.

Signed this ___ day of _____, 202_.

_____
Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared _____, and on oath stated that the facts hereinabove stated are true to the best of his/her knowledge or belief.

Sworn to and subscribed before me on this _____ day of _____, 202_.

_____
Notary Public in and for the State of _____
My commission expires: _____

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

_____

Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

_____ _____

Signature of vendor doing business with the governmental entity Date

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

(A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;

(B) a transaction conducted at a price and subject to terms available to the public; or

(C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

***

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds $2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than $100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

TEXAS ETHICS FORM 1295 & VERIFICATION FORM 2270

NOTE: TEC Form 1295 will not be required for all submitting contractors, but, will be required from the recommended contractor prior to award. Verification Form 2270 is required with all proposal submittals. See next page for forms.

INSTRUCTIONS for
State Law Mandated Certificate of Interested Parties Form (Form 1295)

1. Pursuant to House Bill 1295 passed by the 84th Texas Legislature (Section 2252.908, Texas Government Code, as amended) and formal rules released by the Texas Ethics Commission (TEC), all contracts with private business entities requiring approval by the Sherman City Council must be accompanied by an original signature unsworn declaration, Certificate of Interested Parties, Form 1295.

2. Form 1295 must be completed in accordance with the TEC Rules: (https://www.ethics.state.tx.us/legal/ch46.html) and Section 2252.908 of the Texas Government Code, as amended: (http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB01295F.htm).

3. For questions or issues regarding the TEC rules and state law provisions and how Form 1295 should be completed, please consult with your own legal counsel.

4. In order to fill out and submit Form 1295, you will need to log in as directed on the TEC website: https://www.ethics.state.tx.us/whatsnew/elf info form1295.htm

   Tutorials for creating an account and for creating and submitting Form 1295 may also be found on this web page.

5. Please provide the bolded information exactly as it appears below when creating your certificate:

   Who is the contract with? Click the button for **Other**

   Governmental Entity

   Agency/Entity Name: **City of Sherman**

   Contract ID Number: **2023-13**

   Description of Goods and Services to be provided: **Sports Field Lighting – Hike & Bike Trail Lighting at Pecan Grove West Athletic Complex**

6. All other fields as required or as applicable to the individual vendor must be completed as explained in the tutorial video.

7. Vendors must provide a signed, original signature copy of this form along with four signed, notarized, original signature copies of the contract no later than 14 days after Notice of Recommendation for Award is received. All documents shall be signed by an Officer, Director or other Authorized Agent of the company. If the individual signing as Authorized Agent is not an officer or director of the company, appropriate documentation must be included with these documents to confirm that the individual has the authority to bind the company contractually.

VERIFICATION REQUIRED BY TEXAS GOVERNMENT CODE CHAPTER 2270

By signing below, the signatory hereby verifies that the firm it represents:

1. Does not boycott Israel; and,

2. Will not boycott Israel during the term of the contract.

SIGNED BY: _____

Print Name & Title: _____

Firm Name: _____

Date Signed: _____

NOTARIZATION

THE STATE OF _____)
)
COUNTY OF _____)

BEFORE ME, the undersigned notary public on this day personally appeared _____, on behalf of _____ (Company), who, being duly sworn, stated under oath that he/she has read the foregoing verification required by Texas Government Code Section 2270.002 and said statements contained therein are true and correct.

SWORN TO AND SUBSCRIBED before me on the_____day of _____, 202__.

_____
NOTARY PUBLIC IN AND
FOR THE STATE OF _____

The following definitions apply to Texas Government Code Section 2270.001:

(1) "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and

(2) "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

State law requires any firm entering into an agreement or contract with the Authority to complete the foregoing verification. TEX. GOV'T CODE § 2270.002.

REQUIRED BOND FORMS FOLLOW THIS PAGE:

PERFORMANCE BOND

BOND NO._____

STATE OF TEXAS §

§ KNOW ALL PERSONS BY THESE PRESENTS:

COUNTY OF Grayson §

THAT _____ (Name of Contractor) of _____ (City) _____ County, State of _____, as PRINCIPAL and _____ (Name of Surety) as SURETY, authorized under the laws of the State of Texas to act as surety on bonds for principals, are held and firmly bound unto City of Sherman (OWNER), in the penal sum of _____ and _____/100 Dollars ($_____) for the payment whereof, the said PRINCIPAL and SURETY bind themselves, and their heirs, administrators, executors, successors, and assigns, jointly and severally, by these presents:

WHEREAS, the PRINCIPAL has entered into a certain written contract with the OWNER, for **Sports Field Lighting – Hike & Bike Lighting for Pecan Grove West Athletic Complex** (Name of Project) which contract is hereby referred to and made part hereof as fully and to the same extent as if copied at length herein.

NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said PRINCIPAL shall faithfully perform the said contract and shall in all respects duly and faithfully observe and perform all and singular the covenants, conditions and agreements in and by said contract agreed and covenanted by the PRINCIPAL to be observed and performed, and according to the true intent and meaning of said contract and the Plans and Specifications hereto annexed, then this obligation shall be void; otherwise to remain in full force and effect:

"PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Chapter 2253 of the Texas Government Code for Public Works as amended and all liabilities on this bond shall be determined in accordance with the provisions of said Chapter to the same extent as if it were copied at length herein."

SURETY, for value received, stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract, or to the work performed thereunder, or the plans, specifications, or drawings accompanying the same, shall in any way affect its obligation on this bonds, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract, or to the work to be performed thereunder.

IN WITNESS WHEREOF, the said PRINCIPAL and SURETY have signed and sealed this instrument this _____ day of _____ 20_____.

PRINCIPAL:	SURETY:
_____	_____
Name of Contractor	Name of Surety
_____	_____
Signature	Signature
_____	_____
Printed Name and Title	Printed Name and Title
_____	_____
Address	Address
_____	_____
City, State, Zip	City, State, Zip

The name, address and phone number of the Resident Agent of Surety is:

_____

_____

PAYMENT BOND

BOND NO._____

STATE OF TEXAS §

§ KNOW ALL PERSONS BY THESE PRESENTS:

COUNTY OF Grayson §

THAT _____ (Name of Contractor) of _____ (City) _____ County, State of _____, as PRINCIPAL and _____ (Name of Surety) as SURETY, authorized under the laws of the State of Texas to act as surety on bonds for principals, are held and firmly bound unto City of Sherman (OWNER), in the penal sum of _____ and _____/100 Dollars ($_____) for the payment whereof, the said PRINCIPAL and SURETY bind themselves, and their heirs, administrators, executors, successors, and assigns, jointly and severally, by these presents:

WHEREAS, the PRINCIPAL has entered into a certain written contract with the OWNER, for **Sports Field Lighting – Hike & Bike Lighting for Pecan Grove West Athletic Complex** (Name of Project) which contract is hereby referred to and made part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said PRINCIPAL shall pay all claimants supplying labor and material to him or a subcontractor in the prosecution of the work provided for in said contract, then this obligation shall be void; otherwise to remain in full force and effect:

"PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Chapter 2253 of the Texas Government Code for Public Works as amended and all liabilities on this bond shall be determined in accordance with the provisions of said Chapter to the same extent as if it were copied at length herein."

SURETY, for value received, stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract, or to the work performed thereunder, or the plans, specifications, or drawings accompanying the same, shall in any way affect its obligation on this bonds, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract, or to the work to be performed thereunder.

IN WITNESS WHEREOF, the said PRINCIPAL and SURETY have signed and sealed this instrument this _____ day of _____ 20_____.

PRINCIPAL:	SURETY:
_____	_____
Name of Contractor	Name of Surety
_____	_____
Signature	Signature
_____	_____
Printed Name and Title	Printed Name and Title
_____	_____
Address	Address
_____	_____
City, State, Zip	City, State, Zip

The name, address and phone number of the Resident Agent of Surety is:

_____

_____

MAINTENANCE BOND

BOND NO._____

STATE OF TEXAS §

§ KNOW ALL PERSONS BY THESE PRESENTS:

COUNTY OF Grayson §

THAT _____ (Name of Contractor) of _____ (City) _____ County, State of _____, as PRINCIPAL and _____ (Name of Surety) as SURETY, a corporation organized under the laws of the State of _____ as sureties, do hereby expressly acknowledge themselves to be held and bound to pay unto the City of Sherman, a municipal corporation, chartered by virtue of a special act of legislature of the State of Texas, at Sherman, Grayson County, Texas, the sum of _____ and _____/100 Dollars ($_____) for the payment of which sum will truly be made unto said City of Sherman, and its successors, and said principal and sureties to hereby bind themselves, their assigns and successors jointly and severally.

This obligation is conditioned, however, that whereas the said contractor has this day entered into a written contract with the said City of Sherman to build and construct **Sports Field Lighting – Hike & Bike Lighting for Pecan Grove West Athletic Complex** (Name of Project) which contract, plans and specifications therein mentioned are hereby expressly made a part hereof as though the same were written embodied herein.

WHEREAS, under the plans, specifications, and contract, it is provided that the contractor will maintain and keep in good repair the work herein contracted to be done and performed for a period of one (1) years from the date of the acceptance of said work, and to do all necessary repairing and/or reconstructing in whole or in part of said improvements that should be occasioned by settlement of foundation, defective workmanship or materials furnished in the construction or any part thereof or any of the accessories thereto constructed by the contractor. It being understood that the purpose of this section, in part, is to cover all defective conditions arising by reason of defective material and charge the same against the said contractor and sureties on this obligation, and the said contractor sureties hereon shall be subject to the liquidation damages mentioned in said contract for each day's failure on its part to comply with the terms of said provisions of said contract. Now, therefore, if the said contractor shall keep and perform its said agreement to maintain said work and keep the same in repair for the said maintenance period of one (1) years, as provided, then these presents shall be null and void, and have no further effect, but if default shall be made by said contractor in the performance of its contract to so maintain and repair said work, then these presents shall have full force and effect, and said City of Sherman shall have and recover from the said contractor and its principal and sureties damages in the premises, as provided; and it is further agreed that this obligation shall be continuing one against the principal and sureties, hereon, and that successive recoveries may be and had hereon for successive branches until the full amount shall have been exhausted; and it is further understood that the obligation herein to maintain said work shall continue throughout said maintenance period, and the same shall not be changed, diminished or in any manner affected from any cause during said time.

IN WITNESS WHEREOF, the said PRINCIPAL and SURETY have signed and sealed this instrument this _____day of _____ 20_____.

PRINCIPAL:	SURETY:
_____	_____
Name of Contractor	Name of Surety
_____	_____
Signature	Signature
_____	_____
Printed Name and Title	Printed Name and Title
_____	_____
Address	Address
_____	_____
City, State, Zip	City, State, Zip

The name, address and phone number of the Resident Agent of Surety is:

_____

_____

MASTER CONSTRUCTION AGREEMENT – the following agreement must be completed by the contractor selected for awarding. PRIOR to the City Council meeting recommending the selected contract, the Finance Department will contact the contractor to obtain a completed original.

CONSTRUCTION AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS AND _____

The **City of SHERMAN, Texas**, a home-rule municipality ("SHERMAN"), and **_____,** a _____ ("Contractor"), enter into this Construction Agreement ("Agreement") for **Sports Field Lighting – Hike & Bike Lighting for Pecan Grove West Athletic Complex**. SHERMAN and Contractor are sometimes referred to collectively as the "parties" or individually as a "party."

WHEREAS, SHERMAN desires to engage Contractor to provide services in connection with **Sports Field Lighting – Hike & Bike Lighting for Pecan Grove West Athletic Complex** under the terms and conditions of this Agreement ("Project");

WHEREAS, SHERMAN issued a Request for Proposals, attached hereto as Exhibit A and incorporated herein for all purposes ('Bid Request"), seeking competitively sealed bids for **Sports Field Lighting – Hike & Bike Lighting for Pecan Grove West Athletic Complex**; and

WHEREAS, Contractor timely submitted a sealed response to the Bid Request, attached hereto as Exhibit B and incorporated herein for all purposes ("Submittal"), seeking to provide such services for City; and

WHEREAS, based on Contractor's representations in response to the Bid Request, including those representations set forth in the Submittal, City has selected Contractor to provide the services sought in the Bid Request under the terms and conditions of this Agreement ("Project").

WHEREAS, Contractor has agreed to provide the services for the Project.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Scope of Services.
   Contractor shall provide the services and deliverables that are set forth and described in the Agreement Documents (hereinafter defined) and shall furnish all personnel, labor, equipment, supplies and all other items necessary to provide the services and deliverables as specified by the terms and conditions of the Agreement Documents (collectively, "Services"). The parties understand and agree that deviations or modifications to the scope of Services described in the Agreement Documents, in the form of one or more written change orders, may be authorized from time to time by SHERMAN ("Change Orders"). "Extra" work, "claims" invoiced as "extra" work or "claims" which have not been issued as a duly executed, written Change Orders by the SHERMAN City Manager or his designee will not be authorized for payment and/or shall not become part of this Agreement. A duly executed, written Change Order shall be preceded by the SHERMAN City Council's

authorization for the SHERMAN City Manager to execute said Change Order. Contractor agrees that SHERMAN's project managers, superintendents and/or inspectors are not authorized to issue verbal or written Change Orders.

2. Term.

Contractor shall mobilize on-site and commence performance of the Project (the "Mobilization Date") within _____ (__) calendar days of the Effective Date of this Agreement (hereinafter defined) and shall complete the Services within _____ (___) calendar days of the Mobilization Date. All obligations relating to time set forth herein are material and are of the essence of this Agreement. This Agreement shall remain in full force and effect until completion of the Project to SHERMAN's satisfaction. The obligations listed hereunder shall be fulfilled upon the completion of the Project to SHERMAN's satisfaction.

3. Compensation.

In exchange for the Services as described in the Agreement Documents, SHERMAN agrees to pay the Contractor in an amount not to exceed _____ ($_____) for the completion of the Project contemplated by and in accordance with the Agreement Documents as follows:

On a monthly basis, Contractor shall submit a written invoice to SHERMAN for all Services completed in the immediately preceding month. The applicable portion of Contractor's Fee as reflected in each such invoice shall be due and payable by SHERMAN within thirty (30) days after SHERMAN finally accepts the Services described in each such invoice in accordance with the Agreement Documents and SHERMAN's ordinances, rules, regulations and requirements, as they exist, may be amended or in the future arising, except that SHERMAN is entitled to retain an amount equal to five percent (5%) of the Contractor's Fee, which shall be due and payable within thirty (30) days after Contractor completes the Project and SHERMAN finally accepts the same. Notwithstanding anything to the contrary herein, SHERMAN shall not be required to pay any invoice submitted by Contractor if Contractor is in breach of this Agreement.

Contractor and SHERMAN acknowledge and agree that the continuation of this Agreement after the close of any given fiscal year of SHERMAN, which fiscal year ends on September 30th of each year, shall be subject to SHERMAN City Council approval. In the event that the SHERMAN City Council does not approve the appropriation of funds for this Agreement, the Agreement shall terminate at the end of the fiscal year for which funds were appropriated, and the parties shall have no further obligations hereunder, except that SHERMAN shall be obligated to pay monies owed Contractor for Services it has provided pursuant to this Agreement through the end of that fiscal year provided that Contractor is not in breach of this Agreement.

4. Agreement Documents.

The "Agreement Documents," as that term is used herein, shall mean and include the following documents, and this Agreement expressly incorporates the same herein by reference for all purposes:

a. This Agreement;

b. The Bid Request, attached hereto as Exhibit A;

c. The Submittal, attached hereto as Exhibit B;

d. SHERMAN's Insurance Requirements, attached hereto as Exhibit C;

d. City of SHERMAN's Standard Construction Details (which is on file in with the City Engineering Department);

e. The Standard Specifications for Public Works Construction (North Central Texas Third Edition 1998) as amended and supplemented by the City of SHERMAN's Special Provisions to said Standard Specification, as amended (which is on file in the City Engineering Department);

f. Affidavit of No Prohibited Interested, attached hereto as Exhibit D;

g. Conflict of Interest Questionnaire, attached hereto as Exhibit E;

This Agreement shall incorporate the terms of the Agreement Documents in their entirety. To the extent that Exhibit A, Exhibit B, Exhibit C, Exhibit D or Exhibit E are in conflict with provisions of this Agreement or each other, the provisions of this Agreement, then the provisions of Exhibit A, Exhibit C, Exhibit D, Exhibit E and Exhibit B shall prevail in that order.

5. Liquidated Damages.

Contractor acknowledges and agrees that if Contractor fails to timely perform or complete any of the Services required under the terms of the Agreement Documents, SHERMAN will sustain actual damages as a result of such failure. The exact amount of such damages will be difficult to ascertain. Therefore, the parties agree that if Contractor fails to timely perform or complete any of the Services required under the terms of the Agreement Documents, then Contractor shall pay SHERMAN the sum of one thousand and 00/100 dollars ($1,000.00) for each calendar day in which the Services are not completed, not as a penalty but as liquidated damages for the damages that would be suffered by SHERMAN as a result of delay for each and every calendar day that the Contractor shall have failed to have completed the Services as required herein.

6. Payment, Performance and Maintenance Bonds.

Prior to commencing work under this Agreement, Contractor shall furnish to SHERMAN a payment bond and a performance bond, each of which shall be in an amount equal to one hundred percent (100%) of the total cost of the Project to ensure SHERMAN is indemnified: (i) against any claims for nonpayment of any part of the construction or work performed in connection with the Project; and (ii) for the completion of the Project in accordance with this Agreement. Prior to SHERMAN's final acceptance of the Project, Contractor shall furnish to SHERMAN a two (2) year maintenance bond in an amount equal to one hundred percent (100%) of the total cost of the Project to ensure the repair or remedy of any maintenance issues SHERMAN may have regarding the Project after SHERMAN finally accepts the same.

The bonds required by SHERMAN pursuant to this Section 5 must be: (i) good and sufficient bonds; (ii) in the amounts prescribed herein; and (iii) with a reputable and solvent corporate surety in favor of SHERMAN.

7. Entire Agreement.

The Agreement Documents contain all representations, understandings, contracts and agreements between the parties regarding the subject matter of this Agreement. The Agreement Documents supersede all oral or written previous and contemporaneous agreements, writings, understandings, representations or contracts between the parties regarding the subject matter of this Agreement. This Agreement in no way modifies or supersedes any document executed by the parties prior to the Effective Date of this Agreement which does not concern the subject matter of this Agreement. No amendment to the Agreement Documents shall be made except on the written agreement of the parties, which shall not be construed to release either party from any obligation of the Agreement Documents except as specifically provided for in such amendment.

8. Required Insurance.

Contractor shall not start work under this Agreement until Contractor has obtained, at Contractor's expense, all of the insurance specified in, and required by, the Agreement Documents. Contractor shall procure and keep in full force and effect the types and amounts of insurance specified in SHERMAN's Insurance Requirements, attached hereto as Exhibit C and incorporated herein for all purposes, for and during all aspects and phases of Contractor's work throughout the term of this Agreement at no expense to SHERMAN. Contractor also shall comply with all other requirements set forth in Exhibit C.

9. No Prohibited Interest; Vendor Disclosure.

Contractor acknowledges and agrees that it is aware of, and will abide by, the no prohibited interest requirement of the SHERMAN City Charter. Contractor shall execute and deliver to SHERMAN the Affidavit of No Prohibited Interest, attached hereto as Exhibit D and incorporated herein for all purposes, no later than the Effective Date of this Agreement (hereinafter defined). Contractor acknowledges and agrees that the existence of a prohibited interest during the term of this Agreement will render this Agreement voidable.

Contractor further acknowledges and agrees that it also is aware of, and will abide by, the vendor disclosure requirements set forth in Chapter 176 of the Texas Local Government Code, as amended. In this connection, Contractor shall execute and deliver to SHERMAN the Conflict of Interest Questionnaire, Form CIQ, attached hereto as Exhibit E and incorporated herein for all purposes, no later than the Effective Date of this Agreement.

10. Indemnity.

CONTRACTOR HEREBY RELEASES AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS SHERMAN AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS "SHERMAN" FOR PURPOSES OF THIS SECTION) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEY'S FEES AND EXPENSES INCURRED IN ENFORCING THIS SECTION), THAT IN WHOLE OR IN PART ARISE OUT OF OR ARE CONNECTED WITH GOODS AND/OR SERVICES PROVIDED BY CONTRACTOR, ITS OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES OR ANY OTHER THIRD PARTIES FOR WHOM CONTRACTOR IS LEGALLY RESPONSIBLE (COLLECTIVELY REFERRED TO AS "CONTRACTOR" FOR PURPOSES OF THIS SECTION) PURSUANT TO THIS AGREEMENT AND/OR THE NEGLIGENT, GROSSLY NEGLIGENT AND/OR INTENTIONAL WRONGFUL ACT AND/OR OMISSION OF CONTRACTOR IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OF SHERMAN (COLLECTIVELY, "CLAIMS"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "CLAIMS" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT IS NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST SHERMAN BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONTRACTOR AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH CONTRACTOR, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE.

IN ITS SOLE DISCRETION, SHERMAN SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONTRACTOR IN FULFILLING ITS OBLIGATION

HEREUNDER TO DEFEND AND INDEMNIFY SHERMAN, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY SHERMAN IN WRITING. SHERMAN RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, SHERMAN IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY SHERMAN IS NOT TO BE CONSTRUED AS A WAIVER OF CONTRACTOR'S OBLIGATION TO DEFEND SHERMAN OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY SHERMAN PURSUANT TO THIS AGREEMENT. CONTRACTOR SHALL RETAIN SHERMAN-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF SHERMAN'S WRITTEN NOTICE THAT SHERMAN IS INVOKING ITS RIGHT TO DEFENSE OR INDEMNIFICATION UNDER THIS AGREEMENT. IF CONTRACTOR FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, SHERMAN SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL COSTS INCURRED BY SHERMAN.

THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

11. Liability.
To the fullest extent permitted by law, Contractor shall be fully and solely responsible and liable for its own acts and omissions, including those of its officers, agents, representatives, employees, subcontractors, licensees, invitees and all other parties performing services for or on behalf of Contractor under this Agreement, and for any and all damage to Contractor's equipment and other property. SHERMAN assumes no such responsibility or liability. SHERMAN shall have no such responsibility or liability to either Contractor or its officers, agents, representatives, employees, subcontractors, licensees, invitees or other persons.

12. Compliance with Laws; Standard of Care.
Contractor shall comply with all federal, state and local laws, statutes, ordinances, regulations and policies, as they exist, may be amended or in the future arising, applicable to Contractor and its work. Contractor shall ensure that its officers, agents, representatives, employees, subcontractors, licensees, invitees and other parties performing services for or on behalf of Contractor under this Agreement comply with all applicable laws, statutes, ordinances, regulations and policies. If Contractor observes or is notified that the work under this Agreement is at variance with applicable laws, statutes, ordinances, regulations and policies, Contractor shall immediately notify SHERMAN in writing. Contractor shall perform the Services in accordance with the prevailing standard of care by exercising the skill and care ordinarily utilized by professionals performing the same or similar services under the same or similar circumstances in the State of Texas.

13. Termination.
SHERMAN is entitled to terminate this Agreement at any time for any reason or for no reason by giving Contractor at least thirty (30) days' prior written notice of the termination date.

SHERMAN is entitled to terminate this Agreement immediately on breach of any term or provision of the Agreement Documents by Contractor. If at any time during the term of this Agreement, Contractor shall fail to commence the work in accordance with the provisions of the Agreement Documents or fail to diligently perform the Services in an efficient, timely and careful manner and in strict accordance with the provisions of the Agreement Documents, then SHERMAN shall have the right to terminate this Agreement and complete the work in any manner it deems desirable, including engaging the services of other parties, if Contractor does not cure any such default after five (5) days written notice thereof. Any such act by SHERMAN shall not be deemed a waiver of any other right or remedy of SHERMAN.

If after exercising any remedy provided herein, the cost to SHERMAN of the performance of the balance of the work on the Project is in excess of that part of the Contractor's Fee which has not yet been paid to Contractor hereunder, Contractor shall be liable for and shall reimburse SHERMAN for such excess, without waiver of any other right or remedy of SHERMAN.

The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

14. Authority to Execute.
Each party represents and warrants to the other that it has the full power and authority to enter into and fulfill the obligations of this Agreement. The respective signatories to this Agreement, by affixing their signatures hereto, warrant and represent that they have the authority to bind their respective parties as duly authorized representatives thereof.

15. Assignment.
Contractor agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of SHERMAN. Contractor further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve Contractor of its full obligations to SHERMAN as provided by this Agreement. All such approved work performed by assignment or subletting shall be billed through Contractor, and there shall be no third party billing.

16. No Waiver of Immunity.
The parties acknowledge and agree that, in executing and performing this Agreement, SHERMAN has not waived, nor shall be deemed to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

17. Savings/Severability.
In the event that a term, condition or provision of this Agreement is determined to be invalid, illegal, void, unenforceable or unlawful by a court of competent jurisdiction, then that term, condition or provision shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been included in this Agreement.

18. Consideration.
This Agreement is executed by the parties without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

19. Attorneys' Fees.
If either party files any action or brings any proceeding against the other arising from this Agreement, then as between SHERMAN and Contractor, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.

20. Governing Law; Venue.
The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

21. Binding Effect.
This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors and assigns when permitted by this Agreement.

22. No Waiver.
Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.

23. Headings.
The headings of the various sections of this Agreement are included solely for convenience of reference and are not to be full or accurate descriptions of the content thereof.

24. Indemnity.
The parties agree that the indemnity provision set forth in Section 10 herein is conspicuous and the parties have read and understood the same.

25. Notice.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing the same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or to any courier service that provides a return receipt showing the date of actual delivery of the same to the addressee thereof. Notice given in accordance herewith shall be effective on receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to Contractor, to: _____
_____
_____
_____
Telephone: _____
Email: _____

If to SHERMAN, to: City of SHERMAN
Attn: Robby Hefton, City Manager
220 W. Mulberry Street
Sherman, Texas 75090
Telephone: (903) 892-7201
Facsimile: (903) 892-7355
Email: robbyh@cityofsherman.com

With a copy to:
Abernathy, Roeder, Boyd & Hullett, P.C.
Attn.: Ryan D. Pittman
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Facsimile: (214) 544-4054
Email: rpittman@abernathy-law.com

26. Representations.

Each party states that they have carefully read this Agreement, know the contents hereof, have consulted with an attorney of their choice regarding the meaning and effect hereof and is signing the same solely of their own judgment.

27. Independent Contractor.

Contractor covenants and agrees that Contractor is an independent contractor and not an officer, agent, servant or employee of SHERMAN; that Contractor shall have exclusive

control of and exclusive right to control the details of the work performed hereunder and all persons performing the same; that the doctrine of respondent superior shall not apply as between SHERMAN and Contractor, its officers, agents, employees, contractors, subcontractors and consultants; and that nothing herein shall be construed as creating a partnership or joint enterprise between SHERMAN and Contractor.

28. Incorporation of Recitals.
The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement and adopted as findings of SHERMAN and the authorized representative of Contractor.

29. Reference to Contractor.
When referring to "Contractor" herein, this Agreement shall refer to and be binding upon Contractor, and its officers, directors, partners, employees, representatives, contractors, subcontractors, licensees, invitees, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Contractor is legally responsible.

30. Reference to SHERMAN.
When referring to "SHERMAN" herein, this Agreement shall refer to and be binding upon SHERMAN, its Council Members, officers, agents, representatives, employees and/or any other authorized third parties for whom SHERMAN is legally responsible.

31. Certifications Required by Texas Law.
In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms in this Section have the meanings ascribed to them in the referenced statutes if defined therein.

32. Debarment/Suspension.
SHERMAN is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. SHERMAN, Contractor and Contractor's subcontractors shall comply with federal and state regulations regarding debarment and suspension. Contractor shall include

a statement of compliance with federal and state debarment and suspension regulations in all third-party agreements for work on the Project.

33. Restrictions on Lobbying.
SHERMAN and Contractor are prohibited from using funds awarded under the Agreement for lobbying purposes. Contractor shall include a statement of compliance with this provision in applicable procurement solicitations and third-party agreements for work on the Project.

34. Miscellaneous Drafting Provisions.
This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

35. Multiple Counterparts.
This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date: _____

ATTEST:

_____
Linda Ashby, City Clerk

APPROVED AS TO FORM:

_____
Abernathy, Roeder, Boyd & Hullett, PC
Ryan D. Pittman, City Attorneys

_____
_____
a _____

By: _____
Printed Name: _____
Title: _____
Date: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be one of the persons whose names are subscribed to the foregoing instrument; that he acknowledged to me he is the _____ and duly authorized representative for _____ and that he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 202_.

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

EXHIBIT B

BIDDERS INFORMATION

Bidder's Name: Ricky Cooper

Bidder's Company Nema 3 Electric, Inc.

Bidder's Address 4181 Old Hwy 67

Bidder's City/State Midlothian, TX 76065

Bidder's Phone/Fax # 972-723-1180 / 972-723-1181

Bidder's E-Mail rcooper@nema3electric.com

BID FORM

Bidder accepts all of the terms and conditions set forth in the Advertisement for Bid and the Bid Specification Package. Bidder has visited the sites and become familiar with and is satisfied as to the general conditions that may affect cost, progress, and performance of specified work.

The City of Sherman reserves the right to award a separate contract to separate vendors for each item/group or to award one contract for the entire RFP.

Sports Field Lighting& Hike & Bike Trail Lighting: $ 1,144,643.00

Signature of Bidder Ricky Cooper

Bidder (print name) Ricky Cooper, President

Contractor References

Customer Name: City of Midlothian - Midlothian Community Park Soccer

Address: 104 W Ave E, Midlothian, TX 76065

Contact: Billy King Telephone #: 972-775-7777

Scope of work performed: Install 18 poles & 155 LED fixtures, change existing lights to LED

Length of Service: 5/26/2022 to 2/17/2023

Customer Name: Austin College Football - Jerry Apple Stadium

Address: 900 North Grand Ave, Sherman, TX 75090

Contact: David Turk Telephone #: 903-813-2408

Scope of work performed: Install new Musco lights at football field.

Length of Service: 4/19/2022 to 10/21/2022

Customer Name: City of Plano - Carpenter Park West

Address: PO Box 860358, Plano, TX 75086

Contact: Kevin Murray Telephone #: 972-941-7265

Scope of work performed: Baseball field lighting renovation

Length of Service: 3/2/2022 to 6/17/2022

EXHIBIT C

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 05/24/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Jessica Luna
Southwest Assurance Group, Inc. 2350 Airport Freeway, Ste 202 Bedford TX 76022	PHONE (A/C, No, Ext): (469) 881-1834 FAX (A/C, No): (972) 842-7642 E-MAIL ADDRESS: jluna@swagdfw.com

INSURED	INSURER(S) AFFORDING COVERAGE	NAIC #
Nema 3 Electric, Inc. Nema 3 Electrical Contractors, Inc. 4181 Old Highway 67 N Midlothian TX 76065-4355	INSURER A: Continental Insurance Company	35289
	INSURER B: Valley Forge Insurance Co.	20508
	INSURER C: Transportation Insurance Co.	20494
	INSURER D: Westchester Surplus Lines Ins	10172
	INSURER E: Continental Casualty Company	20443
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 2022-2023 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR [X] XCU [X] Contractual Included GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [X] PRO-JECT [ ] LOC [ ] OTHER:			6079489151	10/09/2022	10/09/2023	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 1,000,000 $ 1,000,000 $ 15,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $
B	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [X] HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY [ ]			6079489974	10/09/2022	10/09/2023	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 1,000,000 $ $ $ $
A	[X] UMBRELLA LIAB [X] OCCUR EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [X] RETENTION $ 10,000			6079492552	10/09/2022	10/09/2023	EACH OCCURRENCE AGGREGATE 	$ 6,000,000 $ 6,000,000 $
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N [N] If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		6079492213	10/09/2022	10/09/2023	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
D	Contractors Pollution Coverage			G71749745001-2	10/09/2022	10/09/2023	Each Pollution Condition Aggregate Deductible	$1,000,000 $2,000,000 $5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: 2023-13; Sports Field Lighting - Hike & Bike Lighting for Pecan Grove West Athletic Complex
City of Sherman, its officers, agents, representatives and employees are additional insureds on the auto liability, general liability and umbrella policies with waiver of subrogation on all policies as per written contract. 30 day notice of cancellation.

CERTIFICATE HOLDER

City of Sherman
P.O. Box 1106
Sherman TX 75091-1106

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Charles K. Miller

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AGENCY CUSTOMER ID: _____

LOC #: _____

ADDITIONAL REMARKS SCHEDULE

Page ____ of ____

AGENCY		NAMED INSURED
Southwest Assurance Group, Inc.		Nema 3 Electric, Inc.
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 **FORM TITLE:** Certificate of Liability Insurance: Notes

Company E - Installation Floater - Policy# 6079481051 - 10/09/2022-10/09/2023 - $400,000 Any One Jobsite - $5,000 Deductible

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Exhibit D

Affidavit of No Prohibited Interest

THE STATE OF Texas §

THE COUNTY OF Ellis §

I, Ricky Cooper, an authorized agent of Contractor, make this affidavit and hereby under oath state the following:

I, and/or a person or persons related to me, have the following interest in a business entity that would be affected by the work or decision under this Agreement (Check all that apply):

_____ Ownership of ten percent (10%) or more of the voting shares of the business entity.

_____ Ownership of Twenty-Five Thousand and 00/100 Dollars ($25,000) or more of the fair market value of the business entity.

_____ Funds received from the business entity exceed ten percent (10%) of my income for the previous year.

_____ Real property is involved, and I have an equitable or legal ownership with a fair market value of at least Twenty-Five Thousand and 00/100 Dollars ($25,000).

_____ A relative of mine has a substantial interest in the business entity or property that would be affected by my business decision of the public body which I am a member.

_____ Other:_____.

X None of the Above.

Upon filing this affidavit with the City of Sherman, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573, TEX. GOV'T CODE, as amended, is a member of a public body which took action on the agreement.

Signed this 24th day of May, 2023.

Ricky Cooper
Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared Ricky Cooper, and on oath stated that the facts hereinabove stated are true to the best of his/her knowledge or belief.

Sworn to and subscribed before me on this 24th day of May, 2023.

Katherine Webb
Notary Public in and for the State of Texas
My commission expires: 03/06/2027

KATHERINE WEBB
Notary Public, State of Texas
Comm. Expires 03-06-2027
Notary ID 126028305

EXHIBIT E

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

Ricky Cooper - Nema 3 Electric, Inc.

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

None

Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

None

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☒ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☒ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.** None

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7 Ricky Cooper

Signature of vendor doing business with the governmental entity

5/24/2023

Date

DUNKIN
SIMS
STOFFELS
Inc.

May 26, 2023

ADDENDUM NUMBER ONE

Sports Field Lighting – Hike & Bike Lighting for Pecan Grove West Athletic Complex
Sherman, Texas

To: All Contract Bidders of Record

From: Dunkin Sims Stoffels, Inc.
4301 Running Brook Drive
Rowlett, TX 75088

Acknowledge receipt of this Addendum by including it with the submitted Proposal Form. Failure to do so may subject bidder to disqualification. This Addendum forms a part of the Contract Documents and modifies, amends, deletes and/or adds to the drawings and Project specifications as follows:

Item #1 Contractor shall provide and pay for required concrete testing. Contractor shall provide name of the testing company for approval by the City and/ or the landscape architect. Contractor shall provide testing for every fifteen yards of concrete and or each day.

Item #2 Lighting contractor shall work with the USA shade as they drill pries for the columns. Move any conduits as needed.

Item #3 Contractor shall complete the lighting project within 150 working days from notice to proceed.

Item #4 Contractor shall acknowledge receipt of this addendum by including it with the bid form.

END OF ADDENDUM #1
Pecan Grove West Athletic Complex
City of Sherman, Texas

Dennis Sims, RLA
Dunkin Sims Stoffels, Inc.

Ricky Cooper, President
By Nema 3 Electric, Inc.
(COMPANY ADDRESS)

BID BOND
(Percentage)

Bond Number: _____

KNOW ALL PERSONS BY THESE PRESENTS, That we Nema 3 Electric, Inc. _____ of Midlothian, TX _____, hereinafter referred to as the Principal, and Continental Casualty Company _____, as Surety, are held and firmly bound unto City of Sherman _____ of Sherman, TX _____, hereinafter referred to as the Obligee, in the sum of Five _____ (5.00 %) percent of the greatest amount bid not to exceed Seventy Five Thousand Dollars and 00/100 _____ Dollars ($ 75,000.00), for the payment of which we bind ourselves, our legal representatives, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has submitted or is about to submit a proposal to Obligee on a contract for _____ RFP No.: 2023-13 Sports Field Lighting - Hike & Bike Lighting for Pecan Grove West Athletic Complex _____.

NOW, THEREFORE, if the said contract be awarded to Principal and Principal shall, within such time as may be specified, enter into the contract in writing and give such bond or bonds as may be specified in the bidding or contract documents with surety acceptable to Obligee; or if Principal shall fail to do so, pay to Obligee the damages which Obligee may suffer by reason of such failure not exceeding the penalty of this bond, then this obligation shall be void; otherwise to remain in full force and effect.

SIGNED, SEALED AND DATED this 30th day of May, 2023.

Nema 3 Electric, Inc.
(Principal)

By Ruby Cooper (Seal)

Continental Casualty Company
(Surety)

By Steven J. Fisher (Seal)
Attorney-in-Fact

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That Continental Casualty Company, an Illinois insurance company, National Fire Insurance Company of Hartford, an Illinois insurance company, and American Casualty Company of Reading, Pennsylvania, a Pennsylvania insurance company (herein called "the CNA Companies"), are duly organized and existing insurance companies having their principal offices in the City of Chicago, and State of Illinois, and that they do by virtue of the signatures and seals herein affixed hereby make, constitute and appoint

Clinton Norris, Charles K Miller, Steven J Zinecker, Shannon Lewis, Steve Thomas, Maribeth Harper, Jessica Luna Montgomery, Individually

of Bedford, TX, their true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on their behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of their insurance companies and all the acts of said Attorney, pursuant to the authority hereby given is hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law and Resolutions, printed on the reverse hereof, duly adopted, as indicated, by the Boards of Directors of the insurance companies.

In Witness Whereof, the CNA Companies have caused these presents to be signed by their Vice President and their corporate seals to be hereto affixed on this 17th day of February, 2022.

Continental Casualty Company
National Fire Insurance Company of Hartford
American Casualty Company of Reading, Pennsylvania

Paul T. Bruflat — Vice President

State of South Dakota, County of Minnehaha, ss:

On this 17th day of February, 2022, before me personally came Paul T. Bruflat to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is a Vice President of Continental Casualty Company, an Illinois insurance company, National Fire Insurance Company of Hartford, an Illinois insurance company, and American Casualty Company of Reading, Pennsylvania, a Pennsylvania insurance company described in and which executed the above instrument; that he knows the seals of said insurance companies; that the seals affixed to the said instrument are such corporate seals; that they were so affixed pursuant to authority given by the Boards of Directors of said insurance companies and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said insurance companies.

M. BENT
NOTARY PUBLIC
SOUTH DAKOTA

My Commission Expires March 2, 2026

M. Bent — Notary Public

CERTIFICATE

I, D. Johnson, Assistant Secretary of Continental Casualty Company, an Illinois insurance company, National Fire Insurance Company of Hartford, an Illinois insurance company, and American Casualty Company of Reading, Pennsylvania, a Pennsylvania insurance company do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Law and Resolution of the Board of Directors of the insurance companies printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said insurance companies this 30th day of May, 2023.

Continental Casualty Company
National Fire Insurance Company of Hartford
American Casualty Company of Reading, Pennsylvania

D. Johnson — Assistant Secretary

Form F6853-4/2012

Go to www.cnasurety.com > Owner / Obligee Services > Validate Bond Coverage, if you want to verify bond authenticity.

EXHIBIT C

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 05/24/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Jessica Luna
Southwest Assurance Group, Inc. 2350 Airport Freeway, Ste 202 Bedford TX 76022	PHONE (A/C, No, Ext): (469) 881-1834 FAX (A/C, No): (972) 842-7642 E-MAIL ADDRESS: jluna@swagdfw.com

INSURED	INSURER(S) AFFORDING COVERAGE	NAIC #
Nema 3 Electric, Inc. Nema 3 Electrical Contractors, Inc. 4181 Old Highway 67 N Midlothian TX 76065-4355	INSURER A: Continental Insurance Company	35289
	INSURER B: Valley Forge Insurance Co.	20508
	INSURER C: Transportation Insurance Co.	20494
	INSURER D: Westchester Surplus Lines Ins	10172
	INSURER E: Continental Casualty Company	20443
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 2022-2023 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR [X] XCU [X] Contractual Included GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [X] PRO-JECT [ ] LOC [ ] OTHER:			6079489151	10/09/2022	10/09/2023	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 1,000,000 $ 1,000,000 $ 15,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $
B	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [X] HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY [ ]			6079489974	10/09/2022	10/09/2023	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 1,000,000 $ $ $ $
A	[X] UMBRELLA LIAB [X] OCCUR EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [X] RETENTION $ 10,000			6079492552	10/09/2022	10/09/2023	EACH OCCURRENCE AGGREGATE 	$ 6,000,000 $ 6,000,000 $
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N [N] If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		6079492213	10/09/2022	10/09/2023	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
D	Contractors Pollution Coverage			G71749745001-2	10/09/2022	10/09/2023	Each Pollution Condition Aggregate Deductible	$1,000,000 $2,000,000 $5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: 2023-13; Sports Field Lighting - Hike & Bike Lighting for Pecan Grove West Athletic Complex
City of Sherman, its officers, agents, representatives and employees are additional insureds on the auto liability, general liability and umbrella policies with waiver of subrogation on all policies as per written contract. 30 day notice of cancellation.

CERTIFICATE HOLDER

City of Sherman
P.O. Box 1106
Sherman TX 75091-1106

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Charles K. Miller

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AGENCY CUSTOMER ID: _____

LOC #: _____

ADDITIONAL REMARKS SCHEDULE

Page ____ of ____

AGENCY		NAMED INSURED
Southwest Assurance Group, Inc.		Nema 3 Electric, Inc.
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 **FORM TITLE:** Certificate of Liability Insurance: Notes

Company E - Installation Floater - Policy# 6079481051 - 10/09/2022-10/09/2023 - $400,000 Any One Jobsite - $5,000 Deductible

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Exhibit D

Affidavit of No Prohibited Interest

THE STATE OF Texas §

THE COUNTY OF Ellis §

I, Ricky Cooper, an authorized agent of Contractor, make this affidavit and hereby under oath state the following:

I, and/or a person or persons related to me, have the following interest in a business entity that would be affected by the work or decision under this Agreement (Check all that apply):

_____ Ownership of ten percent (10%) or more of the voting shares of the business entity.

_____ Ownership of Twenty-Five Thousand and 00/100 Dollars ($25,000) or more of the fair market value of the business entity.

_____ Funds received from the business entity exceed ten percent (10%) of my income for the previous year.

_____ Real property is involved, and I have an equitable or legal ownership with a fair market value of at least Twenty-Five Thousand and 00/100 Dollars ($25,000).

_____ A relative of mine has a substantial interest in the business entity or property that would be affected by my business decision of the public body which I am a member.

_____ Other:_____.

X None of the Above.

Upon filing this affidavit with the City of Sherman, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573, TEX. GOV'T CODE, as amended, is a member of a public body which took action on the agreement.

Signed this 24th day of May, 2023.

Ricky Cooper
Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared Ricky Cooper, and on oath stated that the facts hereinabove stated are true to the best of his/her knowledge or belief.

Sworn to and subscribed before me on this 24th day of May, 2023.

Katherine Webb
Notary Public in and for the State of Texas
My commission expires: 03/06/2027

KATHERINE WEBB
Notary Public, State of Texas
Comm. Expires 03-06-2027
Notary ID 126028305

EXHIBIT E

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

Ricky Cooper - Nema 3 Electric, Inc.

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

None

Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

None

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☒ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☒ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.** None

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7 Ricky Cooper

Signature of vendor doing business with the governmental entity

5/24/2023

Date

RFP Evaluation - Sports Field Lighting - Hike & Bike Lighting for Pecan Grove West Athletic Complex

Evaluation Criteria	Nema 3 Electric, Inc.		
Pricing (40%)	38.00		
Experience with References (40%)	39.33		
Vendor Proposal (20%)	19.33		
Evaluation Score	96.67		

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting **E. 5.**

Meeting Date: 07/05/2023

Prepared By: Jim Cross, Water Systems Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7101

Authorizing Execution of a Contract with Veolia WTS Solutions USA, Inc, a Texas Corporation for EDR Stack Replacements Materials and Services

Issue:

Authorizing Execution of a Contract with Veolia WTS Solutions USA, Inc, a Texas Corporation for EDR Stack Replacements Materials and Services

Background:

The Electrodialysis Reversal (EDR) process is used to filter out dissolved minerals and salts that are not able to be removed in the conventional sand/carbon filters. The raw water source for the Water Treatment Plant comes from Lake Texoma which has a high salt content. As the raw water is treated a portion of the flow is passed through the EDRs and the filtered water is returned to the flow. The result is an overall reduction of minerals/salts and an improved potable water for drinking and industrial use. Approval will allow the replacement of the existing 96 EDR filter stacks with modern stacks and modern technology. This project is part of the overall conventional treatment rehabilitation program and supports regaining 10 MGD conventional treatment capacity.

Origination:

Production Services

Financial Consideration:

Total cost of this contract $5,644,790

Staff Recommendation:

City staff recommends approving this resolution.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 7101
Agreement
Proposal

RESOLUTION NO. 7101

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONTRACT WITH VEOLIA WTS SOLUTIONS USA, INC, A TEXAS CORPORATION FOR EDR STACK REPLACEMENTS MATERIALS AND SERVICES; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a contract with Veolia WTS Solutions USA, Inc for EDR Stack Replacements Materials and Services, in accordance with all contract documents attached hereto and made a part hereof for all purposes. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2022-2023 budget.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 5th day of July 2023.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____ **BY:** _____
LINDA ASHBY, CITY CLERK **DAVID PLYLER, MAYOR**

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

AGREEMENT FOR EDR STACK REPLACEMENT

The **City of Sherman, Texas**, a home-rule municipality ("City"), and **Veolia WTS Solutions USA, Inc.**, a Texas corporation ("Contractor"), hereby enter into this Agreement for EDR stack replacement materials and services ("Agreement"). City and Contractor are sometimes referred to collectively as the "parties" or individually as a "party."

WHEREAS, Sherman contacted Contractor, seeking EDR stack replacement materials and services for City's water treatment plant; and

WHEREAS, Contractor provided a proposal, attached hereto as Exhibit A and incorporated herein for all purposes ("Proposal"), seeking to provide such materials and services; and

WHEREAS, based on Contractor's representations, including those representations set forth in the Proposal, Sherman has selected Contractor to provide the materials and services as described in the Proposal under the terms and conditions of this Agreement (the "Project"); and

WHEREAS, the parties agree that the City is exempt from competitive bidding requirements in connection with this Agreement and the Project pursuant to Section 252.022 of the Texas Local Government Code, including but not limited to subsections (a)(2) and (a)(7) of that statute.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Scope of Services.
   Contractor shall provide the services, equipment, supplies and deliverables that are described in the Proposal on the terms and conditions set forth in the Agreement Documents (as defined below), and shall furnish all personnel, labor, equipment, supplies and all other items necessary to provide the services and deliverables as specified by the terms and conditions of the Agreement Documents (collectively, "Services").

2. Term.
   All Services in connection with this Project must be completed, inspected and accepted by City within 540 days of City issuing a written notice to proceed to the Contractor. All obligations relating to time set forth herein are material and are of the essence of this Agreement. The statement herein that time is of the essence shall not be construed to limit the parties' respective cure rights upon default, or any other provision of the Agreement Documents or under applicable law that would afford a party a time certain, or a reasonable time, to perform its contractual obligations. This Agreement shall remain in full force and effect until completion of the Project to City's satisfaction.

3. Compensation.
   In exchange for Contractor's performance of the Services in accordance with the

Agreement Documents, City agrees to pay Contractor in accordance with the pricing terms of the Proposal attached as Exhibit A. To the extent the terms of the Agreement Documents conflict with the Texas Prompt Payment Act, Chapter 2251 of the Texas Government Code, as amended ("Chapter 2251") or Subchapter I of Chapter 271 of the Texas Local Government Code, as amended ("Chapter 271"), the terms of Chapter 2251, Chapter 271 and the Agreement Documents shall control in that order.

City shall pay Contractor within thirty (30) days of receipt of an invoice, unless supporting receipts or other supporting documentation have been requested by City, in which case City shall pay the invoice as soon after receiving the supporting receipts or documentation as is reasonable; or unless a dispute arises as to any charge(s) contained in the invoice, in which case City shall pay the undisputed amount of the invoice within thirty (30) days of receipt and shall pay the remaining amount, if any, of the invoice after resolution of the dispute as soon after resolution as is reasonable. Notwithstanding anything to the contrary in the Agreement Documents, City shall not be required to pay any invoice submitted by Contractor if Contractor is in breach of this Agreement.

The parties agree that the continuation of this Agreement after the close of any given fiscal year of City, which closes on September 30th of each calendar year, shall be subject to City Council approval. In the event that the City Council does not approve the appropriation of funds for this Agreement, the Agreement shall terminate at the end of the fiscal year for which funds were appropriated, and the parties shall have no further obligations hereunder, except that City shall be obligated to pay monies owed Contractor for services it has provided pursuant to this Agreement through the end of that fiscal year provided that Contractor is not in breach of this Agreement.

4. Agreement Documents.

The "Agreement Documents," as that term is used herein, shall mean and include the following documents, and this Agreement expressly incorporates the same herein by reference for all purposes:

A. This Agreement;

B. The Proposal, attached hereto as Exhibit A;

C. City's Insurance Requirements, attached hereto as Exhibit B;

D. Affidavit of No Prohibited Interested, attached hereto as Exhibit C; and

E. Conflict of Interest Questionnaire, attached hereto as Exhibit D.

This Agreement shall incorporate the terms of the Agreement Documents in their entirety. To the extent that Exhibit A, Exhibit B, Exhibit C and Exhibit D are in conflict with provisions of this Agreement or each other, the provisions of this Agreement, then the provisions of Exhibit B, Exhibit C, Exhibit D and Exhibit A shall prevail in that order.

5. Entire Agreement.

The Agreement Documents contain all representations, understandings, contracts and agreements between the parties regarding the subject matter of this Agreement. The Agreement Documents supersede all oral or written previous and contemporaneous agreements, writings, understandings, representations or contracts between the parties regarding the subject matter of this Agreement. This Agreement in no way modifies or supersedes any document executed by the parties prior to the Effective Date of this Agreement which does not concern the subject matter of this Agreement. No amendment to the Agreement Documents shall be made except on the written agreement of the parties, which shall not be construed to release either party from any obligation of the Agreement Documents except as specifically provided for in such amendment.

6. Required Insurance.

Contractor shall not start work under this Agreement until Contractor has obtained, at Contractor's expense, all of the insurance specified in, and required by, the Agreement Documents. Contractor shall procure and keep in full force and effect the types and amounts of insurance specified in City's Insurance Requirements, attached hereto as Exhibit B and incorporated herein for all purposes, for and during all aspects and phases of Contractor's work throughout the term of this Agreement at no expense to City. Contractor also shall comply with all other requirements set forth in Exhibit B.

7. No Prohibited Interest; Vendor Disclosure.

Contractor acknowledges and agrees that it is aware of, and will abide by, the no prohibited interest requirement of the City Charter. Contractor shall execute and deliver to City the Affidavit of No Prohibited Interest, attached hereto as Exhibit C and incorporated herein for all purposes, no later than the Effective Date of this Agreement (hereinafter defined). Contractor acknowledges and agrees that the existence of a prohibited interest during the term of this Agreement will render this Agreement voidable. Contractor further acknowledges and agrees that it also is aware of, and will abide by, the vendor disclosure requirements set forth in Chapter 176 of the Texas Local Government Code, as amended. In this connection, Contractor shall execute and deliver to City the Conflict of Interest Questionnaire, Form CIQ, attached hereto as Exhibit D and incorporated herein for all purposes, no later than the Effective Date of this Agreement.

8. Indemnity.

CONTRACTOR HEREBY RELEASES AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS CITY AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS "CITY" FOR PURPOSES OF THIS SECTION) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY DAMAGES, LOSSES, DEMANDS, SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEY'S FEES AND EXPENSES INCURRED IN ENFORCING THIS SECTION), THAT IN WHOLE OR IN PART ARISE OUT OF THE NEGLIGENT, GROSSLY NEGLIGENT AND/OR INTENTIONAL WRONGFUL ACT OF CONTRACTOR IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OF CITY (COLLECTIVELY, "CLAIMS"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "CLAIMS" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT IS NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST CITY BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION

OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONTRACTOR AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH CONTRACTOR, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE.

IN ITS SOLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONTRACTOR IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY CITY, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. CITY RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, CITY IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY CITY IS NOT TO BE CONSTRUED AS A WAIVER OF CONTRACTOR'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. CONTRACTOR SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF CITY'S WRITTEN NOTICE THAT CITY IS INVOKING ITS RIGHT TO DEFENSE OR INDEMNIFICATION UNDER THIS AGREEMENT. IF CONTRACTOR FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL COSTS INCURRED BY CITY.

THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

9. Liability.

To the fullest extent permitted by law, Contractor shall be fully and solely responsible and liable for its own acts and omissions, including those of its officers, agents, representatives, employees, subcontractors, licensees, invitees and all other parties performing services for or on behalf of Contractor under this Agreement, and for any and all damage to Contractor's equipment and other property. City assumes no such responsibility or liability. City shall have no such responsibility or liability to either Contractor or its officers, agents, representatives, employees, subcontractors, licensees, invitees or other persons.

10. Compliance with Laws; Standard of Care.

Contractor shall comply with all federal, state and local laws, statutes, ordinances, regulations and policies, as of the date of this Agreement, applicable to Contractor and its work. Contractor shall ensure that its officers, agents, representatives, employees, subcontractors, licensees, invitees and other parties performing services for or on behalf of Contractor under this Agreement comply with all applicable laws, statutes, ordinances, regulations and policies. If Contractor observes or is notified that the work under this Agreement is at variance with applicable laws, statutes, ordinances, regulations and policies, Contractor shall immediately notify City in writing. Contractor shall perform the Services in accordance with the prevailing standard of care by exercising the skill and care ordinarily utilized by professionals performing the same or similar services under the same or similar circumstances in the State of Texas.

11. Termination.

City is entitled to terminate this Agreement at any time for any reason or for no reason by giving Contractor at least thirty (30) days' prior written notice of the termination date.

City is entitled to terminate this Agreement immediately on breach of any term or provision of the Agreement Documents by Contractor. If at any time during the term of

this Agreement, Contractor shall fail to commence the work in accordance with the provisions of the Agreement Documents or fail to diligently perform the Services in an efficient, timely and careful manner and in strict accordance with the provisions of the Agreement Documents, then City shall have the right to terminate this Agreement and complete the work in any manner it deems desirable, including engaging the services of other parties, if Contractor does not cure any such default after five (5) days written notice thereof. Any such act by City shall not be deemed a waiver of any other right or remedy of City.

If after exercising any remedy provided herein, the cost to City of the performance of the balance of the work under this Agreement is in excess of that part of the Contractor's Fee which has not yet been paid to Contractor hereunder, Contractor shall be liable for and shall reimburse City for such excess, without waiver of any other right or remedy of City.

The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

12. Authority to Execute.
Each party represents and warrants to the other that it has the full power and authority to enter into and fulfill the obligations of this Agreement. The respective signatories to this Agreement, by affixing their signatures hereto, warrant and represent that they have the authority to bind their respective parties as duly authorized representatives thereof.

13. Assignment.
Contractor agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of City. Contractor further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve Contractor of its full obligations to City as provided by this Agreement. All such approved work performed by assignment or subletting shall be billed through Contractor, and there shall be no third-party billing.

14. No Waiver of Immunity.
The parties acknowledge and agree that, in executing and performing this Agreement, City has not waived, nor shall be deemed to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

15. Savings/Severability.
In the event that a term, condition or provision of this Agreement is determined to be invalid, illegal, void, unenforceable or unlawful by a court of competent jurisdiction, then

that term, condition or provision shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been included in this Agreement.

16. Consideration.
This Agreement is executed by the parties without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

17. Attorneys' Fees.
If either party files any action or brings any proceeding against the other arising from this Agreement, then as between City and Contractor, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in the TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.

18. Governing Law; Venue.
The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Grayson County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.

19. Binding Effect.
This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors and assigns when permitted by this Agreement.

20. No Waiver.
Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.

21. Headings.
The headings of the various sections of this Agreement are included solely for convenience of reference and are not to be full or accurate descriptions of the content thereof.

22. Indemnity.
The parties agree that the indemnity provision set forth herein is conspicuous and the parties have read and understood the same.

23. Notice.
Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing the same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt

requested; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or to any courier service that provides a return receipt showing the date of actual delivery of the same to the addressee thereof. Notice given in accordance herewith shall be effective on receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to Contractor, to: Veolia WTS Solutions USA, Inc.
Attn: Craig Brown
_____
_____
Telephone: 678-687-3393
Email: craig.brown@veolia.com

If to City, to: City of Sherman
Attn: Clint Philpott, P.E.
220 W. Mulberry Street
Sherman, Texas 75090
Telephone: (903) 892-7203
Email: clintp@cityofsherman.com

With a copy to:
Abernathy, Roeder, Boyd & Hullett, P.C.
Attn.: Ryan D. Pittman
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Email: rpittman@abernathy-law.com

24. Representations.
Each party states that they have carefully read this Agreement, know the contents hereof, have consulted with an attorney of their choice regarding the meaning and effect hereof and is signing the same solely of their own judgment.

25. Independent Contractor.
Contractor covenants and agrees that Contractor is an independent contractor and not an officer, agent, servant or employee of City; that Contractor shall have exclusive control of and exclusive right to control the details of the work performed hereunder and all persons performing the same; that the doctrine of respondent superior shall not apply as between City and Contractor, its officers, agents, employees, contractors, subcontractors and consultants; and that nothing herein shall be construed as creating a partnership or joint enterprise between City and Contractor.

26. Incorporation of Recitals.
The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are hereby incorporated into the body of this

Agreement and adopted as findings of City and the authorized representative of Contractor.

27. Reference to Contractor.
When referring to "Contractor" herein, this Agreement shall refer to and be binding upon Contractor, and its officers, directors, partners, employees, representatives, contractors, subcontractors, licensees, invitees, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Contractor is legally responsible.

28. Reference to City.
When referring to "City" herein, this Agreement shall refer to and be binding upon City, its Council Members, officers, agents, representatives, employees and/or any other authorized third parties for whom City is legally responsible.

29. Miscellaneous Drafting Provisions.
This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

30. Certifications Required by Texas Law.
In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

31. Multiple Counterparts.
This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed

by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date: _____

ATTEST:

_____
Linda Ashby, City Clerk

APPROVED AS TO FORM:

_____
Ryan D. Pittman, City Attorney

VEOLIA WTS SOLUTIONS USA, INC.
a Texas corporation

By: Edana Essa
Printed Name: Edana Essa
Title: Contract Manager
Date: June 27, 2023

Exhibit A
Proposal

Exhibit B
City's Insurance Requirements

I. GENERAL INSURANCE REQUIREMENTS –

A. All policies shall list the City of Sherman, its officers, agents, representatives and employees as additional insureds as to all applicable coverages with the exception of workers compensation insurance but only in respect of work performed by or on behalf of the named insured and only to the extent that the additional insured is held liable for the negligence or other culpability of Contractor. Coverage under Contractor's policy does not extend to liability arising out of the additional insured's own negligence.

B. Such policies shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail.

C. Such policies shall provide for a waiver of subrogation against City for injuries, including death, property damage or any other loss to the extent the same is covered by the proceeds of the insurance but only to the extent that the City is provided protection as an additional insured.

II. INSURANCE COMPANY QUALIFICATION – All insurance companies providing the required insurance shall be authorized to transact business in the State of Texas, and shall have a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).

III. CERTIFICATE OF INSURANCE – A Certificate of Insurance and all applicable endorsement(s) evidencing the required insurance shall be submitted prior to commencing work under this Agreement. If the Agreement is renewed or extended by City, a Certificate of Insurance and all applicable endorsement(s) shall also be provided to City prior to the date the Agreement is renewed or extended.

IV. INSURANCE CHECKLIST – "X" means that the following coverage is required for this Agreement.

	Coverage Required	Limits
_X_	1. Worker's Compensation & Employer's Liability	▪ Statutory Limits of the State of Texas
_X_	2. General Liability	▪ $5,000,000.00 each occurrence; ▪ $5,000,000.00 in the aggregate.
__	3. XCU Coverage	▪ $1,000,000.00 each occurrence; ▪ $2,000,000.00 in the aggregate.

___	4. Professional Liability	▪ $1,000,000.00 each claim; ▪ $2,000,000.00 in the aggregate.
__	5. Umbrella Coverage or Excess Liability Coverage	▪ An amount of $ 2,000,000.00.

_X_ 6. City and its officers, agents, representatives and employees listed as additional insured on General Liability Policy, as provided above. This coverage is primary to all other coverage City may possess.

_X_ 7. General Liability Insurance provides for a Waiver of Subrogation against City for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. All insurance policies that are required to list City as an additional insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance.

_X_ 8. Thirty (30) days' notice of cancellation, non-renewal, or material change required. The words "endeavor to" and "but failure" (to end of sentence) are to be eliminated from the Notice of Cancellation provision on standard ACORD certificates.

_X_ 9. Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).

_X_ 10. The Certificate of Insurance must state the project title.

___ 11. Other Insurance Requirements (State Below):

Exhibit C
Affidavit of No Prohibited Interest

THE STATE OF Virginia §

THE COUNTY OF Henrico §

I, EDANA ESSA, an authorized agent of Contractor, make this affidavit and hereby under oath state the following:

I, and/or a person or persons related to me, have the following interest in a business entity that would be affected by the work or decision under this Agreement (Check all that apply):

_____ Ownership of ten percent (10%) or more of the voting shares of the business entity.

_____ Ownership of Twenty Five Thousand and 00/100 Dollars ($25,000) or more of the fair market value of the business entity.

_____ Funds received from the business entity exceed ten percent (10%) of my income for the previous year.

_____ Real property is involved, and I have an equitable or legal ownership with a fair market value of at least Twenty Five Thousand and 00/100 Dollars ($25,000).

_____ A relative of mine has a substantial interest in the business entity or property that would be affected by my business decision of the public body which I am a member.

_____ Other: _____.

X None of the Above.

Upon filing this affidavit with the City of Sherman, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573, TEX. GOV'T CODE, as amended, is a member of a public body which took action on the agreement.

Signed this 27th day of June, 2023.

Edana Essa, Contract Manager
Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared _____, and on oath stated that the facts hereinabove stated are true to the best of his/her knowledge or belief.

Sworn to and subscribed before me on this 27 day of June, 2023.

Justine Marie Drago Notary Public No. 7623942 My Comm. Expires Jan 31, 2027 Commonwealth of Virginia

Justine M. Drago
Notary Public in and for the State of Virginia
My commission expires: January 31, 2027

Exhibit D
Conflict of Interest Questionnaire, Form CIQ

CONFLICT OF INTEREST QUESTIONNAIRE — FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

VEOLIA WTS SOLUTIONS USA, INC.

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

Jim Cross

Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☒ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☒ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

N/A

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7 Edana Essa, Contract Manager — June 27, 2023

Signature of vendor doing business with the governmental entity — Date

Form provided by Texas Ethics Commission — www.ethics.state.tx.us — Revised 1/1/2021

EDR Stack Replacement Proposal

To:	City of Sherman referred to here as Buyer	**Date:**	June 27, 2023
		No. of Pages:	25 including cover
Attention:	Jim Cross Oscar Canales Jamie Weger	**Email:**	jimcross@cityofsherman.com oscarc@cityofsherman.com jamiew@cityofsherman.com
Plant Address:	243 La Cima Drive Sherman, TX 75090 US	**Telephone No.:** **Cell No.:** **Fax No.:**	
From:	Craig Brown Regional Lifecycle Manager Southeastern USA	**Email:** **Cell No.:**	craig.brown@veolia.com 678 687 3393
CC:	Joseph Aldridge - Veolia		
Subject:	EDR stack replacement: material, on-site/ off-site support, and delivery	**Proposal No.:**	410285-2
		Original Project No.:	A368
Plant Data:	Please provide corrections if inaccurate City of Sherman EDR Water Treatment Plant, 4 units, 8 lines per unit, 3 stages per line. Units 1-3 have platinum electrode stacks installed; Unit 4 has carbon electrode stacks installed.		

Proposal Provisos

This proposal has been issued based on the information provided by the customer and on information currently available to Veolia Water Technologies & Solutions at the time of proposal issuance. Any changes or discrepancies in site conditions, including but not limited to changes in system influent water characteristics, changes in environmental health and safety (EH&S) conditions, changes in the reissued state/provincial disposal system permit, changes in buyer financial standing, buyer requirements, or any other relevant change or discrepancy in the factual basis upon which this proposal was created may lead to changes in the offering, including but not limited to changes in pricing, guarantees, quoted specifications, or terms and conditions.

Confidential and Proprietary Information

The enclosed materials are considered proprietary property of Veolia Water Technologies & Solutions (Veolia). No assignments, either implied or expressed, of intellectual property rights, data, know how, trade secrets or licenses of use thereof are given. All information is provided exclusively to the addressee and agents of the addressee for the purposes of evaluation and is not to be reproduced or divulged to other parties, nor used for manufacture or other means, without the express written consent of Veolia. The acceptance of this document will be construed as an acceptance of the foregoing.

Trademarks

The following are trademarks of Veolia Water Technologies & Solutions and may be registered in one or more countries:

+100, ABMet, Absolute.Z, Absolute.Za, AccuSensor, AccuTrak, AccuTrak PLUS, ActNow, Acufeed, ALGAECAP, AmmCycle, Apogee, APPLICATIONS ATLAS, AquaFloc, AquaMax, Aquamite, Aquaplex, AquaSel, Aquatrex, Argo Analyzer, AutoSDI, BENCHMARK, Betz, BetzDearborn, BEV Rite, BioHealth, BioMate, BioPlus, BIOSCAN, Bio-Trol, Butaclean, Certified Plus, CheckPoint, ChemFeed, ChemSensor, ChemSure, CHEX, CleanBlade, CLOROMAT, CoalPlus, COMP-METER, COMP-RATE, COMS (Crude Overhead Monitoring System), Continuum, CopperTrol, CorrShield, CorTrol, Custom Clean, Custom Flo, Cyto3, DataGuard, DataPlus, DataPro, De:Odor, DELTAFLOW, DEOX, DeposiTrol, Desal, Dianodic, Dimetallic, Dispatch Restore, Durasan, DuraSlick, Durasolv, Duratherm, DusTreat, E-Cell, E-Cellerator, ELECTROMAT, Embreak, EndCor, EXACT, FACT-FINDER, Feedwater First, Ferrameen, Ferroquest, FilterMate, Fleet View, FloGard, Flotrex, Flotronics, FoamTrol, FoodPro, Fore4Sight, ForeSight, FRONTIER, FS CLEAN FLOW, FuelSolv, Full-Fit, G.T.M., GenGard, GEWaterSource, Glegg, Heat-Rate Pro, High Flow Z, HPC, HPD Process, HyperSperse, Hypure, Hytrex, InfoCalc, InfoScan, InfoTrac, InnovOx, InSight, IONICS, IONICS EDR 2020, IPER (Integrated Pump & Energy Recovery), iService, ISR (Integrated Solutions for Refining), JelCleer, KlarAid, Kleen, LayUp, Leak Trac, Leakwise, LEAPmbr, LEAPprimary, Learning Source, LOGIX, LoSALT, M-PAK, MACarrier, Mace, Max-Amine, MegaFlo, Membrex, MemChem, Memtrex, MerCURxE, MetClear, MiniWizard, MK-3, MOBILEFLOW, MobileRO, Modular Pro, ModuleTrac, MonitAll, Monitor, Monitor Plus, Monsal, MP-MBR, MULTIFLOW, Muni.Z, NEWater, NGC (Next Generation Cassette), Novus, NTBC (Non Thermal Brine Concentrator), OptiGuard, OptiSperse, OptiTherm, Osmo, Osmo PRO, Osmo Titan, Osmonics, Pacesetter, PaceSetter, Petroflo, Petromeen, pHlimPLUS, PICOPORE, PlantGuard, PolyFloc, PowerTreat, Predator, PRO E-Cell, Pro Elite, ProCare, Procera, ProChem, Proof Not Promises, ProPAK, ProShield, ProSolv, ProSweet, Purtrex, QSO (Quality System Optimization), QuickShip, RCC, RE:Sep, Rec-Oil, Recurrent, RediFeed, ReNEW, Renewell, Return on Environment, RMS (Rackless Modular System), ROSave.Z, SalesEdge, ScaleTrol, SeaPAK, SeaPRO, SeaSMART, Seasoft, SeaTECH, Selex, Sensicore, Sentinel, Sepa, Sevenbore, Shield, SIDTECH, SIEVERS, SmartScan, SoliSep, SolSet, Solus, Spec-Aid, Spectrus, SPLASH, Steamate, SteriSafe, Styrex, SUCROSOFT, SUCROTEST, Super Westchar, SuperStar, TFM (Thin Film Membrane), Therminator, Thermoflo, Titan RO, TLC, Tonkaflo, TraveLab, Trend, TruAir, TrueSense, TurboFlo, Turboline, Ultrafilic, UsedtoUseful, Vape-Sorber, VeriFeed, VersaFlo, Versamate, VICI (Virtual Intelligent Communication Interface), V-Star, WasteWizard, WATER FOR THE WORLD, Water Island, Water-Energy Nexus Game, WaterGenie, WaterNODE, WaterNOW, WaterPOINT, WellPro.Z, XPleat, YieldUp, Z-BOX, Z-MOD, Z-PAK, Z-POD, ZCore, ZeeBlok, ZeeLung, ZeeWeed, ZENON, and Z.Plex.

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1 Introduction

Veolia Water Technologies & Solutions is pleased to present this proposal at the request of the City of Sherman to provide 96 x EDR stacks at the City of Sherman EDR WTP.

Veolia is a proven leader in delivering tangible value to our clients over the life of the plant. Our measure of success is how well we deliver **solutions** that help our clients meet their critical business objectives.

Through long-acquired technical experience, Veolia has clearly distinguished itself from other membrane manufacturers. A mature service culture and deep technical expertise are ready to serve and support the City of Sherman through this next upgrade.

2 Veolia Scope & Price

Veolia's scope includes the material and services outlined in the table below. The sections that follow provide additional detail regarding each scope item.

Item Description	Part #	Quantity	Price
EDR-stack, MK4, 650CP, 1/1, 204E/67E, PT, CL	3066590-CL	96	5,532,370
3-year full replacement EDR-stack warranty, section 7		incl.	
EDR start-up parts: - temporary strainers - gaskets	 3019006 1113811	 64 64	
Hardware for remote connectivity		incl.	
EDR stack connection hoses, hose barbs, flanges, tubing- shipped loose and assembled on site		lot	
Spare rectifiers	3011196	5	
Off-site support, project management and engineering support, section 3.1		incl.	
International shipment, fees, and duties, section 4		incl.	57,820
Freight, DDP project site, section 4	3095534	incl.	
Material, off-site labor, delivery		**Sub-total**	**5,590,190**
On-site support, 1xFSR on-site for 25x8-hr days plus travel & living, section 3.2	135491	3 visits	54,600
On-site support		**Sub-total**	**54,600**
All figures are in USD and exclude taxes, which will be applied at the time of invoicing. Please make purchase order to Veolia WTS Solutions USA, Inc.		**Total Price**	**5,644,790**

Proposal Notes:

- Any off-site or on-site time in addition to the planned duration and scope set forth, or any waiting times due to unforeseen site events, will be invoiced according to the prevailing Veolia service labor rates sheet - available upon request.
- Veolia would like to note that under the current exceptional circumstances across global supply chains and logistics networks, Veolia may not be in a position to guarantee and comply with the planned schedule for product / project delivery or

performance. ~~Veolia reserves the right to modify the schedule / contract accordingly. Veolia will promptly inform you of any changes which may impact the contract or the project.~~

- ~~**Price Review.** Notwithstanding the terms set forth herein or of any agreement or acceptance of Seller's quotation, Seller reserves the right at any time and from time to time by notice in writing to the Buyer to (a) determine periodic price reviews based on Goods' raw material increase arising from currency devaluations (b) increase Prices (or impose temporary price adjustments) based on increases in the cost of base components for the Goods or Services provided, where the increase is due to increased global demand, limited supply, temporary product shortages, allocation of supply, or such other similar inflationary pressures; and (c) impose a surcharge equal to any increase in the cost of the Goods or Services as a result of a modification of exchange rates, duties, taxes or other levies imposed by public authorities.~~

- ~~Veolia's proposed price for EDR stacks is subject to adjustment between the period from the expiry of the proposal validity up to shipment of equipment according to upward changes in the following index:~~

  - ~~100%: US consumer price index- all urban consumers: *LINK to index*~~

  ~~In the event that this index becomes unavailable, a suitable equivalent replacement index will be agreed between the parties. The buyer has the right to request that the supplier supports any price increase with market pricing data, within the bounds of commercial confidentiality.~~

- **Shipment/Collection Delays:** The equipment sale will be subject to price adjustment if not collected within 1 month of Readiness for Shipment. After the one month of Readiness for Shipment if Purchaser does not send his agreement to receive or collect the equipment (depending on Incoterms), Seller is entitled to reallocate the equipment to another customer.

Invoicing Schedule	Approximate % of Sub-Total	Total Invoice Value, Excluding Tax
An invoice will be issued upon acceptance by Veolia of customer purchase order. Approximate percent calculation based on the **material, off-site labor, delivery sub-total** of the purchase order. Shipment of equipment is contingent on receipt of this initial milestone payment.	20%	1,118,038
An invoice for the balance of the **material, off-site labor, delivery sub-total** will be issued when equipment shipping documents are supplied to the carrier. This milestone will be invoiced per unit of stacks shipped (24 stacks).	20% each shipment	1,118,038 x4 shipments =4,472,152
A final invoice for the **on-site support sub-total** will be issued upon completion of installation.	100%	54,600
		5,644,790

3 Veolia Support

3.1 Off-Site Support

Documentation

The base level of documentation updates will include:

- Field/hand markups of relevant P&ID drawings limited to the scope included in this proposal;
- Updated general arrangement drawings for new stacks- issued electronically.

These updates should be filed in the O&M manual as interim documentation.

Project Management

Provide planning and off-site assistance during the EDR stack replacement project, including guidance to the City of Sherman and/or their third-party designate on aspects related to the PLC and instrumentation upgrade.

3.2 On-Site Technical Advisory Services

This proposal includes a provision for technical advisory services during installation and commissioning process to support the City of Sherman's staff as outlined in section 2. Veolia will provide 1 FSR on-site for 25x8-hr days on-site over the course of three separate visits. On-site support may include training session(s) for operator and maintenance personal, commissioning support, and equipment start-up.

This total time frame assumes no weekends or holidays are required and is based on an eight-hour workday and is an estimate of time needed to complete the mentioned tasks and does not constitute a guaranteed number of service days should the tasks take less or more time than estimated. Travel time to and from the job site for Veolia field service personnel is included in this estimate. Travel/living (T&L) expenses are also included where the field service representative is based within the country or region. To ensure personnel availability, Veolia requires a minimum of two weeks' advance notice to schedule equipment start-ups.

Operating Responsibility - City of Sherman retains control of the work site and retains final responsibility for the installation and commissioning process.

Veolia will perform the services specified in the scope section of this document, but Veolia will not operate the system. For the purposes of this agreement, the term “operate the system” shall mean to run or control the functioning of the equipment or to otherwise conduct or manage the affairs of any aspect of water or wastewater treatment or other functions at City of Sherman’s site, and shall include functions such as providing operators or laborers to adjust or control water treatment (“WT”) equipment, wastewater treatment (“WWT”) equipment or sludge management facilities (“SMF”), providing program oversight or directing on-site or contract operators/laborers to adjust or control WWT or SMF, providing personnel responsible for or providing oversight of water treatment residual quality, wastewater effluent quality, sludge quality, waste characterization, or waste disposal activities, or providing personnel with continual or daily operational responsibilities with respect to water or wastewater treatment, influent or effluent compliance monitoring, process monitoring, government reporting or notification, or permit compliance.

Reporting - Before leaving site, Veolia will record observations and discuss with operators concerning the condition of the equipment, tasks accomplished during the visit, and key operating and maintenance issues requiring further attention. Veolia will provide a copy of a written report before leaving site and/or provide a service visit report to the plant operator within a reasonable timeframe of the Veolia service representative’s return to the office. In any case, City of Sherman will be asked to sign a work order that describes the hours on site and tasks accomplished.

Veolia Duties for On-Site Services

- Veolia will coordinate its work under this agreement in a reasonable manner with the operating staff of the facility.
- Veolia will maintain public liability and property damage insurance covering all operations undertaken by Veolia and its sub-contractors with a limit of $5,000,000 inclusive for any one accident or occurrence. If for any reason additional insurance coverage (e.g. general construction/erection all risk, general liability) is required above and beyond Veolia’s standard insurance terms for on-site commissioning supervision, City of Sherman must inform Veolia in writing 60 days prior to work commencement at site. ~~City of Sherman will be billed for all additional insurance costs and processing fees.~~

- Veolia will maintain workers compensation and employers' liability coverage as per statutory requirements.

4 Delivery

- **Freight**
  - **DDP -** Delivery will be by standard ground on the basis of DDP City of Sherman EDR facility, Sherman Texas or other named place of destination; Incoterms 2020. DDP = delivery duty paid. Partial shipments will be acceptable unless otherwise specified. Where delivery cannot be accepted at this destination, the City of Sherman shall specify an alternate, equivalent destination without delay.

    Due to varying origins and availability, ancillary equipment included in this proposal may be shipped separately from the EDR stacks. Should separate shipments be required, where possible, Veolia will strive to provide these items on or before the delivery of the EDR stacks.
  - **Title & Risk** - Title and risk of loss or damage to EDR stacks, ancillary equipment and crating shall pass to City of Sherman upon delivery at the named place of destination.
- **International Shipment, Fees, and Duties**
  - **Origin** - Delivery of EDR stacks originates from the Veolia Water Technologies & Solutions, Guelph, ON, Canada facility.
  - **MPF** - Merchandise processing fee is a fee assessed for formal custom entries based on 0.35% of the invoice value, with a minimum of USD $25 per formal entry and a maximum of USD $485. On the basis of DDP terms, this fee will be paid by Veolia within the quoted price.
  - **Duty** – Any new duty imposed after the date of this proposal is the responsibility of the City of Sherman.
  - **Taxes** - All applicable local, state, or federal taxes are the responsibility of the City of Sherman.
  - **Temperature** – EDR stacks cannot be allowed to freeze or overheat and may require temperature-controlled freight and handling according to the season and the planned routing. The price of temperature control is included within the firm quote on freight by Veolia.
  - **Unloading -** may require one of or a combination of a loading dock, extended forks and an experienced forklift driver at delivery destination. Please consult with Veolia at the time of purchase order (PO) preparation on this.

- **Availability** – Delivery of EDR stacks is estimated at **28-30** weeks after receipt of order. Definitive availability and delivery schedule will be confirmed once a purchase order is received from City of Sherman and acknowledgement of a purchase order is issued by Veolia.

5 Scope - City of Sherman

All delivery or services not specified in the Veolia scope of supply are included in the Buyer scope of supply. It is the responsibility of the Buyer to remove and dispose of existing stacks, to move new stacks into place, to disconnect/reconnect all mechanical and electrical stack connections and make all frame and connection modifications as required to fit the replacement stacks.

In addition, the following scope of work is to be completed by Buyer as part of this EDR replacement project.

- This EDR stack replacement requires an upgrade for programming changes. Without the purchase of the controls adder, all required changes will be completed by City of Sherman, or their third-party designate, and have not been included within Veolia's scope of supply. Veolia will provide guidance to the City of Sherman and/or their third-party contractor on aspects related to the PLC and instrumentation upgrade.
- Inspection of all stack wiring to ensure solid connections and no corrosion.
- Wire wheel or sandblast any areas of corrosion on skid, supports etc. and repaint. Repair corroded piping supports.
- Repair any damaged stack area piping and fittings.
- Replace instrumentation and stack ground wires. Verify all equipment grounds and process stream grounds are cleaned and have good earth ground connections.

5.1 Safety and Environmental

Please refer to section 6.

5.2 Jobsite and Equipment Installation

- Review of Seller supplied equipment drawings and specifications.
- Stamping, signing, or sealing of general drawings as per Federal, State, or local regulations or codes.
- All applicable civil design and works, including any building, site preparation, grading, excavations, foundations and trenches, and accessories.

- All electrical labor and supplies leading up to jobsite, including fittings, conduit, supports, cable trays, wire and hardware, and air-conditioned panels as required for installation and ongoing operations.
- All labor and supplies leading up to jobsite, including fittings, conduit, supports, cable trays, wire and hardware required to appropriately ground / earth the equipment as required for installation and ongoing operations.
- All mechanical labor and supplies leading up to the jobsite including interconnecting piping, heat tracing (if required), fittings, conduit, pipe supports, and hardware as required for installation and ongoing operations.
- All instrumentation and automatic pneumatic valve installation including, but not limited to, air / sample line tubing, fittings, wiring, conduit, supports, isolating valves leading up to jobsite and between Veolia-supplied skids and hardware as required for installation and ongoing operations.
- Loading, unloading and transportation of the equipment and materials required for Veolia to perform the duties outlined in the Veolia scope of supply to the jobsite and/or warehouse.
- All access structures (scaffolding) and mechanical lifting equipment (cranes, forklifts, and scissor lifts).
- Providing a suitable site/shelter for the placement of the proposed equipment, either inside appropriate housing, or outdoors, taking into account the local and seasonal climatic conditions. Note: electrical and controls equipment, including the PLC, may require air-conditioned rooms or enclosure to prevent overheating of sensitive electronic equipment or damage to LCD screens and care should be taken to shield or locate control cables away from high power cables to prevent interference.
- Storage of EDR stacks on site. These must be stored in a sheltered area, protected from freezing, direct sunlight or extreme heat, and sealed as shipped until ready for use. Storage should be in a dark, dry, level area, out of direct sunlight, and at a temperature of 5-30°C (39-86°F). It is recommended that the stacks not be stored longer than necessary prior to installation. Coordinate with Veolia for appropriate shipment times. Maximum storage duration of a stack is 3 months from the date of shipment. If these timescales are exceeded Veolia can provide instruction to extend the storage period.
- Equipment anchor bolts.
- Any on-site painting or touch-up painting of equipment supplied.
- Disposal of membrane preservative.
- Disposal of all retired EDR stacks and disposal of shipping and packaging materials unless specifically requested not to do so by Veolia.

5.2.1 Start-up and Commissioning

- Installation and removal of temporary screens on all process lines entering the EDR stacks.
- Verification of removal of all residual debris from construction.
- City of Sherman will grant Veolia personnel full and immediate access to the equipment and will make lubricants chemicals, plus specialized chemical handling equipment, water, lighting, electrical and laboratory services available
- Commissioning.
- Equipment and device tagging.
- Any required chemicals, sanitization / disinfection required to pass bacteria test.
- All water sampling, testing and submitting to labs or local regulators for verification and certification is the responsibility of City of Sherman.
- City of Sherman will arrange that plant personnel are available to collaborate with the Veolia service representative for the full duration of the site visits.
- City of Sherman will keep a copy of the operating manual, all process and instrumentation drawings, and all electrical drawings on site and accessible for reference.

6 Health & Safety

City of Sherman

- City of Sherman will provide orientation to Seller's personnel to ensure site-specific safety protocols are known. City of Sherman will identify and inform Seller's personnel of any site-specific hazards present in the workplace that could impact the delivery of Seller's scope of supply and agrees to work with Seller to remove, monitor, and control the hazards to a practical level.
- City of Sherman will provide any site-specific or standard company operating procedures and practices for Seller's personnel to perform work on site, if required by City of Sherman's policies. Such programs may include, but are not limited to, general environmental health & safety (EHS), HAZOP, fire protection, drug testing, incident notice, site conduct, standard first aid, chemical receiving, electrical safety, etc. City of Sherman will provide a certificate of program completion for Seller's personnel. This program will be fully documented, training materials will be provided, and attendance list will be kept.
- If any type of lifting devices will be used on site, City of Sherman will provide proof of its maintenance, inspection and certification documentation upon request and will assist the Veolia service representative to complete a safety inspection checklist.

- Where confined space entry may be required, City of Sherman will provide early notice and will collaborate with Veolia in planning adequate staffing and in advising the local fire/rescue department as required.
- No time or cost provision has been made for preparations such as safety record clearances, drug testing, insurance confirmations or pre-job-training in excess of 1 hour. Prior to finalizing the Purchase Order and the work schedule, City of Sherman will advise Veolia of any pre-job or pre-mobilization requirements. Where these requirements exceed 1 hour, this time will be charged to City of Sherman at rates set out in the prevailing Veolia labor rate sheet.
- Where certain short duration activities require two people for safety and the Veolia Service representative is alone at site, City of Sherman will cooperate as required to assure that correct safety precautions are taken.
- City of Sherman is responsible for the following environmental provisions:
  - Environmental use and discharge permits for all chemicals at City of Sherman's facility either listed in this document or proposed for use at a later date;
  - Any special permits required for Seller's or City of Sherman's employees to perform work related to the water treatment system at the facility;
  - All site testing, including soil, ground and surface water, air emissions, etc.;
  - Disposal of all solid and liquid waste from the Seller's system including waste materials generated during construction, start up and operation.
- City of Sherman is responsible for provision of health and safety facilities to Seller's field service representatives to the same extent that they are provided to City of Sherman's own employees, including provision of:
  - Eyewash and safety showers in the water treatment area;
  - Chemical spill response;
  - Security and fire protection systems per local codes.

Veolia

- All work on site will be performed in accordance with applicable law and will be performed reasonably, in a clean and safe manner. The Veolia service representative will abide by the more stringent of the applicable health, safety and environmental policies and procedures of either City of Sherman or Veolia.
- Veolia will provide all applicable safety training required by Veolia policies or by state or national health and safety regulations. The Veolia service representative will have undergone workplace hazardous material information system (WHMIS) training and will come equipped with necessary personal protective equipment (PPE).

- Emergencies - In emergencies affecting the safety of persons, work or property at the site and adjacent thereto, Veolia will act, without previous instructions from City of Sherman, as the situation warrants. Veolia will notify City of Sherman immediately thereafter.

7 Seller's Warranty - Electrodialysis Reversal (EDR) Cation & Anion Membranes

Water Treatment Applications

This schedule sets out the warranty with respect to Electrodialysis Reversal (EDR) cation and anion membranes for water applications. No other warranties, expressed or implied, are made in connection with the sale of these products, including, without limitation, warranties as to fitness for any particular purpose or use or merchantability of these products. The warranty provided herein will be the exclusive and sole remedy of the Buyer, and in no event will the Seller be liable for any special, direct, indirect or consequential damages, including, without limitation, loss of profits.

1 Product

This warranty applies to only the EDR Cation and Anion membranes supplied within the EDR stack under the Contract of Sale for water applications. EDR "Stack" means a complete EDR membrane stack. EDR "Membrane" means either the cation and anion membranes within the EDR Stack. This warranty does not cover mechanical items such as:

a. EDR spacer within the EDR stack (electrode and/or intermembrane)

b. Electrode, Heavy Cation Membranes and end block

c. Piping to and from the EDR Stack, piping connection fittings

d. Connecting hardware and skids with their associated components including but not limited to valves, instrumentation, and hardware.

e. Components not specifically mentioned.

Identification: EDR Stacks are shipped by the Seller with a serial number which confirms their place in the cohort set of EDR Stacks covered by this EDR Membrane warranty.

2 Scope of Warranty

The Seller warrants its EDR Membranes for a period of 3 years prorated per warranty start date in section 5 for water applications.

Regular EDR Stack inspection and normal membrane replacement (10% cumulative replacement of the total number of membranes per year) shall be the responsibility of the Buyer.

All replacement EDR Stacks, Membrane or Spacers will be shipped on the basis of INCOTERMS 2020 FCA Veolia Manufacturing facility. A purchase order is required to execute the warranty terms based on the following calculations.

Prorated Replacement – Prorated Replacement means that in the case of a valid warranty claim for an EDR membrane replacement due to failure the Buyer pays for actual use from which the Buyer has derived value over time. Prorated Replacement allows the Seller to pay reasonable compensation under warranty for any product use not enjoyed by the Buyer due to premature replacement. At the discretion of the Seller, the Buyer receives a replacement Membrane and pays for the prorated value for the use of the Membranes prior to replacement. The Buyer will fund the first 10% annual cumulative membrane replacements as calculated based on the total number of membranes in the plant. This is calculated by comparing the number of annual

replacements needed over the total number of membranes in the plant as shown in the following formula. These membranes are to be purchased at the replacement price, and the annual cycle is calculated from the warranty start date.

$$\text{customer annual maintenance replacement} = \frac{\text{number of replacements in annual cycle}}{\text{total number of anion and cation membranes in the plant}}$$

Replacement price of each membrane required above the 10% will be pro-rated based on life used as calculated by the following formula:

$$\text{customer prorated share of replacement} = \frac{\text{number of whole months elapsed between the replacement date \& the warranty start date}}{\text{total warranty term/duration in months}} \times \text{replacement price}$$

Excluded - All ancillary costs are the responsibility of the Buyer including but not limited to boxing, crating, freight, freight insurance, applicable taxes, import duties, brokerage, receiving, forklift services, EDR Stack breakdown or build up, storage at site, re-attachment hardware, hose/clamp/camlock replacement, crane services, installation, glycerin flushing, and commissioning and waste disposal.

3 Obligation of Buyer

a. The design feed water flow and quality shown in the final and firm proposal are maintained by the operator/end user at all times with no exception, during the validity period of the guarantee.

b. Most operate and maintain the system in accordance with directions in the O&M manual provided with the system

4 Warranty Start Date

This warranty will start on the earlier of:

a. The date that installation of the original EDR Stack(s) has been substantially completed, or

b. Six months from the date of shipment of the original EDR Stack(s) to the Buyer

5 Warranty Duration

Total EDR membrane warranty duration: a total of **36 months**

Replacement EDR membranes are covered by the warranty only to the extent of the warranty of the original membranes which have been replaced. At all events, this warranty shall expire and be of no force or effect **36 months** following the Warranty Start Date.

6 Notification of Claim

All claims filed under this warranty shall be made in writing by the Buyer within 30 days of identifying a defect through Veolia WTS Return Goods Authorization (RGA) procedure.

The Buyer shall provide the following information:

a. A description of the defect giving rise to the claim;

b. Photographs showing the manufacturing defect;

c. The serial number(s) of the EDR Stack(s) which is (are) the subject of the warranty claim; and

d. Operating data and repair history for the life of the EDR Stack(s) which are the subject of a warranty claim.

7 Verification of Claim

After receipt of written notification of a defect, the Seller will promptly undertake such investigations as, in the Seller's opinion, are necessary to verify whether a defect exists. The Seller reserves the right to require additional data as necessary to validate claims.

The Buyer may, in the course of these investigations, be requested to return Membrane(s) and/or Spacer(s) to the Seller for examination. The Seller may also conduct reasonable tests and inspections at the Buyer's plant or premises**. If the results of the investigation do not validate the defect claimed, the Buyer will reimburse the Seller for all reasonable expenses associated with said investigation, including expenses for all tests, inspections, and associated travel.**

8 Satisfaction of Claims

The Seller will have the right to satisfy claims under this warranty in a flexible manner. Such flexibility may include the repair of existing EDR Stacks or changes in operating protocols or other stack component replacement or by upgrading failed EDR Stack(s) with newer EDR Stack(s) that may embody design and efficiency improvements. The Buyer consents to the supply of replacement EDR Stacks which may be of a different design than original EDR Stacks.

The warranty provided herein is limited to the repair or replacement of the damaged membrane and will be the exclusive and sole remedy of the Seller. In no event will the Seller be liable for any special, direct, indirect or consequential damages, including, without limitation, liquidated damages or loss of profits.

9 Operating Information

To maintain the EDR membrane warranty, daily EDR system operation records and logs from initial start-up date until claim, must be maintained by the Buyer and made available to the Seller upon request. Records and logs of both the EDR system as well as access to records and logs of any or all non-Veolia WTS equipment/processes that could impact the plant must be provided in sufficient detail to verify uninterrupted compliance with the Seller's Operations and Maintenance Manual prepared by the Seller and supplied to the Buyer as part of the Contract. At a minimum, operation data must include information on feedwater quality, temperatures, flows, stage voltage and amperage, permeate quality, cleaning intervals, cleaning chemical concentrations, elapsed time since start-up, relevant analytical data and reporting of any upset events. "In the event that the operator/end user fails to keep all minimal information required by Veolia WTS, such as data sheets filled daily, the performance guarantee will be voided."

The Buyer shall maintain and share access to a single reference copy in electronic form of a EDR Stack map containing the history of activity by EDR Stack and membrane/spacer replacement. The Buyer shall log its procedures performed related to an EDR Stack including relocation of EDR Stacks, repairs, membrane/spacer or other stack component replacements and any other noteworthy events.

The Buyer authorizes the Seller to conduct any reasonable review of operation and maintenance records or to inspect facilities where EDR Stacks are installed, upon reasonable notice to the Buyer. Such reviews and/or inspections are intended to also assist the Seller and the Buyer in detection of membrane system faults and to optimize the care and operation of the EDR system(s).

10 Membrane Replacement Price

A standard EDR Component Price List is available and typically updated on an annual basis.

11 Limitation of Warranties

Occurrence of any of the following as reasonably determined by the Seller will void this warranty:

a. A material failure to operate the EDR system in accordance with Seller's Operations and Maintenance Manual supplied to the Buyer as part of the Contract, including material failure to adhere to the Seller's specified EDR stack cleaning procedures and the use of anything other than Seller-approved EDR stack cleaning agents and operating chemicals.

b. Failure to adhere to the preventive maintenance program as presented in the Seller's Operations and Maintenance Manual.

c. Failure to ensure correct operation and/or functioning of the pretreatment equipment.

d. Introduction of destructive foreign materials into the EDR stacks. Destructive foreign materials may include natural or human-made materials that are introduced into the EDR system originating from construction and maintenance activities or from inadequate. Sand and other materials that are naturally present in the influent will not be considered destructive foreign materials.

e. Failure to install and maintain operating data acquisition and electronic data transmission functions at the plant, if available.

f. Physical abuse or misuse, incorrect removal or installation of EDR Stacks by non-Seller personnel including membrane damage caused by operator error in handling of EDR Stacks or membranes and spacers.

g. Unauthorized alteration of any components or parts originally supplied by the Seller.

h. Intentional damage.

i. Failure by the operator to operate and maintain the equipment as per instructions issued by the Seller in the Proposal, other contractual agreements between Buyer and Seller, and in the Operation and Maintenance manuals or under subsequent revisions of Operation and Maintenance manual that may be made later by the Seller, if system operating conditions change.

j. Feeding water which violates any of the feed water limits provided in this proposal.

12 Return Procedure

In the event that the return of an EDR stack(s) or membrane(s) is/are required pursuant to this warranty, the Buyer will first obtain a Return Goods Authorization (RGA) number from the Seller. EDR stack(s) or membranes/spacers shipped to the Seller for warranty examination must be shipped freight prepaid. If the Buyer desires temporary replacement EDR stack(s) or membranes/spacers to replace those alleged to be defective and returned to the Seller for warranty examination, the Buyer shall be responsible for the cost associated with any such replacements until examination of the returned EDR Stacks or membranes/spacers pursuant to this warranty is complete. Any EDR Stack or membrane examined by Seller as part of a warranty claim where the EDR Stack, membrane or spacer is subsequently found to be performing as warranted or where an EDR stack, membrane or spacer failure is not covered under the warranty can, if requested, be returned to the Buyer, freight collect.

8 Terms and Conditions of Sale

A - Specific Terms and Conditions of Sale

These terms take precedence over the general terms and conditions of sale.

1 Legal Entity for Contracting

Veolia WTS Solutions USA, Inc. is the name of the Seller, and means a business component of, or legal entity within the Veolia Water Technologies & Solutions business (Veolia).

Please advise us if this Veolia entity is not set up in your purchasing system as a vendor and you do have another Veolia entity set up. We are keen to make the purchase process as convenient as possible for City of Sherman.

short form: Where a short reference is required in this document, for convenience, we are called simply **Veolia**.

2 Payment

Veolia prefers to receive payment by wire transfer and will also accept payment by courier check.

Wire transfer information for Veolia WTS Solutions USA, Inc. send details to: SHD WATS REMIT-NAM *vtc.vwts.remit-nam.all@veolia.com*	
Deutsche Bank Trust Company Americas C/O Veolia WTS Solutions USA, Inc. 60 Wall St New York, NY 10005 USA	Account # 50272952 SWIFT # BKTRUS33 ABA # 021001033

3 Payment Terms

On approved credit, payment terms are net 30 days from customer receipt of invoice. Please see the invoicing schedule in the price section. In the event an invoice is issued on shipment of goods from a Veolia Hungarian production facility, payment terms will be extended by an additional 45 days to account for the additional transit time to the delivery location.

4 Proposal Validity

Prices quoted and proposal terms are valid up to thirty (30) days after the date of issue of this proposal unless confirmed with a purchase order.

5 Bonds

Performance or payment bonds are not included in the price. These bonds can be purchased on request but will be at an additional cost.

party.

6 Flight Booking

Prices quoted for installation which include airfare are either based on timely confirmation of a visit schedule or based on receipt of a purchase order in time to book any flights seven days in advance. Additional airfare charges related to late arrival of a purchase order will be extra and billed through to City of Sherman without mark-up.

7 Purchase Order Guidelines

Please confirm that your purchase order has covered the following points. This will ensure accurate and prompt order entry, product delivery, invoicing and accounts receivables processing and will prevent administrative delays for all parties.

- **Documentation –** Our strong preference is to receive a hard or digital copy of your purchase order (PO) rather than a PO number alone. Your PO can be sent by email to nam.service.pocentral@veolia.com. If you are not able to provide a PO, please contact us for alternatives.
- **Veolia legal entity –** Please be sure your purchase order is issued in the name of the specific Veolia legal entity outlined in the quote. We will be glad to work with your purchasing department to set this entity up as an approved supplier/vendor. Please advise us if this Veolia entity is not set up in your purchasing system as a vendor and you do have another Veolia entity set up.
- **Quotation Number –** Please reference the quotation number in your PO.
- **Product –** Please note which product(s) you wish to purchase along with the quoted price, particularly if quantities or scope differ from the quotation.
- **Taxes –** Please provide any required tax exemption certificates. Please indicate if taxes have been added in your PO.
- **Payment Terms –** Please acknowledge the payment terms included with the quotation.
- **Bill-to Address –** Please include contact information for your accounts payable.
- **Ship-to Address –** Please clearly define the delivery location and the receiver's email & telephone. Please specify receiving hours and any special off-loading requirements.
- **Delivery Date –** Please include your requested delivery date.

B – General Terms and Conditions of Sale

Veolia's standard terms and conditions apply. See Attachment A.

Note to purchasing agent: The Veolia's standard set of commercial terms & conditions are written for moderate value transactions to allow an efficient and rapid provision of services and parts. Where corporate agreement terms have been previously agreed, these

may be brought forward by either party and applied by mutual consent. If either of these terms sets are not immediately acceptable, please expect a typical 6-10 week cycle of mutual review to build agreement on changes.

9 Signed Agreement

Through the issue of this proposal, Veolia signals their intent to enter into an agreement with City of Sherman. City of Sherman and Veolia acknowledge that they have read and understood this agreement and agree to be bound by the terms and conditions specified in it.

Offered by Legal Entity:	Veolia WTS Solutions USA, Inc., also known as Veolia or Seller	**Accepted by Legal Entity:**	City of Sherman also known as Buyer
		Authorized Signature by:	
		Title:	
		Signature Date:	
		Signature:	x
		Purchase Order No:	

Upon acceptance of this proposal, please forward the following either

• by email with .pdf attachments or • by postal mail or • by fax.

1) this signature page completed to:

2) a hard copy of your purchase order, and

3) any required tax exemption certificates

nam.service.pocentral@veolia.com
or
Veolia Water Technologies & Solutions
attention: Contracts Administrator
Please contact *nam.service.pocentral@veolia.com* for correct address
or
fax no.: 905 465 3050

This agreement comes into force when Veolia has issued a formal acceptance of City of Sherman's Purchase order or formal acceptance of this City of Sherman signed agreement.

doc. control: author: JP(rev 0), AA(rev 1), DP(rev-2) filename: City of Sherman 410285-2 96xEDR-stacks MKIV Jun 27 2023
last modified: 6/27/2023 11:18 AM technical review: JA (rev 0,1) commercial review: NR(rev 0), JE (rev 1), CB(rev 1) DOA: Blkt

Attachment A Veolia Standard Terms and Conditions

1. Exclusive Terms and Conditions. Together with any other terms the Parties agree to in writing, these General Terms and Conditions – together with the last proposal in order of time issued by the Seller – form the exclusive terms ("Agreement") whereby Buyer agrees to purchase, and Seller agrees to sell products and equipment (jointly "Equipment") and to provide advice, instruction and other services in connection with the sale of that Equipment ("Services"). If Buyer sends to Seller other terms and conditions to which Seller may not respond, including but not limited to those contained in Buyer's purchase order, such shall not apply. This Agreement may only be revised by a change order approved in writing by both Parties. All terms not defined herein shall be defined in Seller´s proposal.

2. Equipment and Services. The Equipment to be delivered and the Services to be provided shall be as set out in this Agreement. Unloading, handling, storage, installation, and operation of Buyer's systems or the Equipment are the responsibility of Buyer. Buyer shall not require or permit Seller's personnel to operate Buyer's systems or the Equipment at Buyer's site.

3. Prices and Payment. Buyer shall pay Seller for the Equipment and Services in accordance with the payment schedule (as set forth in Seller´s proposal or, if applicable, in any special conditions agreed to in writing by the Parties). Unless otherwise specified in writing, payment is due net thirty (30) days from the date of Seller's invoice. ~~Seller may require a Letter of Credit or other payment guarantee, in which case the stated amount of the guarantee will be adjusted by Buyer in the event of any currency-based adjustment to prices or payment amounts per the Payment Schedule, and Buyer shall deliver the adjusted guarantee within five (5) days of request by Seller~~. Buyer agrees to reimburse Seller for collection costs, including 2% (two percent) interest per month (not to exceed the maximum amount permitted by applicable law), should Buyer fail to timely pay. Buyer shall have no rights to make any deduction, retention, withholding or setoff relating to any payments due under this Agreement.

4. Taxes and Duties. Seller shall be responsible for all corporate taxes measured by net income due to performance of or payment for work under this Agreement ("Seller Taxes"). Buyer shall be responsible for all taxes, duties, fees, or other charges of any nature (including, but not limited to, consumption, gross receipts, import, property, sales, stamp, turnover, use, or value-added taxes, and all items of withholding, deficiency, penalty, addition to tax, interest, or assessment related thereto, imposed by any governmental authority on Buyer or Seller or its subcontractors) in relation to the Agreement or the performance of or payment for work under the Agreement other than Seller Taxes ("Buyer Taxes"). The Agreement prices do not include the amount of any Buyer Taxes. If Buyer deducts or withholds Buyer Taxes, Buyer shall pay additional amounts so that Seller receives the full Agreement price without reduction for Buyer Taxes. Buyer shall provide to Seller, within one month of payment, official receipts from the applicable governmental authority for deducted or withheld taxes. Buyer shall furnish Seller with evidence of tax exemption acceptable to taxing authorities if applicable, prior to execution of the Agreement by both Parties or issuance by the Seller of the order acceptance. Buyer's failure to provide evidence of exemption at time of order will relieve Seller of any obligation to refund taxes paid by Seller.

5. Delivery, Title, Risk of Loss. Unless otherwise specified in this Agreement, Seller shall deliver all Equipment to Buyer FCA (Incoterms 2020) Seller's facility. The time for delivery of the Equipment to Buyer shall be specified in this Agreement. Seller's sole liability for any delay in delivery of the Equipment shall be as expressly set out in this Agreement. The place of delivery specified herein shall be firm and fixed, provided that Buyer may notify Seller no later than forty-five (45) days prior to the scheduled shipment date of the Equipment of an alternate point of delivery, Buyer shall compensate Seller for any additional cost in implementing the change. If any part of the Equipment cannot be delivered when ready due to any cause not attributable to Seller, Buyer shall designate a climate-controlled storage location, and Seller shall ship such Equipment to storage. Title and risk of loss shall thereupon pass to Buyer and amounts payable to Seller upon delivery or shipment shall be paid by Buyer along with expenses incurred by Seller. Services provided herein shall be charged at the rate prevailing at the time of actual use and Buyer shall pay any increase, and Buyer shall pay directly all costs for storage and subsequent transportation. Failure by Buyer to take delivery of the Equipment shall be a material breach of this Agreement.

Title and risk of loss to the Equipment shall be transferred from Seller to Buyer at the point of delivery upon handover in accordance with this Agreement. Title and risk of loss to the Services shall pass as they are performed.

6. Warranties and Remedies. Seller warrants that Equipment shall be delivered free from defects in material, workmanship and title and that Services shall be performed in a competent, diligent manner in accordance with any mutually agreed specifications. Seller's warranty does not cover the results of improper handling, storage, installation, commissioning, operation or maintenance of the Equipment by Buyer or third parties, repairs or alterations made by Buyer without Seller's written consent, influent water which does not comply with agreed parameters, or fair wear and tear.

Unless otherwise expressly provided in this Agreement, the foregoing warranties are valid for:

(a) Chemicals and services, for six (6) months from their date of delivery or the provision of Services;

(b) Consumables, including filters and spiral wound membranes (other than spiral wound membranes for process treatment), the earlier of twelve (12) months from date of first use or fifteen (15) months from their date of delivery;

(c) Spiral wound membranes for process fluid treatment, ninety (90) days from their date of first use;

(d) Ultrafiltration membranes (ZW500, ZW700B, ZW1000, ZW1500), twelve (12) months from their date of delivery;

(e) Equipment other than chemicals and consumables, the earlier of, fifteen (15) months from delivery or shipment to storage, or twelve (12) months from start-up/first use;

(f) Software, ninety (90) days from the date of receipt;

(g) Equipment not manufactured by Seller; the warranty shall be the manufacturer's transferable warranty only.

Any claim for breach of these warranties must be promptly notified in writing, and Buyer shall make the defective item available to the Seller, or the claim will be void. Seller's sole responsibility and Buyer's exclusive remedy arising out of or relating to the Equipment or Services or any breach of these warranties is limited to repair at Seller's facility or (at Seller's option) replace at Seller's facility the defective item of Equipment and re-perform defective Services. In performance of its obligations hereunder, Seller will not control the actual operation of either Buyer's systems or the Equipment at the Buyer's site.

Warranty repair, replacement or re-performance by Seller shall not extend or renew the applicable warranty period.

The warranties and remedies are conditioned upon (a) proper unloading, handling, storage, installation, use, operation, and maintenance of the Equipment and Buyer's facility and all related system in accordance with Seller's instructions and, in the absence, generally accepted industry practice, (b) Buyer keeping accurate and complete records of operation and maintenance during the warranty period and providing Seller access to those records, and (c) modification or repair of Equipment or Services only as authorized by Seller in writing. Failure to meet any such conditions renders the warranty null and void.

The Buyer will be entitled to assign to a subsequent owner of the Equipment the warranties of the Seller under this Agreement, provided that a prior written notification is sent to the Seller and the assignment agreement contains terms and conditions which provide the Seller with the protections of the warranties and limitations on liability contained in the Agreement. Subject to Buyer's compliance with the foregoing requirement, such warranty rights are expressly assignable by the Buyer to a subsequent owner of the Equipment. Except as provided herein, Buyer is not entitled to extend or transfer this warranty to any other party. The warranties and remedies set forth in this article are in lieu of and exclude all other warranties and remedies, statutory, express or implied, including any warranty of merchantability or of fitness for a particular purpose.

Unless otherwise expressly stipulated in this Agreement, Seller gives no warranty or guarantee as to process results or performance of the Equipment, including but not limited to product quality, flow, production, capacity, membrane life, chemical consumption, regulatory compliance or energy consumption.

7. General Indemnity. Seller shall indemnify and hold harmless Buyer from claims for physical damage to third party property or injury to persons, including death, to the extent caused by the negligence of Seller or its officers, agents, employees, and/or assigns while engaged in activities under this Agreement. ~~Buyer shall likewise indemnify and hold harmless Seller from claims for physical damage to third party property or injury to persons, including death, to the extent caused by the negligence of the Buyer, its officers, agents, employees, and/or assigns. In the event such~~

~~damage or injury is caused by the joint or concurrent negligence of Seller and Buyer, the loss shall be borne by each Party in proportion to its negligence.~~ For the purposes of this article (i) "Third party" shall not include Buyer or any subsequent owner of the Equipment, their subsidiaries, parents, affiliates, agents, successors or assigns including any operation or maintenance contractor, or their insurer; and (ii) no portion of the Equipment is "third party property".

8. Compliance with Laws and Permits. All permits, authorizations, and licenses which are required to construct, install and/or operate Buyer's facility or equipment, to use the Equipment, or to manage and dispose of any wastes, discharges, and residues resulting from Buyer's use of the Equipment, shall be obtained and maintained by Buyer at Buyer's sole expense. Buyer is responsible for compliance with all laws and regulations applicable to the storage, use, handling, installation, maintenance, removal, registration, and labeling of all Equipment after delivery of the Equipment, as well as for the proper management and disposal of all wastes, discharges, and residues.

9. Buyer's Site Conditions. Buyer warrants that any data furnished to the Seller concerning conditions at Buyer's site (including but not limited to any existing Buyer facility, equipment or processes, influent water or other substances to be treated or measured with the Equipment) is accurate and complete, and the Seller reserves the right to utilize the most appropriate design compatible with generally accepted engineering practices, and to make changes in details of design, manufacture and arrangement of Equipment unless precluded by any limitations specified in this Agreement. Seller shall notify Buyer of (1) any conditions at Buyer's site which materially differ from those indicated in the data furnished by Buyer, (2) any previously unknown physical conditions at Buyer's site of an unusual nature, not revealed by previous investigations and differing from those ordinarily encountered in the type of work provided for in this Agreement, and (3) the presence of any Hazardous Materials (as defined below), the existence of a contaminated soil, unexploded ordinance, or archaeological remains. If such conditions cause an increase in Seller's cost or in the time required for the performance of Seller's obligations, Seller shall be entitled to an equitable adjustment in the Agreement price and an extension in the time for performance.

10. Hazardous Materials and Wastes. In the event that Seller encounters any Hazardous Materials (meaning toxic substances, hazardous substances, pollutants, contaminants, regulated wastes, or hazardous wastes as such terms may be defined or classified in any law, statute, directive, ordinance or regulations promulgated by any applicable governmental entity) at Buyer's site, other than Hazardous Materials introduced by Seller or that are otherwise the express responsibility of Seller under this Agreement, Buyer shall immediately take whatever precautions are required to legally eliminate such Hazardous Materials so that the Seller's work under this Agreement may safely proceed. At no time shall Seller be deemed to have taken title to or the responsibility for the management or disposal of any wastes, Hazardous Materials, influent water, any resultant product streams, wastewater streams, discharges, cleaning materials, or any other materials or substances processed by the Equipment or otherwise located at Buyer's site. Seller does not take responsibility for and hereby expressly disclaims responsibility for the characterization or disposal of wastes, Hazardous Materials, or for the identification, selection, or management of disposal facilities for any wastes.

11. Excusable Delays. Seller shall not be liable nor in breach or default of its obligations under this Agreement to the extent performance of such obligations is delayed or prevented, directly or indirectly, due to causes beyond the reasonable control of Seller, including, but not limited to: acts of God, natural disasters, unusually severe weather, fire, terrorism, war (declared or undeclared) epidemics, material shortages, insurrection, act (or omissions) of Buyer or Buyer's contractors/suppliers or agents, any act (or omission) by any governmental authority, strikes, labor disputes, transportation shortages, or vendor non-performance. The delivery or performance date shall be extended for a period equal to the time lost by reason of delay or non-performance, plus such additional time as may be necessary to overcome the effect of the delay or non-performance. If delivery or performance is delayed for a period exceeding 180 (one hundred and eighty) days, either Party may terminate this Agreement without further liability provided that Seller shall be paid an amount equal to that which would be payable to Seller under the article entitled "Termination". If Seller is delayed by any acts (or omissions) of Buyer, or by the prerequisite work of Buyer's other contractors or suppliers, Seller shall be entitled to an equitable adjustment in schedule, price and/or performance, as applicable.

12. Emergencies. If the safety of Seller's personnel is threatened or likely to be threatened by circumstances outside the reasonable control of Seller, including but not limited to war, armed conflict, civil unrest, riots, terrorism, kidnapping, presence of or exposure to hazardous materials, unsafe working conditions, or by the threat of such circumstances or a lack of adequate protections against such circumstances, Seller shall be entitled to take all necessary steps to ensure the security and safety of its personnel including the evacuation of personnel until such circumstances no longer apply. Any such occurrence shall be considered an excusable delay event. Buyer shall reasonably assist in the event of any such evacuation.

13. Confidentiality, Intellectual Property. Both Parties agree to keep confidential the other Party's proprietary non-public information, if any, which may be acquired in connection with this Agreement. Buyer will not, without Seller's advance written consent, subject Equipment to testing, analysis, or any type of reverse engineering. Seller retains all intellectual property rights including copyright which it has in all drawings and data or other deliverables (including the Equipment) supplied or developed under this Agreement. Buyer agrees that it will not file patent applications on the Equipment or any development or enhancement of the Equipment, or of processes and methods of using the Equipment, without Seller's express prior written permission. Buyer further agrees that in any event any such patents will not be asserted against Seller or its other buyers based upon purchase and use of such Equipment. Seller grants to Buyer a non-exclusive, non-terminable, royalty free license to use the intellectual property embedded in Equipment delivered to and paid for by the Buyer, as well as any drawings, design or data delivered to and paid for by the Buyer, for the purposes of owning, financing, using, operating and maintaining the relevant Equipment at Buyer's site. Such license may only be assigned to a subsequent owner of the Equipment or to an operations and maintenance subcontractor. Such license does not extend to the re-creation of the Equipment or the manufacture of spares or consumables by Buyer or third parties.

Any software Seller owns and provides pursuant to this Agreement shall remain Seller's property. Seller provides to Buyer a limited, non-exclusive and terminable royalty free project-specific license to such software for the use, operation or maintenance at Buyer's site of any Equipment purchased hereunder to which the software is a necessary component. Buyer agrees not to copy, sub-license, translate, transfer, reverse engineer, or decode the software.

Seller shall indemnify and hold harmless Buyer from any rightful claim of any third party that any Equipment or Service infringe a patent in effect in the USA, or country of delivery (provided there is a corresponding patent issued by the USA), or USA copyright or copyright registered in the country of delivery. If the Buyer notifies the Seller promptly of the receipt of any such claim, does not take any position adverse to the Seller regarding such claim and gives the Seller information, assistance and exclusive authority to settle and defend the claim, the Seller shall, at its own expense and choice, either (i) settle or defend the claim and pay all damages and costs awarded in it against the Buyer, or (ii) procure for the Buyer the right to continue using the Equipment or Service, or (iii) modify or replace the Equipment or Service so that it becomes non-infringing, or (iv) remove the infringing Equipment and refund the price. The above paragraph shall not apply to any misuse of Equipment or Equipment which is manufactured to the Buyer's design, or to alleged infringement arising from the combination, operation, or use of any Equipment or Services with other equipment or services when such combination is part of any allegedly infringing subject matter. The foregoing list of sub-sections (i), (ii), (iii), and (iv) and related terms state the entire liability of the Seller for intellectual property infringement by any Equipment or Service.

14. Limitations on Liability. Notwithstanding anything else contained in this Agreement, to the maximum extent permitted by law, and regardless of whether a claim is based in contract (including warranty or indemnity), extra-contractual liability, tort (including negligence or strict liability), statute, equity or any other legal theory:

(a) THE TOTAL LIABILITY OF THE SELLER AND OF ITS INSURER FOR ALL CLAIMS ARISING OUT OF OR RELATING TO THE PERFORMANCE OR BREACH OF THIS AGREEMENT OR USE OF ANY EQUIPMENT OR SERVICES SHALL NOT EXCEED THE TOTAL PRICE PAID BY BUYER UNDER THIS AGREEMENT ~~OR (IN THE CASE OF AN AGREEMENT FOR SERVICES WITH A TERM OF MORE THAN ONE YEAR) THE ANNUAL PRICE PAYABLE BY BUYER UNDER THIS AGREEMENT;~~

(b) IN NO EVENT SHALL SELLER BE LIABLE FOR ANY LOSS OF PROFIT OR REVENUES, LOSS OF PRODUCTION, LOSS OF USE OF EQUIPMENT OR SERVICES OR ANY ASSOCIATED EQUIPMENT, INTERRUPTION OF BUSINESS, COST OF CAPITAL, COST OF REPLACEMENT WATER OR POWER, DOWNTIME COSTS, INCREASED OPERATING COSTS, CLAIMS OF BUYER'S CUSTOMERS FOR SUCH DAMAGES, OR FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES;

(c) ~~SELLER'S LIABILITY SHALL END UPON EXPIRATION OF THE APPLICABLE WARRANTY PERIOD, PROVIDED THAT BUYER MAY CONTINUE TO ENFORCE A CLAIM FOR WHICH IT HAS GIVEN NOTICE PRIOR TO THAT DATE BY COMMENCING AN ACTION OR ARBITRATION, AS APPLICABLE UNDER THIS AGREEMENT, BEFORE EXPIRATION OF ANY STATUTE OF LIMITATIONS OR OTHER LEGAL TIME LIMITATION BUT IN NO EVENT – TO THE EXTENT PERMITTED BY APPLICABLE LAW – LATER THAN FIVE (5) MONTHS AFTER EXPIRATION OF SUCH WARRANTY PERIOD.~~

For the purposes of this article, "Seller" shall mean Seller, its affiliates, subcontractors and suppliers of any tier, and their respective agents and employees, individually or collectively. If Buyer is supplying Seller's Equipment or Services to a third party, Buyer shall require the third party to agree to be bound by this article. ~~If Buyer does not obtain this agreement for Seller's benefit for any reason, Buyer shall indemnify and hold Seller harmless from all liability arising out of claims made by the third party in excess of the limitations and exclusion of this article.~~

15. Termination. This Agreement and any performance pursuant to it may be terminated by either Party, and the consequences of such termination shall be as set out in the next paragraph, if the other Party

(a) Becomes insolvent, makes an assignment for the benefit of its creditors, has a receiver or trustee appointed for the benefit of its creditors, or files for protection from creditors under any bankruptcy or insolvency laws; or

(b) Fails to make any payment when due or to establish any payment security required by this Agreement or commits a material breach or defaults in its material obligations under this Agreement, and such default is not cured within thirty (30) days of written notice from the other Party.

~~Upon the termination of this Agreement by Buyer for cause (i) Seller shall reimburse Buyer the difference between that portion of the Agreement price allocable to the terminated scope and the actual amounts reasonably incurred by Buyer to complete that scope, and (ii) Buyer shall pay to Seller (a) the portion of the Agreement price allocable to Equipment completed, and (b) amounts for Services performed before the effective date of termination. Upon the termination of this Agreement by Seller for cause Buyer shall pay to Seller within thirty (30) days of receipt of invoice the price of all Equipment or Services delivered at the date of termination, plus an amount equal to all costs and expenses incurred in the engineering, sourcing, financing, procurement, manufacture, storage and transportation of the Equipment including materials, work in progress and any cancellation charges assessed against Seller by Seller's suppliers including reasonable overhead and profit on all such costs and expenses. Alternatively, if any schedule of termination payments has been agreed between the Parties, Buyer shall pay to Seller within thirty (30) days of receipt of invoice the amounts set out in that schedule.~~

Seller shall have the right to suspend performance upon written notice to Buyer in any case where Seller would have the right to terminate the Agreement under this article, without prejudice to Seller's right to terminate this Agreement for cause. ~~Any cost incurred by Seller in accordance with any such suspension (including storage costs) shall be payable by Buyer upon submission of the Seller's invoice(s).~~ Performance of the Seller's obligations shall be extended for a period of time reasonably necessary to overcome the effects of such suspension.

~~**16. Governing Law, Dispute Resolution.** This Agreement shall be governed by the substantive laws of the State of Michigan. In the event of a dispute concerning this Agreement, the complaining Party shall notify the other Party in writing thereof. Management level representatives of both Parties shall meet at an agreed location to attempt to resolve the dispute in good faith. Should the dispute not be resolved within thirty (30) days after such notice, the complaining Party shall seek remedies exclusively through arbitration. The seat of arbitration shall be the federal district court closest to the Buyer and the rules of the arbitration will be the Commercial Arbitration Rules of the American Arbitration Association, which are incorporated by reference into this article.~~

~~Notwithstanding the foregoing, each Party shall have the right to commence an action or proceeding in a court of competent jurisdiction, subject to the terms of this Agreement, in order to seek and obtain a restraining order or injunction to enforce the confidentiality intellectual property provisions set forth in the first two paragraphs of article 13; nuclear use restrictions set forth in article 17, or to seek interim or conservatory measures not involving monetary damages.~~

17. No Nuclear Use. Equipment and Services sold by Seller are not intended for use in connection with any nuclear facility or activity, the Buyer warrants that it shall not use or permit others to use the Equipment or Services for such purposes, without the advance written consent of Seller. If, in breach of this, any such use occurs, Seller (and its parent, affiliates, suppliers and subcontractors) disclaims all liability for any nuclear or other damage, injury or contamination, and, in addition to any other rights of Seller, Buyer shall indemnify and hold Seller (and its parent, affiliates, suppliers and subcontractors) harmless against all such liability.

18. Export Control. Seller's obligations are conditioned upon Buyer's compliance with all USA and other applicable trade control laws and regulations. Buyer shall not trans-ship, re-export, divert or direct Equipment (including software and technical data) other than in and to the ultimate country of destination declared by Buyer and specified as the country of ultimate destination on Seller's invoice.

19. Changes. Each Party may at any time propose changes in the schedule or scope of Equipment or Services. All changes to the Equipment or Services shall be subject to mutual agreement via a written change order or variation, which shall only become effective once signed by both Parties. The scope, Agreement price, schedule, and other provisions will be equitably adjusted to reflect additional costs or obligations incurred by Seller resulting from a change, after Seller's proposal date, in Buyer's site-specific requirements or procedures, or in industry specifications, codes, standards, applicable laws or regulations. It shall be acceptable and not considered a change if Seller delivers Equipment (including Equipment replacement under warranty) that bears a different, superseding or new part or version number compared to the part or version number listed in the Agreement, provided that in no circumstance shall this affect any other of Seller's obligations including those set forth in article 6.

20. Conflicts; Survival, Assignment. If there is any conflict between this Agreement and any written proposal or quotation provided by Seller, then the terms and conditions set forth in this Agreement shall prevail. If any term or condition of this Agreement or any accompanying terms and conditions are held invalid or illegal, then such terms and conditions shall be reformed to be made legal or valid, or deleted, but the remaining terms and conditions shall remain in full force and effect, and this Agreement shall be interpreted and implemented in a manner which best fulfills Parties' intended agreement. Those provisions which by their nature remain applicable after termination shall survive the termination of this Agreement for any reason. Seller may assign or novate its rights and obligations under the Agreement, in whole or in part, to any of its affiliates or may assign any of its accounts receivable under this Agreement to any party without Buyer's consent, and the Buyer hereby agrees, by signing this Agreement, to such assignment and to execute any document that may be necessary to complete Seller's assignment or novation. This Agreement shall not otherwise be assigned by either Party without the other Party's prior written consent, and any assignment without such consent shall be void.

Seller may (i) manufacture and source the Equipment and any part thereof globally in the country or countries of its choosing; and (ii) may subcontract portions of the Services, so long as Seller remains responsible for such.

21. No Third Party Beneficiary. Except as specifically set forth in the article entitled "Limitations on Liability" and "No Nuclear Use", this Agreement is not intended to, and does not, give to any person who is not a party to this Agreement any rights to enforce any provisions contained in this Agreement.

22. Entire Agreement. This Agreement embodies the entire agreement between Buyer and Seller and supersedes any previous documents, correspondence or agreements between them. No modification, amendment, revision, waiver, or other change shall be binding on either Party unless agreed in writing by the Party's authorized representative. Any oral or written representation, warranty, course of dealing, or trade usage not specified herein shall not be binding on either Party. Each Party agrees that it has not relied on, or been induced by, any representations of the other Party not contained in this Agreement.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting **E. 6.**

Meeting Date: 07/05/2023

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7102***

Appointing and Authorizing the City Manager to Negotiate an Agreement with FORVIS to Perform the Fiscal Year 2023 Audit

Issue:

Independent audit services for fiscal year (FY) 2023

Background:

By Charter, we are required to annually appoint an independent auditor to perform a financial audit for the City. For the past five years, Pattillo, Brown and Hill, LLP has performed the annual audit. Since that contract does not have any more renewals, Requests for Proposal were solicited from certified public accounting firms. Five proposals were received, with FORIVS offering the best value to the City.

Origination:

Council Audit Committee
Mary Lawrence, Director of Finance

Financial Consideration:

The fee estimate for these services is $70,000.00 for the audits of the City, SEDCO, federal programs, and the Texas Commission on Environmental Quality (TCEQ) compliance report. Funds have been allocated in the FY2023 and FY2024 budgets for this expenditure.

Staff Recommendation:

The staff recommends the City Council accept the recommendation of the Council Audit Committee to appoint FORVIS to perform the annual audit for the fiscal year ending September 30, 2023.

Alternatives:

The City Council could reject all the proposals and direct staff to re-advertise for additional proposals.

Attachments

Resolution No. 7201
Audit Committee Memo

RESOLUTION NO. 7102

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPOINTING AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AN AGREEMENT WITH FORVIS TO PERFORM THE FISCAL YEAR 2023 AUDIT; 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 Council hereby appoints FORVIS to perform the annual audit for the City of Sherman for fiscal year ending September 30, 2023.

SECTION 2. That the City Manager be and is hereby authorized and directed, to negotiate an agreement with FORVIS to perform the annual audit for the City of Sherman for the fiscal year ending September 30, 2023.

SECTION 3. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of July 2023.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY,
CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM
AND CONTENT:
ABERNATHY, ROEDER, BOYD, & HULLET P.C.

BY: _____
RYAN PITTMAN, CITY ATTORNEY

Sherman
CLASSIC TOWN. BROAD HORIZON.

memorandum

DATE: Tuesday, June 27, 2023

TO: The Council Audit Committee
The Honorable David Plyler, Mayor
The Honorable Shawn Teamann, Council Member
The Honorable Daron Holland, Council Member

CC: Sherman City Council Members
Robby Hefton, City Manager

FROM: Mary Lawrence, Finance Director

SUBJECT: **Appointment of FORVIS as Independent Auditor for the Fiscal Year Ended September 30, 2023 Audit**

Pattillo, Brown & Hill, LLP, ("PBH"), a certified public accounting firm in Waco, performed the annual audit for the City and SEDCO for the past five fiscal years. The contract does not have any more renewals. Requests for Proposal were solicited from certified public accounting firms. Five proposals were received with FORVIS offering the best value to the City. Subject to Audit Committee and City Council approval, the staff proposes to engage FORVIS for the annual audit for the year ended September 30, 2023.

FORVIS has agreed to provide audit services for the upcoming year for $70,000, including the audit of SEDCO, federal grants, and the Texas Commission on Environmental Quality (TCEQ) compliance report.. The audit is expected to be completed and presented to the Audit Committee in February of 2024 with Council approval in March.

The appointment of FORVIS and engagement letter will be on the July 5, 2023, council agenda for approval. If you have any questions prior to the council meeting, please let me know.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting **E. 7.**

Meeting Date: 07/05/2023

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7103***

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 the Modification of a Traffic Signal at the Intersection of FM 1417 and Quail Run Road

Issue:

To execute an Advance Funding Agreement (AFA) with the Texas Department of Transportation (TxDOT) for the modification of a traffic signal at the intersection of FM 1471 and Quail Run Road

Background:

With the development of Heritage Court, at the intersection of FM 1417 and Quail Run, the traffic signal will require the final leg to operate the intersection. The developer, Bluestone, will request and will remit payment for the work for the installation of the final leg of the intersection signal.

Origination:

Engineering Department

Financial Consideration:

The total funding needed for this contract is $27,419.00. This will be funded by Bluestone Partners, LLC.

Staff Recommendation:

It is the staff's recommendation that the Council authorize the execution of the Advance Funding Agreement with TxDOT.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 7103
TxDOT Adavance Funding Agreement
Attachment A - Location Map
Attachment B - Cost Estimate

RESOLUTION NO. 7103

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE 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 THE MODIFICATION OF A TRAFFIC SIGNAL AT THE INTERSECTION OF FM 1417 AND QUAIL RUN ROAD, IN THE CITY OF SHERMAN; 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 contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Advance Funding Agreement with the State of Texas, acting by and through the Texas Department of Transportation, for the modification of the traffic signals at FM 1417 and Quail Run Road, in the City of Sherman, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of July 2023.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____ **BY:** _____

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

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

BY: _____

RYAN D. PITTMAN, CITY ATTORNEY

TxDOT:					Federal Highway Administration:	
CSJ #	6441-27-001				CFDA No.	20.205
District #	Paris	AFA ID			CFDA Title	Highway Planning and Construction
Code Chart 64 #	50075					
Project Name	Quail Run Signal Modification				*AFA Not Used For Research & Development*	

STATE OF TEXAS §

COUNTY OF TRAVIS §

ADVANCE FUNDING AGREEMENT
For
Quail Run Signal Modification
On-System

THIS AGREEMENT (Agreement) is made by and between the State of Texas, acting by and through the **Texas Department of Transportation** called the "State", and the **City of Sherman, Texas**, acting by and through its duly authorized officials, called the "Local Government". The State and Local Government shall be collectively referred to as "the parties" hereinafter.

WITNESSETH

WHEREAS, federal law establishes federally funded programs for transportation improvements to implement its public purposes, and

WHEREAS, the Texas Transportation Code, Section 201.103 establishes that the State shall design, construct and operate a system of highways in cooperation with local governments, and Section 222.052 authorizes the Texas Transportation Commission to accept contributions from political subdivisions for development and construction of public roads and the state highway system within the political subdivision, and

WHEREAS, federal and state laws require local governments to meet certain contract standards relating to the management and administration of State and federal funds, and

WHEREAS, the Texas Transportation Commission has codified 43 TAC, Rules 15.50-15.56 that describe federal, state, and local responsibilities for cost participation in highway improvement and other transportation projects, and

WHEREAS, the Texas Transportation Commission passed Minute Order Number **{Enter MO #}** authorizing the State to undertake and complete a highway improvement or other transportation project generally described as **Modify Traffic Signal.** The portion of the project work covered by this Agreement is identified in the Agreement, Article 3, Scope of Work (Project), and

WHEREAS, the Governing Body of the Local Government has approved entering into this Agreement by resolution, ordinance, or commissioners court order dated **{Enter Date of Resolution}**, which is attached to and made a part of this Agreement as Attachment C, Resolution, Ordinance, or Commissioners Court Order (Attachment C). A map showing the Project location appears in Attachment A, Location Map Showing Project (Attachment A), which is attached to and made a part of this Agreement.

TxDOT:					Federal Highway Administration:	
CSJ #	6441-27-001				CFDA No.	20.205
District #	Paris	AFA ID			CFDA Title	Highway Planning and Construction
Code Chart 64 #	50075					
Project Name	Quail Run Signal Modification				*AFA Not Used For Research & Development*	

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties, to be by them respectively kept and performed as set forth in this Agreement, it is agreed as follows:

AGREEMENT

1. Responsible Parties:

For the Project covered by this Agreement, the parties shall be responsible for the following work as stated in the article of the Agreement referenced in the table below:

1	**Local Government**	Utilities	Article 8
2.	**Local Government**	Environmental Assessment and Mitigation	Article 9
3.	**Local Government**	Architectural and Engineering Services	Article 11
4.	**Local Government**	Construction Responsibilities	Article 12
5.	**N/A**	Right of Way and Real Property	Article 14

2. Period of the Agreement

This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed. This Agreement shall remain in effect until the Project is completed or unless terminated as provided below.

3. Scope of Work

The scope of work for the Project consists of modifying an existing traffic signal at the intersection of FM 1417 at Quail Run as shown on Attachment A.

4. Project Sources and Uses of Funds

The total estimated cost of the Project is shown in Attachment B, Project Budget (Attachment B) which is attached to and made a part of this Agreement.

A. If the Local Government will perform any work under this Agreement for which reimbursement will be provided by or through the State, the Local Government must complete training. If federal funds are being used, the training must be completed before federal spending authority is obligated. Training is complete when at least one individual who is working actively and directly on the Project successfully completes and receives a certificate for the course entitled "Local Government Project Procedures and Qualification for the Texas Department of Transportation" and retains qualification in accordance with applicable TxDOT procedures. Upon request, the Local Government shall provide the certificate of qualification to the State. The individual who receives the training certificate may be an employee of the Local Government or an employee of a firm that has been contracted by the Local Government to perform oversight of the Project. The State in its discretion may deny reimbursement if the Local Government has not continuously designated in writing a qualified individual to work actively on or to directly oversee the Project.

B. The expected cash contributions from the federal government, the State, the Local Government, or other parties are shown in Attachment B. The State will

pay for only those Project costs that have been approved by the Texas Transportation Commission. For projects with federal funds, the State and the federal government will not reimburse the Local Government for any work performed before the federal spending authority is formally obligated to the Project by the Federal Highway Administration (FHWA). After federal funds have been obligated, the State will send to the Local Government a copy of the formal documentation showing the obligation of funds including federal award information. The Local Government is responsible for 100% of the cost of any work performed under its direction or control before the federal spending authority is formally obligated.

C. Attachment B shows, by major cost categories, the cost estimates and the party responsible for performing the work for each category. These categories may include but are not limited to: (1) costs of real property; (2) costs of utility work; (3) costs of environmental assessment and remediation; (4) cost of preliminary engineering and design; (5) cost of construction and construction management; and (6) any other local project costs.

D. The State will be responsible for securing the federal and State share of the funding required for the development and construction of the local Project. If the Local Government is due funds for expenses incurred, these funds will be reimbursed to the Local Government on a cost basis.

E. The Local Government will be responsible for all non-federal or non-State participation costs associated with the Project, unless otherwise provided for in this Agreement or approved otherwise in an amendment to this Agreement. For items of work subject to specified percentage funding, the Local Government shall only in those instances be responsible for all Project costs that are greater than the maximum State and federal participation specified in Attachment B and for overruns in excess of the amount specified in Attachment B to be paid by the Local Government.

F. The budget in Attachment B will clearly state all items subject to fixed price funding, specified percentage funding, and the periodic payment schedule, when periodic payments have been approved by the State.

G. When the Local Government bears the responsibility for paying cost overruns, the Local Government shall make payment to the State within thirty (30) days from the receipt of the State's written notification of additional funds being due.

H. When fixed price funding is used, the Local Government is responsible for the fixed price amount specified in Attachment B. Fixed prices are not subject to adjustment unless (1) differing site conditions are encountered; (2) further definition of the Local Government's requested scope of work identifies greatly differing costs from those estimated; (3) work requested by the Local Government is determined to be ineligible for federal participation; or (4) the adjustment is mutually agreed to by the State and the Local Government.

I. Prior to the performance of any engineering review work by the State, the Local Government will pay to the State the amount specified in Attachment B. At a minimum, this amount shall equal the Local Government's funding share for the estimated cost of preliminary engineering performed or reviewed by the State for the Project. At least sixty (60) days prior to the date set for receipt of the

construction bids, the Local Government shall remit its remaining financial share for the State's estimated construction oversight and construction cost.

J. The State will not execute the contract for the construction of the Project until the required funding has been made available by the Local Government in accordance with this Agreement.

K. Whenever funds are paid by the Local Government to the State under this Agreement, the Local Government shall remit a check or warrant made payable to the "Texas Department of Transportation" or may use the State's Automated Clearing House (ACH) system for electronic transfer of funds in accordance with instructions provided by TxDOT's Finance Division. The funds shall be deposited and managed by the State and may only be applied by the State to the Project.

L. The State will not pay interest on any funds provided by the Local Government.

M. If a waiver for the collection of indirect costs for a service project has been granted under 43 TAC §15.56, the State will not charge the Local Government for the indirect costs the State incurs on the Project, unless this Agreement is terminated at the request of the Local Government prior to completion of the Project.

N. If the Local Government is an Economically Disadvantaged County (EDC) and if the State has approved adjustments to the standard financing arrangement, this Agreement reflects those adjustments.

O. Where the Local Government is authorized to perform services under this Agreement and be reimbursed by the State, the Local Government is authorized to submit requests for reimbursement by submitting the original of an itemized invoice, in a form and containing all items required by the State, no more frequently than monthly and no later than ninety (90) days after costs are incurred. If the Local Government submits invoices more than ninety (90) days after the costs are incurred and if federal funding is reduced as a result, the State shall have no responsibility to reimburse the Local Government for those costs.

P. Upon completion of the Project, the State will perform a final accounting of the Project costs for all items of work with specified percentage funding. Any funds due by the Local Government, the State, or the federal government for these work items will be promptly paid by the owing party.

Q. The state auditor may conduct an audit or investigation of any entity receiving funds from the State directly under this Agreement or indirectly through a subcontract under this Agreement. Acceptance of funds directly under this Agreement or indirectly through a subcontract under this Agreement acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

R. Payment under this Agreement beyond the end of the current fiscal biennium is subject to availability of appropriated funds. If funds are not appropriated, this Agreement shall be terminated immediately with no liability to either party.

5. Termination of This Agreement

This Agreement shall remain in effect until the Project is completed and accepted by all parties, unless:

A. The Agreement is terminated in writing with the mutual consent of the parties;

B. The Agreement is terminated by one party because of a breach, in which case any costs incurred because of the breach shall be paid by the breaching party;

C. The Local Government elects not to provide funding after the completion of preliminary engineering, specifications, and estimates (PS&E) and the Project does not proceed because of insufficient funds, in which case the Local Government agrees to reimburse the State for its reasonable actual costs incurred during the Project; or

D. The Agreement is terminated by the State because the parties are not able to execute a mutually agreeable amendment when the costs for Local Government requested items increase significantly due to differing site conditions, determination that Local government requested work is ineligible for federal or state cost participation, or a more thorough definition of the Local Government's proposed work scope identifies greatly differing costs from those estimated. The State will reimburse Local Government remaining funds to the Local Government within ninety (90) days of termination; or

E. The Project is inactive for thirty-six (36) consecutive months or longer and no expenditures have been charged against federal funds, in which case the State may in its discretion terminate this Agreement.

6. Amendments

Amendments to this Agreement due to changes in the character of the work, terms of the Agreement, or responsibilities of the parties relating to the Project may be enacted through a mutually agreed upon, written amendment.

7. Remedies

This Agreement shall not be considered as specifying the exclusive remedy for any agreement default, but all remedies existing at law and in equity may be availed of by either party to this Agreement and shall be cumulative.

8. Utilities

The party named in Article 1, Responsible Parties, under AGREEMENT shall be responsible for the adjustment, removal, or relocation of utility facilities in accordance with applicable state laws, regulations, rules, policies, and procedures, including any cost to the State of a delay resulting from the Local Government's failure to ensure that utility facilities are adjusted, removed, or relocated before the scheduled beginning of construction. The Local Government will not be reimbursed with federal or State funds for the cost of required utility work. The Local Government must obtain advance approval for any variance from established procedures. Before a construction contract is let, the Local Government shall provide, at the State's request, a certification stating that the Local Government has completed the adjustment of all utilities that must be adjusted before construction is commenced.

9. Environmental Assessment and Mitigation

Development of a transportation project must comply with the National Environmental Policy Act and the National Historic Preservation Act of 1966, which require environmental clearance of federal-aid projects. The party named in Article 1, Responsible Parties, under AGREEMENT is responsible for the following:

A. The identification and assessment of any environmental problems associated with the development of a local project governed by this Agreement.
B. The cost of any environmental problem's mitigation and remediation.
C. Providing any public meetings or public hearings required for the environmental assessment process. Public hearings will not be held prior to the approval of the Project schematic.
D. The preparation of the NEPA documents required for the environmental clearance of this Project.

If the Local Government is responsible for the environmental assessment and mitigation, before the advertisement for bids, the Local Government shall provide to the State written documentation from the appropriate regulatory agency or agencies that all environmental clearances have been obtained.

10. Compliance with Accessibility Standards

All parties to this Agreement shall ensure that the plans for and the construction of all projects subject to this Agreement are in compliance with standards issued or approved by the Texas Department of Licensing and Regulation (TDLR) as meeting or consistent with minimum accessibility requirements of the Americans with Disabilities Act (P.L. 101-336) (ADA).

11. Architectural and Engineering Services

The party named in Article 1, Responsible Parties, under AGREEMENT has responsibility for the performance of architectural and engineering services. The engineering plans shall be developed in accordance with the applicable State's *Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges* and the special specifications and special provisions related to it. For projects on the State highway system, the design shall, at a minimum conform to applicable State manuals. For projects not on the State highway system, the design shall, at a minimum, conform to applicable American Association of State Highway and Transportation Officials (AASHTO) design standards.

In procuring professional services, the parties to this Agreement must comply with federal requirements cited in 23 CFR Part 172 if the Project is federally funded and with Texas Government Code 2254, Subchapter A, in all cases. Professional contracts for federally funded projects must conform to federal requirements, specifically including the provision for participation by Disadvantaged Business Enterprises (DBEs), ADA, and environmental matters. If the Local Government is the responsible party, the Local Government shall submit its procurement selection process for prior approval by the State. All professional services contracts must be reviewed and approved by the State prior to execution by the Local Government.

12. Construction Responsibilities

The party named in Article 1, Responsible Parties, under AGREEMENT is responsible for the following:

A. Advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of the Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements, amendments, or additional work orders that may become necessary subsequent to the award of the construction contract. In order to ensure federal funding eligibility, projects must be authorized by the State prior to advertising for construction.

B. If the State is the responsible party, the State will use its approved contract letting and award procedures to let and award the construction contract.

C. If the Local Government is the responsible party, the Local Government shall submit its contract letting and award procedures to the State for review and approval prior to letting.

D. If the Local Government is the responsible party, the State must concur with the low bidder selection before the Local Government can enter into a contract with the vendor.

E. If the Local Government is the responsible party, the State must review and approve change orders.

F. Upon completion of the Project, the party responsible for constructing the Project will issue and sign a "Notification of Completion" acknowledging the Project's construction completion and submit certification(s) sealed by a professional engineer(s) licensed in the State of Texas.

G. For federally funded contracts, the parties to this Agreement will comply with federal construction requirements cited in 23 CFR Part 635 and with requirements cited in 23 CFR Part 633, and shall include the latest version of Form "FHWA-1273" in the contract bidding documents. If force account work will be performed, a finding of cost effectiveness shall be made in compliance with 23 CFR 635, Subpart B.

13. Project Maintenance

The Local Government shall be responsible for maintenance of locally owned roads and locally owned facilities after completion of the work. The State shall be responsible for maintenance of the State highway system after completion of the work if the work was on the State highway system, unless otherwise provided for in existing maintenance agreements with the Local Government.

14. Right of Way and Real Property

The party named in Article 1, Responsible Parties, under AGREEMENT is responsible for the provision and acquisition of any needed right of way or real property.

The Local Government shall be responsible for the following:

A. Right of way and real property acquisition shall be the responsibility of the Local Government. Title to right of way and other related real property must be

acceptable to the State before funds may be expended for the improvement of the right of way or real property.

B. If the Local Government is the owner of any part of the Project site under this Agreement, the Local Government shall permit the State or its authorized representative access to occupy the site to perform all activities required to execute the work.

C. All parties to this Agreement will comply with and assume the costs for compliance with all the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Title 42 U.S.C.A. Section 4601 et seq., including those provisions relating to incidental expenses incurred by the property owners in conveying the real property to the Local Government and benefits applicable to the relocation of any displaced person as defined in 49 CFR Section 24.2(g). Documentation to support such compliance must be maintained and made available to the State and its representatives for review and inspection.

D. The Local Government shall assume all costs and perform necessary requirements to provide any necessary evidence of title or right of use in the name of the Local Government to the real property required for development of the Project. The evidence of title or rights shall be acceptable to the State, and be free and clear of all encroachments. The Local Government shall secure and provide easements and any needed rights of entry over any other land needed to develop the Project according to the approved Project plans. The Local Government shall be responsible for securing any additional real property required for completion of the Project.

E. In the event real property is donated to the Local Government after the date of the State's authorization, the Local Government will provide all documentation to the State regarding fair market value of the acquired property. The State will review the Local Government's appraisal, determine the fair market value and credit that amount towards the Local Government's financial share. If donated property is to be used as a funding match, it may not be provided by the Local Government. The State will not reimburse the Local Government for any real property acquired before execution of this Agreement and the obligation of federal spending authority.

F. The Local Government shall prepare real property maps, property descriptions, and other data as needed to properly describe the real property and submit them to the State for approval prior to the Local Government acquiring the real property. Tracings of the maps shall be retained by the Local Government for a permanent record.

G. The Local Government agrees to make a determination of property values for each real property parcel by methods acceptable to the State and to submit to the State a tabulation of the values so determined, signed by the appropriate Local Government representative. The tabulations shall list the parcel numbers, ownership, acreage and recommended compensation. Compensation shall be shown in the component parts of land acquired, itemization of improvements acquired, damages (if any) and the amounts by which the total compensation will be reduced if the owner retains improvements. This tabulation shall be accompanied by an explanation to support the determined values, together with

a copy of information or reports used in calculating all determined values. Expenses incurred by the Local Government in performing this work may be eligible for reimbursement after the Local Government has received written authorization by the State to proceed with determination of real property values. The State will review the data submitted and may base its reimbursement for parcel acquisitions on these values.

H. Reimbursement for real property costs will be made to the Local Government for real property purchased in an amount not to exceed eighty percent (80%) of the cost of the real property purchased in accordance with the terms and provisions of this Agreement. Reimbursement will be in an amount not to exceed eighty percent (80%) of the State's predetermined value of each parcel, or the net cost of the parcel, whichever is less. In addition, reimbursement will be made to the Local Government for necessary payments to appraisers, expenses incurred in order to assure good title, and costs associated with the relocation of displaced persons and personal property as well as incidental expenses.

I. If the Project requires the use of real property to which the Local Government will not hold title, a separate agreement between the owners of the real property and the Local Government must be executed prior to execution of this Agreement. The separate agreement must establish that the Project will be dedicated for public use for a period of not less than 10 (ten) years after completion. The separate agreement must define the responsibilities of the parties as to the use of the real property and operation and maintenance of the Project after completion. The separate agreement must be approved by the State prior to its execution. A copy of the executed agreement shall be provided to the State.

15. Insurance

If this Agreement authorizes the Local Government or its contractor to perform any work on State right of way, before beginning work, the entity performing the work shall provide the State with a fully executed copy of the State's Form 1560 Certificate of Insurance verifying the existence of coverage in the amounts and types specified on the Certificate of Insurance for all persons and entities working on State right of way. This coverage shall be maintained until all work on the State right of way is complete. If coverage is not maintained, all work on State right of way shall cease immediately, and the State may recover damages and all costs of completing the work.

16. Notices

All notices to either party shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to that party at the following address:

Local Government:	**State:**
City of Sherman, Texas ATTN: Mayor 220 W Mulberry Street Sherman, TX 75090	Texas Department of Transportation ATTN: Director of Contract Services 125 E. 11th Street Austin, TX 78701

All notices shall be deemed given on the date delivered in person or deposited in the mail, unless otherwise provided by this Agreement. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that notices shall be delivered personally or by certified U.S. mail, and that request shall be carried out by the other party.

17. Legal Construction

If one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions and this Agreement shall be construed as if it did not contain the invalid, illegal, or unenforceable provision.

18. Responsibilities of the Parties

The State and the Local Government agree that neither party is an agent, servant, or employee of the other party, and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

19. Ownership of Documents

Upon completion or termination of this Agreement, all documents prepared by the State shall remain the property of the State. All data and information prepared under this Agreement shall be made available to the State without restriction or limitation on their further use. All documents produced or approved or otherwise created by the Local Government shall be transmitted to the State, in the format directed by the State, on a monthly basis or as required by the State. The originals shall remain the property of the Local Government. .

20. Compliance with Laws

The parties to this Agreement shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of this Agreement. When required, the Local Government shall furnish the State with satisfactory proof of this compliance.

21. Sole Agreement

This Agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings or written or oral agreements respecting the Agreement's subject matter.

22. Cost Principles

In order to be reimbursed with federal funds, the parties shall comply with the cost principles established in 2 CFR 200 that specify that all reimbursed costs are allowable, reasonable, and allocable to the Project.

23. Procurement and Property Management Standards

The parties to this Agreement shall adhere to the procurement and property management standards established in 2 CFR 200, Uniform Administrative

Requirements, Cost Principles, and Audit Requirements for Federal Awards, and to the Texas Uniform Grant Management Standards. The State must pre-approve the Local Government's procurement procedures for purchases to be eligible for state or federal funds.

24. Inspection of Books and Records

The parties to this Agreement shall maintain all books, documents, papers, accounting records, and other documentation relating to costs incurred under this Agreement and shall make such materials available to the State, the Local Government, and, if federally funded, the FHWA and the U.S. Office of the Inspector General or their duly authorized representatives for review and inspection at its office during the Agreement period and for seven (7) years from the date of final reimbursement by FHWA under this Agreement or until any impending litigation or claims are resolved. Additionally, the State, the Local Government, and the FHWA and their duly authorized representatives shall have access to all the governmental records that are directly applicable to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

25. Civil Rights Compliance

The parties to this Agreement are responsible for the following:

A. Compliance with Regulations: Both parties will comply with the Acts and the Regulations relative to Nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation (USDOT), the Federal Highway Administration (FHWA), as they may be amended from time to time, which are herein incorporated by reference and made part of this Agreement.

B. Nondiscrimination: The Local Government, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Local Government will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.

C. Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Local Government for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier will be notified by the Local Government of the Local Government's obligations under this Agreement and the Acts and Regulations relative to Nondiscrimination on the grounds of race, color, or national origin.

D. Information and Reports: The Local Government will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and facilities as may be determined by the State or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations or directives. Where any information required of the Local Government is in the exclusive possession of another who fails or refuses to furnish this information, the Local

Government will so certify to the State or the FHWA, as appropriate, and will set forth what efforts it has made to obtain the information.

E. Sanctions for Noncompliance: In the event of the Local Government's noncompliance with the Nondiscrimination provisions of this Agreement, the State will impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:
   1. withholding of payments to the Local Government under the Agreement until the Local Government complies and/or
   2. cancelling, terminating, or suspending of the Agreement, in whole or in part.

F. Incorporation of Provisions: The Local Government will include the provisions of paragraphs (A) through (F) in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Local Government will take such action with respect to any subcontract or procurement as the State or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Local Government becomes involved in, or is threatened with, litigation with a subcontractor or supplier because of such direction, the Local Government may request the State to enter into such litigation to protect the interests of the State. In addition, the Local Government may request the United States to enter into such litigation to protect the interests of the United States.

26. Pertinent Non-Discrimination Authorities

During the performance of this Agreement, each party, for itself, its assignees, and successors in interest agree to comply with the following nondiscrimination statutes and authorities; including but not limited to:

A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (pro-hibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.

B. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of federal or federal-aid programs and projects).

C. Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), as amended, (prohibits discrimination on the basis of sex).

D. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.) as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27.

E. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age).

F. Airport and Airway Improvement Act of 1982, (49 U.S.C. Chapter 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex).

G. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the

programs or activities of the federal-aid recipients, subrecipients and contractors, whether such programs or activities are federally funded or not).

H. Titles II and III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38.

I. The Federal Aviation Administration's Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex).

J. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations.

K. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, the parties must take reasonable steps to ensure that LEP persons have meaningful access to the programs (70 Fed. Reg. at 74087 to 74100).

L. Title IX of the Education Amendments of 1972, as amended, which prohibits the parties from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).

27. Disadvantaged Business Enterprise (DBE) Program Requirements

If federal funds are used:

A. The parties shall comply with the Disadvantaged Business Enterprise Program requirements established in 49 CFR Part 26.

B. The Local Government shall adopt, in its totality, the State's federally approved DBE program.

C. The Local Government shall incorporate into its contracts with subproviders an appropriate DBE goal consistent with the State's DBE guidelines and in consideration of the local market, project size, and nature of the goods or services to be acquired. The Local Government shall submit its proposed scope of services and quantity estimates to the State to allow the State to establish a DBE goal for each Local Government contract with a subprovider. The Local Government shall be responsible for documenting its actions.

D. The Local Government shall follow all other parts of the State's DBE program referenced in TxDOT Form 2395, Memorandum of Understanding Regarding the Adoption of the Texas Department of Transportation's Federally-Approved Disadvantaged Business Enterprise by Entity, and attachments found at web address http://ftp.dot.state.tx.us/pub/txdot-info/bop/dbe/mou/mou_attachments.pdf.

E. The Local Government shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any U.S. Department of Transportation (DOT)-assisted contract or in the administration of its DBE

program or the requirements of 49 CFR Part 26. The Local Government shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of DOT-assisted contracts. The State's DBE program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this Agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Local Government of its failure to carry out its approved program, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

F. Each contract the Local Government signs with a contractor (and each subcontract the prime contractor signs with a sub-contractor) must include the following assurance: *The contractor, sub-recipient, or sub-contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as the recipient deems appropriate*.

28. Debarment Certifications

If federal funds are used, the parties are prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension." By executing this Agreement, the Local Government certifies that it and its principals are not currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549 and further certifies that it will not do business with any party, to include principals, that is currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549. The parties to this Agreement shall require any party to a subcontract or purchase order awarded under this Agreement to certify its eligibility to receive federal funds and, when requested by the State, to furnish a copy of the certification.

If state funds are used, the parties are prohibited from making any award to any party that is debarred under the Texas Administrative Code, Title 34, Part 1, Chapter 20, Subchapter G, Rule §20.585 and the Texas Administrative Code, Title 43, Part 1, Chapter 9, Subchapter G.

29. Lobbying Certification

If federal funds are used, in executing this Agreement, each signatory certifies to the best of that signatory's knowledge and belief, that:

A. No federal appropriated funds have been paid or will be paid by or on behalf of the parties to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the

awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with federal contracts, grants, loans, or cooperative agreements, the signatory for the Local Government shall complete and submit the Federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

C. The parties shall require that the language of this certification shall be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and all sub-recipients shall certify and disclose accordingly. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Title 31 U.S.C. §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

30. Federal Funding Accountability and Transparency Act Requirements

If federal funds are used, the following requirements apply:

A. Any recipient of funds under this Agreement agrees to comply with the Federal Funding Accountability and Transparency Act (FFATA) and implementing regulations at 2 CFR Part 170, including Appendix A. This Agreement is subject to the following award terms: http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22705.pdf and http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22706.pdf.

B. The Local Government agrees that it shall:

1. Obtain and provide to the State a System for Award Management (SAM) number (Federal Acquisition Regulation, Part 4, Sub-part 4.11) if this award provides more than $25,000 in federal funding. The SAM number may be obtained by visiting the SAM website whose address is: https://www.sam.gov/portal/public/SAM/
2. Obtain and provide to the State a Data Universal Numbering System (DUNS) number, a unique nine-character number that allows federal government to track the distribution of federal money. The DUNS may be requested free of charge for all businesses and entities required to do so by visiting the Dun & Bradstreet (D&B) on-line registration website http://fedgov.dnb.com/webform; and
3. Report the total compensation and names of its top five executives to the State if:
   i. More than 80% of annual gross revenues are from the federal government, and those revenues are greater than $25,000,000; and
   ii. The compensation information is not already available through reporting to the U.S. Securities and Exchange Commission.

TxDOT:					Federal Highway Administration:	
CSJ #	6441-27-001				CFDA No.	20.205
District #	Paris	AFA ID			CFDA Title	Highway Planning and Construction
Code Chart 64 #	50075					
Project Name	Quail Run Signal Modification				*AFA Not Used For Research & Development*	

31. Single Audit Report

If federal funds are used:

A. The parties shall comply with the single audit report requirements stipulated in 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

B. If threshold expenditures of $750,000 or more are met during the fiscal year, the Local Government must submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Compliance Division, 125 East 11th Street, Austin, TX 78701 or contact TxDOT's Compliance Division by email at singleaudits@txdot.gov.

C. If expenditures are less than the threshold during the Local Government's fiscal year, the Local Government must submit a statement to TxDOT's Compliance Division as follows: "We did not meet the $_____ expenditure threshold and therefore, are not required to have a single audit performed for FY _____."

D. For each year the Project remains open for federal funding expenditures, the Local Government will be responsible for filing a report or statement as described above. The required annual filing shall extend throughout the life of the Agreement, unless otherwise amended or the Project has been formally closed out and no charges have been incurred within the current fiscal year.

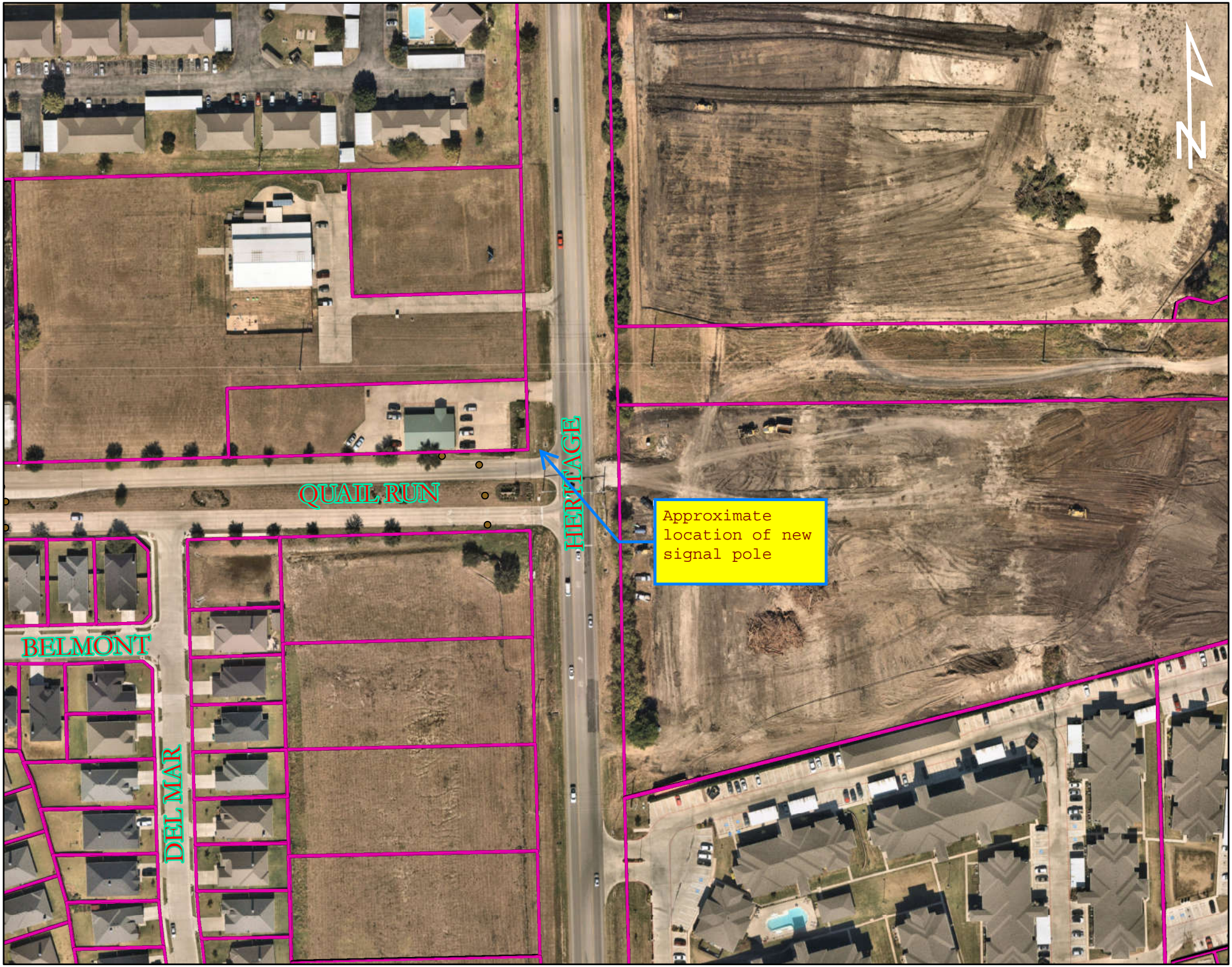
TxDOT:					Federal Highway Administration:	
CSJ #	6441-27-001				CFDA No.	20.205
District #	Paris	AFA ID			CFDA Title	Highway Planning and Construction
Code Chart 64 #	50075					
Project Name	Quail Run Signal Modification				*AFA Not Used For Research & Development*	

32. Signatory Warranty

Each signatory warrants that the signatory has necessary authority to execute this Agreement on behalf of the entity represented.

Each party is signing this Agreement on the date stated under that party's signature.

THE STATE OF TEXAS	THE LOCAL GOVERNMENT
Signature	Signature
Kenneth Stewart Typed or Printed Name	Typed or Printed Name
Director of Contract Services Typed or Printed Title	Typed or Printed Title
Date	Date


QUAIL RUN
HERITAGE
BELMONT
DEL MAR
Approximate location of new signal pole
N

Installing one pole for Quail Run @ FM 1417

ITEM	DESCR	BID ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	BID ITEM TOTAL
690	6072	INS OF TRF SIG PL FND (36" DRIL SHFT)	Linear Feet	11.00	$380.00	$4,180.00
690	6002	INSTALL OF CONDUIT BY TRENCHING	Linear Feet	20.00	$12.00	$240.00
690	6011	INSTALL OF CABLES	Linear Feet	422.00	$4.50	$1,899.00
690	6007	REPLACE GROUND BOX	Each	1.00	$800.00	$800.00
690	6026	INSTALL OF SIGNAL HEAD ASSM	Each	2.00	$900.00	$1,800.00
690	6053	INSTALL OF SIGNAL POLE	Each	1.00	$16,500.00	$16,500.00
690	6183	VIVDS CAMERA (INSTALL)	Each	1.00	$2,000.00	$2,000.00
					TOTAL	$27,419.00

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting **F. 1.**

Meeting Date: 07/05/2023

Prepared By: Teri Fine, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Consider Scheduling a Joint Meeting of the City Council and the Sherman Economic Development Corporation Board of Directors for 12:00 p.m. on Tuesday, September 12, 2023, to Review and Approve SEDCO's Annual Budget and Work Plan

Issue:

To consider scheduling a joint meeting of the City Council and the Sherman Economic Development Corporation (SEDCO) Board of Directors for 12:00 p.m. on Tuesday, September 12, 2023, to review and approve SEDCO's annual budget and work plan

Background:

The SEDCO Bylaws require an annual meeting of their Board of Directors with the City Council. Topics for consideration are (1) SEDCO's 2022-2023 Program of Work Results and (2) SEDCO's Proposed 2023-2024 Program of Work and Budget.

Origination:

SEDCO Board Chairman Janie Bates
SEDCO President Kent Sharp
City Manager Robby Hefton

Financial Consideration:

Annual budget for SEDCO after review and consideration by the City Council

Staff Recommendation:

It is recommended that the City Council schedule a joint meeting with the SEDCO Board of Directors for 12:00 p.m. on Tuesday, September 12th in the City Council Chambers.

Alternatives:

An alternate date, if needed, is Thursday, September 14, 2023

Attachments

SEDCO's Joint Meeting Request Dated June 5, 2023

SHERMAN
ECONOMIC DEVELOPMENT CORPORATION

June 5, 2023

Mr. David Plyler
Mayor, City of Sherman
220 W. Mulberry St.
Sherman, Texas 75090

Mayor Plyler:

The Bylaws of the Sherman Economic Development Corporation (SEDCO) require the organization to present an annual program of work and budget to the Sherman City Council.

SEDCO requests a joint meeting of the SEDCO Board of Directors and Sherman City Council to be held at 12:00 p.m. on either Tuesday, September 12th or Thursday, September 14th in the Council Chambers at City Hall or at an alternative meeting location if the Council Chambers are not available.

At the meeting, SEDCO will present the results of the 2022-2023 Program of Work, the proposed 2023-2024 Program of Work, and the proposed 2023-2024 Budget.

Thank you for your consideration of this request.

Best Regards,

Kent Sharp
SEDCO President

SHERMAN ECONOMIC DEVELOPMENT CORPORATION
307 W. WASHINGTON, SUITE 102 - SHERMAN, TX 75090
PHONE:903-868-2566 • FAX:903-813-0403
WWW.SEDCO.ORG

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting

Meeting Date: 07/05/2023

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Issue:

Attachments

2023 Council Calendar

2023
Council Calendar

January						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
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February						
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March						
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May						
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June						
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August						
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September						
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November						
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December						
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31						

	Holiday
	Holiday for Firefighters/Police Only
	City Council Regular Meeting
	Special Called Meeting
	Budget Workshop
	Cancelled City Council Meeting

CALLED MEETINGS	
4/20/20223	Budget Planning Meeting
5/25/2023	CIP Work Session
6/15/2023	Budget Workshop Day 1
7/5/2023	Called City Council Meeting (Rescheduled)
6/9/2023	Called City Council Meeting
6/15/2023	Called City Council Meeting
6/26/2023	Called City Council Meeting