CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, JUNE 16, 2008
5:00 P.M.

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

A.2 PLEDGE OF ALLEGIANCE

A.3 INVOCATION BY COUNCIL MEMBER WILLIE STEELE

A.4 APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF JUNE 2, 2008

Consent Agenda

B.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

C.1 RESOLUTION NO. 5222
Relating to Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2008 (City of Sherman Project); Approving the Issuance Thereof, the Refunding of Certain Outstanding Bonds of the Authority, and the Facilities to be Constructed or Acquired by Such Authority

C.2 ** RESOLUTION NO. 5223*
Authorizing the Expenditure of $3,000.00 in Matching Funds to the Texoma Council of Governments for Transportation Planning

C.3 ** RESOLUTION NO. 5224*
Renewing Guidelines and Criteria for the City of Sherman's Industrial Tax Abatement Program to Promote Development/Redevelopment in Certain Areas of the City

C.4 ** RESOLUTION NO. 5225*
Awarding a Bid to and Authorizing Execution of a Contract with Jerry Paul Higgins, Ltd. for Replacement of the Travis Street Water Main between U.S. Highway 75 and Washington Street

C.5 ***[* RESOLUTION NO. 5226]***

Awarding a Bid to and Authorizing Execution of a Contract with Lynn Vessels Construction, LLC to Replace an Existing Storm Sewer along Harrison Avenue

C.6 ****** RESOLUTION NO. 5227***

Authorizing the Purchase of Replacement Residential Trash and Recycling Carts through the Houston-Galveston Area Council of Governments (H-GAC) for the Solid Waste Services Department

Other Business

D.1 ****** OTHER BUSINESS***

Final Plat Approval of the Garcia Addition, being 1.12 acres in the G.B. Pilant Survey, Abstract No. 963; Alysia Garcia, Owner (1400 Block of East Lake Street)

D.2 ****** OTHER BUSINESS***

Final Plat Approval of the Jane Allen Ellis Addition; Monroe Bank, Trustee for Jane Allen Ellis Trust, Owners (1828 Texoma Parkway)

D.3 ****** OTHER BUSINESS***

Consideration to Ordinance No. 2684, Section 26, Subsection 12(E)(2) for a Variance to Allow a Lot with No Public Street Frontage in an R-1 (One Family Residential) District in the 1400 Block of East Lake Street, being 1.12 acres in the G.B. Pilant Survey, Abstract No. 963 (Alysia Garcia, Owner)

D.4 CITIZEN REQUESTS

D.5 MEDIA QUESTIONS

D.6 COUNCIL COMMENTS

D.7 ADJOURNMENT

COUNCIL CALENDAR

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. A.1

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. A.2

PLEDGE OF ALLEGIANCE

The Honorable Willie Steele, Council Member

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. A.3

INVOCATION BY COUNCIL MEMBER WILLIE STEELE

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. A.4

APPROVE MINUTES
THE REGULAR CITY COUNCIL MEETING OF JUNE 2, 2008

STATE OF TEXAS §

June 2, 2008

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Regular Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on June 2, 2008.

MEMBERS PRESENT: **MAYOR BILL MAGERS.**
COUNCIL MEMBERS ADAMI, SMITH, SOFTLY, STEELE.

MEMBERS ABSENT: **DEPUTY MAYOR CARY WACKER.**
COUNCIL MEMBER HOWETH.

CALL TO ORDER

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

CALL TO ORDER

APPROVE MINUTES

The Council reviewed the Minutes of the Regular City Council Meeting of May 19, 2008. Council Member Steele moved to approve the Minutes as presented; Second by Council Member Adami. All present voted AYE.
MOTION CARRIED.

APPROVE MINUTES

APPEAL OF ZONING REQUEST WITHDRAWN

Mayor Magers explained that the appeal of a Planning and Zoning Commission decision to deny a request to allow an R-2 (Multi-Family Residential) District at 1300 West Taylor Street had been withdrawn by the developer.

APPEAL OF ZONING REQUEST WITHDRAWN

PROCLAMATION
"UNITED STATES ARMY DAY" – JUNE 14, 2008

In the absence of representatives from the United States Army, Mayor Magers asked Eugene Lund to accept the proclamation as a veteran.

UNITED STATES ARMY DAY JUNE 14, 2008

Mr. Lund, a former United States Air Force Officer, thanked the City Council and the citizens for their support of the Military.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

Mayor Magers introduced Ordinance 5537 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RENEWING THE DESIGNATION OF A REINVESTMENT ZONE FOR THE PURPOSE OF RESIDENTIAL TAX ABATEMENT.

ORD 5537 REINVESTMENT ZONE RENEWAL

No citizens appeared before the City Council to discuss Ordinance 5537.

Mayor Magers introduced Ordinance 5538 and called for a public hearing:

ORD 5538
BUILDING CODES

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 3 OF THE CODE OF ORDINANCES, ENTITLED "BUILDING REGULATIONS," AT ARTICLE 3.02, ENTITLED "BUILDING, LIFE SAFETY AND RESIDENTIAL CODES," AT ARTICLE 3.04, ENTITLED "GAS CODE," AT ARTICLE 3.05, ENTITLED "HEATING AND AIR-CONDITIONING CODE," AND AT ARTICLE 3.07, ENTITLED "PLUMBING CODE," TO PROVIDE FOR NEW BUILDING CODES. PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES. PROVIDING FOR SEVERABILITY. PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance 5538.

Mayor Magers introduced Ordinance 5539 and called for a public hearing:

ORD 5539
FIRE CODES

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 5 OF THE CODE OF ORDINANCES, ENTITLED "FIRE PREVENTION AND PROTECTION," AT SECTION 5.03.002 TO ADOPT THE 2006 EDITION OF THE INTERNATIONAL FIRE CODE AND AT SECTION 5.03.003 TO PROVIDE FOR LOCAL AMENDMENTS TO THE FIRE CODE. PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES. PROVIDING FOR SEVERABILITY. PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance 5539.

The Ordinances were introduced and the Public Hearing was closed.

CLOSE PUBLIC HEARING

<u>ADOPTION OF ORDINANCES</u>

Ordinance 5537

ORD 5537
REINVESTMENT ZONE RENEWAL

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RENEWING THE DESIGNATION OF A REINVESTMENT ZONE FOR THE PURPOSE OF RESIDENTIAL TAX ABATEMENT.

Mayor Magers clarified that the ordinance is a ministerial act and the City must readopt the Reinvestment Zone. The Reinvestment Program has previously been adopted.

Council Member Adami asked for a better map outlining the Reinvestment Zone and asked about adding other areas to expand the zone. Robby Hefton, Assistant City Manager/CFO, said essentially the program includes everything east of Highway 75 with very few exceptions. Council Member Adami said there are also some areas west of Highway 75, near Center Street.

Mr. Hefton said the Council could look at expanding the zone and determining if there are other economic areas that might qualify.

George Olson, City Manager, said the City initially took the designated Community Development Block Grant area which identified low-to-moderate income areas. Those areas may have changed and the staff will review to see if the area should be expanded.

Mayor Magers said the City is seeing benefits from the program and taxpayers aren't paying any more additional dollars. He asked if the staff could present information at the Budget Work Session.

Mr. Hefton said the program might be tied to the Community Development Block Grant and might require State and Federal changes. Mayor Magers clarified that the City Council would like the staff to review what is involved in expanding the Reinvestment Zone.

ACTION TAKEN.
Motion by Council Member Smith to approve Ordinance No. 5537, as presented. Second by Council Member Steele.
VOTING AYE: Adami, Smith, Softly, Steele.
VOTING NAY: None.
MOTION CARRIED.

Ordinance 5538
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 3 OF THE CODE OF ORDINANCES, ENTITLED "BUILDING REGULATIONS," AT ARTICLE 3.02, ENTITLED "BUILDING, LIFE SAFETY AND RESIDENTIAL CODES," AT ARTICLE 3.04, ENTITLED "GAS CODE," AT ARTICLE 3.05, ENTITLED "HEATING AND AIR-CONDITIONING CODE," AND AT ARTICLE 3.07, ENTITLED "PLUMBING CODE," TO PROVIDE FOR NEW BUILDING CODES. PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES. PROVIDING FOR SEVERABILITY. PROVIDING FOR A REPEALER.

ORD 5538
BUILDING CODES

Mayor Magers clarified that the proposed ordinance includes the use of chlorine resistant PEX water pipe, which is cheaper than copper pipe and is flexible.

Council Member Adami asked for clarification on several items including the requirement of a bond, which was previously required, and appointments to the Construction Board of Adjustments and Appeals. He also felt some of the language dealing with exceptions was very vague.

Doreen McGookey, City Attorney, explained wording for the appeal, but said the staff could amend that wording to be more specific if the Council wanted. Scott Shadden, Director of Developmental Services, added that it is up to the

applicant to prove to the Board that the Code didn't address the item. It is a reason a decision could be appealed to the Board. He added that he has never had anyone do that in over 20 years.

Council Member Adami asked if Section 503.2.1 "Residential Storage Buildings" was new. Ms. McGookey said it was only re-numbered. Council Member Adami verified that accessory buildings are required to be located in the backyard.

Council Member Adami felt it would be prudent to have the Comprehensive Plan Committee look at and address the proposed building code ordinance. He felt it was a delicate line when you tell citizens what they can and can't do with their property. He felt there were several items included that should have input from the Planning and Zoning Commission, builders, and the Comprehensive Plan Committee.

Mayor Magers felt it was important to approve the ordinance now to get the PEX pipe allowance in and then review any changes that might need to be made at a later date.

Mr. Shadden explained that the Construction Board of Adjustments and Appeals deals with these items because they affect life safety. The Comprehensive Plan Committee deals with zoning, land use, and amenities. The City doesn't have much leeway with the Codes because if certain things are omitted, the City might lose their ISO rating.

Council Member Adami expressed concern about one incident where the Builder's Adjustment Committee was hesitant to rule on an adjustment because of feared personal liability. He wanted to clarify that there is no personal liability for citizens serving on a volunteer board.

Ms. McGookey said there is immunity for acting in a legislative capacity. She added that many cities have an indemnification provision where the Code itself indemnifies certain individuals. Council Member Adami did not feel this was necessary, he just wanted to let the volunteer board members know they had no personal liability.

ACTION TAKEN.

> **Motion by Council Member Smith to approve Ordinance No. 5538, as presented. Second by Council Member Steele.**

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

Ordinance 5539 — **ORD 5539 FIRE CODES (TABLED)**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 5 OF THE CODE OF ORDINANCES, ENTITLED "FIRE PREVENTION AND

PROTECTION," AT SECTION 5.03.002 TO ADOPT THE 2006 EDITION OF THE INTERNATIONAL FIRE CODE AND AT SECTION 5.03.003 TO PROVIDE FOR LOCAL AMENDMENTS TO THE FIRE CODE. PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES. PROVIDING FOR SEVERABILITY. PROVIDING FOR A REPEALER.

Jeff Jones, Fire Chief, presented information on the proposed ordinance to adopt the 2006 International Fire Code and local amendments. He explained that the Fire Code should accomplish three things.

For existing businesses, it should provide them information that will help them reduce the risk of fire or the release of hazardous material. For new businesses, it should provide guidance as to what will be required prior to opening to the public. Third, the Fire Code should take into consideration the abilities and capabilities of the Fire Department and match those to requirements of the Fire Code.

Chief Jones said the most significant amendment in the proposed ordinance is the sprinkler requirements. The International Fire Code requires sprinkler systems in some buildings over 5,000 square feet and over 12,000 square feet in others. The proposed ordinance reduces that requirement to 6,000 square feet for most businesses.

The Fire Code would not require that existing businesses comply with that standard. It would apply to new construction only. If a business is not legally in existence now, the requirements would be in place. If there is a significant modification, an increase of 30% in the building size, or a cumulative increase of 50% in the building area, or a change of use, the requirements would be in place.

Council Member Smith verified that the Building Code Official would make the determination whether or not there was a significant change in the use of a building. Council Member Smith expressed concern that it was left to one person to make the determination on whether or not the change of use was significant.

Chief Jones said the decision is made based on the Certificate of Occupancy. If a determination is made and the citizen feels the determination is unjust, they can appeal the decision to the Board of Appeals and ultimately to the City Council.

Council Member Steele verified that if a change of use is made, the new requirements would not be in force unless there is an increase in the building size of 30% or the total area by more than 50%.

Chief Jones added that if a new occupant moved into an existing building and it was unreasonable for them to meet the existing requirements of the Code, the Fire Code allows

that in lieu of a fire sprinkler system, for example, they can add an early detection system or a fire alarm system. He added that the staff is trying to move forward with, what they feel is a reasonable ordinance. Council Member Steele said he had understood that once a permit was pulled, everything had to meet the Code.

Chief Jones said a Fire Code with a 12,000 square foot ordinance also assumes that other recognized standards are in place, including staffing and response capabilities.

Chief Jones said if a new business opened and planned a sprinkler system from the start, it would add between $1.75 and $2.00 per square foot to the cost of new construction. For residential systems, the price is between $1.15 and $1.25 per square foot. He added that there might be increased costs to that price if the vault needed to be placed in a fire lane or driveway. Mayor Magers did not feel these prices were correct.

Local insurance companies have indicated there is a reduction in insurance costs annually of between 8% and 12% for buildings with a sprinkler system.

Council Member Steele asked what was considered a "recreational fire." Chief Jones explained that a chiminea is legal if it has a chimney and a grate. An outdoor cooking grill is also allowed. A fire in an open pit in the backyard for warmth is not legal.

Council Member Adami asked if the change in the width of security gates and fire access roads would effect only new construction. Chief Jones said the changes were only for new construction and the changes allow a minimum requirement for the fire apparatus to have access.

Mayor Magers said, as an owner of several buildings in the 6,000 square foot range, he feels that with the current economy, now is not the time to increase building costs. He added that the switch from 12,000 square foot to 6,000 square foot may have merit, but why not 8,000 or 10,000 square foot. He added that buildings change use all the time. He did not feel that the City should add a burden to builders.

Mayor Magers said he would support adoption of the ordinance with one change, leaving the requirements for sprinklers at 12,000 square feet instead of reducing it to 6,000 square feet.

Council Member Adami referenced the portion of the proposed ordinance that would require location of a fire alarm pull station. Chief Jones said the current code requires a fire alarm pull station to be located at the alarm control box, which many times is located in a closet. The change would call for pull stations at the exits. The

notification system would also require horns and strobes throughout the building.

Council Member Steele asked who would make the determine if it was deemed impossible to install a sprinkler system in an existing building that changed use, that a fire detection system can be used rather than a fire suppression system. Chief Jones said the Fire Marshal would make the determination. Council Member Steele asked if the property owner would have any "say" in that decision.

Chief Jones said in all model codes, the code official is responsible for making sure the system works, was it installed correctly, and was needed. If the building owner feels that the decision is unreasonable they can ultimately go to the City Council.

Scott Shadden, Director of Developmental Services, said appeals are made to the Construction Board of Adjustments and Appeals and their decision is final. They cannot appeal to the City Council. Any appeal at that point, would be through the legal system. Council Member Steele and Council Member Smith did not like that provision.

Ms. McGookey said tonight the City Council is considering the International Fire Code and local amendments to that Code. One of the amendments could be a new procedure for appeals that is amenable to the Council.

Council Member Adami asked how the prohibition of fireworks is enforced outside the City limits. Ms. McGookey said there are certain times when a City can enforce laws in their extra territorial jurisdiction and fireworks are one of those areas. The ban was previously in existence in the old Code.

Mayor Magers asked if Council Members wanted to table the proposed ordinance or continue discussing their concerns. Council Member Smith and Council Member Adami expressed concern with the change of use provision and how it affects new businesses.

Council Member Adami asked what was allowed for LP gas containers. Chief Jones said there is no change from the previous ordinance and barbeque grills and outdoor appliances with small 10 gallon tanks are allowed.

Council Member Steele felt additional time was needed to consider an ordinance of this size. He recommended tabling the ordinance for now. He also asked for clarification on the Construction Board of Adjustments and Appeals.

ACTION TAKEN.

Motion by Council Member Steele to table Ordinance No. 5539 for further discussion. Second by Council Member Softly.

MOTION WITHDRAWN.

Mayor Magers verified that there are standards in place today and the proposed ordinance was an upgrade and amended those standards. Mr. Olson said the 2003 Code has currently been adopted with 2000 amendments.

ACTION TAKEN.

Motion by Council Member Steele to approve Ordinance No. 5539, without the change from 12,000 square foot to 6,000 square foot for sprinkler systems and addressing the appeals procedure in the future.

MOTION DIED FOR LACK OF A SECOND.

Council Member Adami and Council Member Smith said they still have problems with the appeal process.

ACTION TAKEN.

Motion by Council Member Smith to table Ordinance No. 5539 for further discussion. Second by Council Member Softly.

VOTING AYE: Magers, Adami, Smith, Softly, Steele,

VOTING NAY: None.

MOTION CARRIED TO TABLE.

<u>CONSENT AGENDA</u> **CONSENT AGENDA**

The Council reviewed the Consent Agenda. Council Member Smith asked to remove Item D-2 entitled "Consider Approval of the Annexation Scheduling Plan for the Annexation of Approximately 2.8 Acres along the Travis Street Right-of-Way South of Austin Landing (F.M. 131) and Directing the Department of Engineering Services to Develop a Service Plan for the Area to be Annexed upon Approval of the Annexation Scheduling Plan" from the Consent Agenda for discussion in its regular order of business.

Council Member Adami moved to approve the Consent Agenda, with the exception of Item D-2, which will be discussed in its regular order of business. Second by Council Member Smith. All present voted AYE.

<u>RESOLUTIONS</u>

<u>RESOLUTION NO. 5218 – AUTHORIZING PARTICIPATION IN THE TEXOMA REGIONAL PUBLIC SAFETY INTEROPERABLE COMMUNICATIONS PROJECT AND APPROVING THE EXPENDITURE OF TEN THOUSAND FORTY-TWO DOLLARS AND FIFTY CENTS ($10,042.50) TO THE TEXOMA COUNCIL OF GOVERNMENTS AS THE CITY OF SHERMAN'S REQUIRED MATCH FOR THIS GRANT</u> **RES 5218 TCOG PUBLIC SAFETY GRANT**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING PARTICIPATION IN THE TEXOMA REGIONAL PUBLIC SAFETY INTEROPERABLE

COMMUNICATIONS PROJECT. APPROVING THE EXPENDITURE OF TEN THOUSAND FORTY-TWO DOLLARS AND FIFTY CENTS ($10,042.50) TO THE TEXOMA COUNCIL OF GOVERNMENTS AS THE CITY OF SHERMAN'S REQUIRED MATCH FOR THIS GRANT.

Sarah Somers, Director of Criminal Justice and Emergency Planning for the Texoma Council of Governments, explained that the project was developed through a TCOG process with regional communications stakeholders to address a known deficiency in communications.

Homeland Security money can be used for entities that use various types of radios on different frequencies to allow them to communicate with each other during times they are responding to the same incident. The project will also allow communication with hospitals and schools, as well as public safety providers.

In 2006, a solution was initiated that helped with the problem. Equipment was staged at the Sherman Fire Department and in Fannin, and Cooke Counties and had to be "rolled out" for use. One of the pieces of equipment has already failed and the manufacturer is no longer in business.

This grant will "fix" the problem and continue to make the entities eligible for Homeland Security funding. There is no requirement to participate but it will allow an enhanced capability for the entities that do participate. There will be an eligibility issue at some point if the entities do not find a solution to the problem.

The match will not be paid until after October 2008 and maybe not until the first part of 2009.

Mayor Magers reiterated that the project is a way to get Homeland Security money and will allow the various entities to communicate regardless of the type of radios they have or the frequencies they use.

Ms. Somers added that all entities are paying the $10,042. 50, with Grayson County also paying Whitesboro's portion. Mayor Magers said $80,000 in taxpayer money, from all entities, will be used for the project, with the total project costing $407,699. Council Member Smith confirmed with Chief Jones and Police Chief Tom Watt that the project is needed. Ms. Somers added that the project will also give a monitoring capability to the dispatch.

ACTION TAKEN.

Motion by Council Member Smith to approve Resolution No. 5218, as presented. Second by Council Member Adami.

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

<u>RESOLUTION NO. 5219 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 604 NORTH MONTGOMERY STREET</u>

RES 5219
RESIDENTIAL TAX ABATEMENT
(604 N. MONTGOMERY)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 604 NORTH MONTGOMERY STREET.
CONSENT AGENDA.

<u>RESOLUTION NO. 5220 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 711 EAST ODNEAL STREET</u>

RES 5220
RESIDENTIAL TAX ABATEMENT
(711 E. ODNEAL)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 711 EAST ODNEAL STREET.
CONSENT AGENDA.

<u>RESOLUTION NO. 5221 – AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR THE DESIGN, BIDDING AND CONSTRUCTION PHASE FOR REPLACEMENT OF SCREW LIFT PUMPS AT THE WASTEWATER TREATMENT PLANT</u>

RES 5221
REPLACEMENT OF SCREW LIFT PUMPS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR THE DESIGN, BIDDING AND CONSTRUCTION PHASE FOR REPLACEMENT OF SCREW LIFT PUMPS AT THE WASTEWATER TREATMENT PLANT.
CONSENT AGENDA.

<u>PAYMENT APPROVAL</u>
<u>STREET OVERSIZING COST FOR NORTH CREEK DRIVE IN THE AUSTIN LANDING SUBDIVISION; $22,933.05</u>

PAYMENT APPROVAL
STREET OVERSIZING FOR NORTH CREEK DRIVE

Mr. Olson said the item should have been on the Consent Agenda.

ACTION TAKEN.

> **Motion by Council Member Adami to approve the payment of $22,933.05, for the street oversizing for North Creek Drive in the Austin Landing Subdivision, as presented. Second by Council Member Smith.**

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

OTHER BUSINESS

CONSIDER APPROVAL OF THE ANNEXATION SCHEDULING PLAN FOR THE ANNEXATION OF APPROXIMATELY 2.8 ACRES ALONG THE TRAVIS STREET RIGHT-OF-WAY SOUTH OF AUSTIN LANDING (F.M. 131) AND DIRECTING THE DEPARTMENT OF ENGINEERING SERVICES TO DEVELOP A SERVICE PLAN FOR THE AREA TO BE ANNEXED UPON APPROVAL OF THE ANNEXATION SCHEDULING PLAN

APPROVE ANNEXATION SCHEDULE FOR 2.8 ACRES ALONG THE TRAVIS STREET R-O-W, SOUTH OF AUSTIN LANDING

Council Member Smith asked to remove Item D-2 from the Consent Agenda for consideration in its regular order of business.

He asked what was being done with the annexation scheduling plans.

Mr. Olson said there are areas on North Travis Street where you are inside the City limits and then outside the City limits. The proposed annexation will square up the boundary lines.

ACTION TAKEN.

Motion by Council Member Smith to approve the Annexation Scheduling Plan for the annexation of approximately 2.8 acres along the Travis Street Right-of-Way south of Austin Landing (F.M. 131) and direct the Department of Engineering Services to develop a Service Plan for the area to be annexed, as presented. Second by Council Member Adami.

VOTING AYE: Adami, Smith, Softly, Steele.

VOTING NAY: None.

MOTION CARRIED.

CONSIDER APPROVAL OF THE ANNEXATION SCHEDULING PLAN FOR THE ANNEXATION OF APPROXIMATELY 954.21 ACRES ALONG U.S. HIGHWAY 75 BETWEEN LOY LAKE ROAD AND THE MK&T RAILROAD SOUTH OF HIGHWAY 691 AND DIRECTING THE DEPARTMENT OF ENGINEERING SERVICES TO DEVELOP A SERVICE PLAN FOR THE AREA TO BE ANNEXED UPON APPROVAL OF THE ANNEXATION SCHEDULING PLAN

APPROVE ANNEXATION SCHEDULE FOR 954.21 ACRES ALONG HWY 75 BETWEEN LOY LAKE RD. & MK&T RAILROAD SOUTH OF HWY 691

The City Council approved the schedule for annexation of approximately 954.21 acres along U.S. Highway 75, between Loy Lake Road and the MK&T Railroad, south of Highway 691.

CONSENT AGENDA.

CONSIDER APPROVAL OF THE ANNEXATION SCHEDULING PLAN FOR THE ANNEXATION OF APPROXIMATELY 77.82 ACRES IN THE HILLTOP ADDITION AND DIRECTING THE DEPARTMENT OF ENGINEERING SERVICES TO DEVELOP A SERVICE PLAN FOR THE AREA TO BE ANNEXED UPON APPROVAL OF THE ANNEXATION SCHEDULING PLAN

APPROVE ANNEXATION SCHEDULE FOR 77.82 ACRES IN THE HILLTOP ADDITION

The City Council approved the schedule for annexation of approximately 77.82 acres in the Hilltop Addition.

CONSENT AGENDA.

<u>CONSIDER APPROVAL OF THE ANNEXATION SCHEDULING PLAN FOR THE ANNEXATION OF APPROXIMATELY 3.72 ACRES AT 5003 TRAVIS STREET (F.M. 131) AND DIRECTING THE DEPARTMENT OF ENGINEERING SERVICES TO DEVELOP A SERVICE PLAN FOR THE AREA TO BE ANNEXED UPON APPROVAL OF THE ANNEXATION SCHEDULING PLAN</u>

APPROVE ANNEXATION SCHEDULE FOR 3.72 ACRES AT 5003 TRAVIS STREET

The City Council approved the schedule for annexation of approximately 3.72 acres at 5003 Travis street (F.M. 131). CONSENT AGENDA.

<u>CITIZENS REQUESTS</u>

CITIZENS REQUESTS

There were no citizen's requests.

<u>MEDIA QUESTIONS</u>

MEDIA QUESTIONS

There were no media questions.

<u>COUNCIL COMMENTS</u>

<u>PROPOSED CODE ORDINANCES</u>

PROPOSED CODE ORDINANCES

Council Member Adami said he appreciated the staff's work on the proposed code ordinances. These codes effect many people and with the poor economy the Council must be sensitive to the taxpayers and what their costs will be to implement the rules.

<u>PROPOSED CODE ORDINANCES</u>

PROPOSED CODE ORDINANCES

Council Member Smith said he wants to be sure he understands about the code ordinances and is concerned about the appeal process when it involves litigation.

<u>PROPOSED CODE ORDINANCES</u>

PROPOSED CODE ORDINANCES

Council Member Steele said the Council doesn't take the code changes lightly and he wanted time to review and research the situation before a decision is made.

<u>PROPOSED CODE ORDINANCES</u>

PROPOSED CODE ORDINANCES

Council Member Adami thanked Mr. Olson for calling him to explain the proposed changes to the code ordinances, however he felt the Council needed additional time to study the changes.

<u>CORPORATE AWARD FROM COOPER B-LINE SYSTEMS</u>

AWARD FROM COOPER B-LINE SYSTEMS

Mayor Magers thanked Cooper B-Line Systems for the $7,500 they awarded to the City of Sherman for use in Fairview Park. Their employees received an environmental award from their Corporate Office for reducing their water intake and developing a paint process that is environmentally friendly and saves them money. A part of the award was a donation to a project for the citizens.

<u>CONTACT WITH CITY OFFICES</u>

CONTACT WITH CITY OFFICES

Mayor Magers said he recently dealt with several City offices, including Developmental Services, the Fire Department, and Parks and Recreation Services, and he commended the services they offered. He said as a citizen he appreciated them.

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:12 p.m.

ADJOURNMENT

MAYOR

CITY CLERK

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. B.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

C.2 **** RESOLUTION NO. 5223***
Authorizing the Expenditure of $3,000.00 in Matching Funds to the Texoma Council of Governments for Transportation Planning

C.3 **** RESOLUTION NO. 5224***
Renewing Guidelines and Criteria for the City of Sherman's Industrial Tax Abatement Program to Promote Development/Redevelopment in Certain Areas of the City

C.4 **** RESOLUTION NO. 5225***
Awarding a Bid to and Authorizing Execution of a Contract with Jerry Paul Higgins, Ltd. for Replacement of the Travis Street Water Main between U.S. Highway 75 and Washington Street

C.5 **** RESOLUTION NO. 5226***
Awarding a Bid to and Authorizing Execution of a Contract with Lynn Vessels Construction, LLC to Replace an Existing Storm Sewer along Harrison Avenue

C.6 **** RESOLUTION NO. 5227***
Authorizing the Purchase of Replacement Residential Trash and Recycling Carts through the Houston-Galveston Area Council of Governments (H-GAC) for the Solid Waste Services Department

D.1 **** OTHER BUSINESS***
Final Plat Approval of the Garcia Addition, being 1.12 acres in the G.B. Pilant Survey, Abstract No. 963; Alysia Garcia, Owner (1400 Block of East Lake Street)

D.2 **** OTHER BUSINESS***
Final Plat Approval of the Jane Allen Ellis Addition; Monroe Bank, Trustee for Jane Allen Ellis Trust, Owners (1828 Texoma Parkway)

D.3 **** OTHER BUSINESS***
Consideration to Ordinance No. 2684, Section 26, Subsection 12(E)(2) for a Variance to Allow a Lot with No Public Street Frontage in an R-1 (One Family Residential) District in the 1400 Block of East Lake Street, being 1.12 acres in the G.B. Pilant Survey, Abstract No. 963 (Alysia Garcia, Owner)

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. C.1

RESOLUTION NO. 5222
Relating to Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2008 (City of Sherman Project); Approving the Issuance Thereof, the Refunding of Certain Outstanding Bonds of the Authority, and the Facilities to be Constructed or Acquired by Such Authority

Issue
Approving Bond issuance through Greater Texoma Utility Authority (GTUA) for $4,190,000 for a partial refinancing of existing debt and for new water related projects

Background
The City constructs many of its major water and sewer improvements with debt issued by GTUA on the City's behalf. This proposed debt issuance relates to the construction of water line(s) along U.S. Highway 75, from approximately U.S. Highway 82 to F.M. 691, including piping and all other appurtenances necessary for the construction of the water line. Additionally, about $2 million of this proposed $4.2 million relates to refinancing a portion of the 1998 debt series issued through GTUA, which will help "smooth" scheduled debt service payments in the next few years.

Origination
City Council and GTUA

Financial Consideration
Debt service on these bonds will be paid by the City to GTUA in accordance with the Contract for Water Supply and Sewer Service between the two entities. Funds for this contractual debt repayment are generated through the City's water and sewer revenues. This debt issuance was included as part of the fiscal year (FY) 2008 CIP budget approved by the Council.

Staff Recommendation
It is recommended that the resolution be passed as presented.

Alternatives
No viable alternatives can be suggested at this time.

Attachments
GTUA General Manager Jerry Chapman's Letter of June 11, 2008
Resolution No. 5222
Exhibit A – Description of the 2008 Project
Exhibit B – "Draft" Bond Purchase Agreement

Prepared by:
Robby Hefton, Assistant City Manager/CFO

Approved by:
George Olson, City Manager

GREATER TEXOMA UTILITY AUTHORITY

5100 AIRPORT DRIVE
DENISON, TEXAS 75020-8448
903/786-4433
FAX: 903/786-8211
www.gtua.org

June 11, 2008

George Olson
City Manager
City of Sherman
PO Box 1106
Sherman, TX 75091-1106

RE: GTUA/City of Sherman Contract Revenue and Refunding Bond Series 2008

Dear George:

Last year, the City of Sherman asked the Authority to finance several water and sewer projects needed for the City. A bond issued was sold to the Texas Water Development Board (TWDB) initiated the sewer work. After consultation with First Southwest Company, the Authority's financial advisor, we determined the most economical method of funding the water improvements was to combine the new water bond series with a planned refunding of approximately $2 million.

This $4,190,000 bond series is comprised of two parts. The first part refinances a portion of a debt series issued in 1998. When those bonds were sold, market conditions dictated a payment in 2011 of approximately $6.6 million. This amount is in excess of the average annual debt service of approximately $4.6 million the Authority has attempted to maintain for the City of Sherman. Since the 10-year anniversary of this debt series is approaching, refunding a portion of the outstanding debt service to lower the average annual debt service in 2011 to approximately $4 million is possible. This refunding can be accomplished on a current refunding basis rather than an advanced refunding. The total amount involved in the refinancing is approximately $2 million.

The second component of this bond series will finance the costs anticipated to extend water services northward along the US Hwy 75 corridor to FM 691, the northern city limits for the City of Sherman. The City requested the Authority include this project in this year's financing. After reviewing the options and costs of debt issuance with First Southwest Company, the most cost effective way to accomplish this issuance was to combine the needs for the water system improvements with the refinancing plan for this year.

A preliminary official statement was prepared and reviewed with Assistant City Manager Robbie Hefton. Gary Kimball of First Southwest Company, the Authority's financial advisor, assisted the Authority in soliciting bids. Bids will be received on Thursday, June 12th in response to the Official Statement issued by the Authority. I plan to be present on Monday to ask the Council to review the bids and to adopt the Resolution to confirm the transaction.

Sincerely,

Jerry W. Chapman

Jerry W. Chapman, General Manager

JWC:cc

RESOLUTION NO. 5222

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RELATING TO GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE AND REFUNDING BONDS, SERIES 2008 (CITY OF SHERMAN PROJECT); APPROVING THE ISSUANCE THEREOF, THE REFUNDING OF CERTAIN OUTSTANDING BONDS OF THE AUTHORITY, AND THE FACILITIES TO BE CONSTRUCTED OR ACQUIRED BY SUCH AUTHORITY; AND 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 has heretofore authorized the execution of a certain contract with the Greater Texoma Utility Authority (the “Authority”) (formerly the Greater Texoma Municipal Utility District), and has entered into a contract entitled “Contract for Water Supply and Sewer Service” dated as of March 1, 1985 (the “Contract”); and

WHEREAS, under Section 4.15 of the Contract, it is provided that the City shall approve the issuance by the Authority of any bonds that are to be payable (in whole or in part) from certain moneys that the City has contracted to pay under the provisions of the Contract; and

WHEREAS, in connection with the proposed “Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2008 (City of Sherman Project)” (the “Bonds”), Morgan Keegan & Company, Inc. (the “Underwriter”) has agreed, pursuant to a Bond Purchase Agreement between the Underwriter and the Authority, dated as of June 16, 2008 (the “Purchase Agreement”), to purchase the Bonds, and such purchase of the Bonds by the Underwriter and the terms of the Purchase Agreement relating to the City are hereby approved; and

WHEREAS, the City acknowledges that no Notice of Sale relating to the Bonds has been prepared, and the City hereby waives any requirement that a Notice of Sale relating to the Bonds be prepared, because the City has found and determined and hereby finds and determines that it is neither necessary nor advisable for the Authority to prepare a Notice of Sale relating to the Bonds because, insofar as the City is concerned, the Purchase Agreement evidences a “negotiated sale” of the Bonds with the Underwriter and contains sufficient information to accomplish the purposes of a Notice of Sale; and

WHEREAS, the net effective interest rate on the Bonds will not exceed fifteen percent (15%) per annum and it is now appropriate for this Council to approve the Purchase Agreement (in lieu of approving a Notice of Sale with respect to the Bonds) as well as the issuance and delivery of the Bonds, the facilities to be constructed or acquired with a portion of the proceeds of the Bonds for the project described in Exhibit A (the “Series 2008 Water Project”) attached to the Resolution of the Authority authorizing the Bonds (the “Bond Resolution”) and the refunding of a portion of the “Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 1998” (the “Refunded Bonds”);

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

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

SECTION 2. That the facilities to be constructed, acquired, and improved by the Authority with a portion of the proceeds of the Bonds for the Series 2008 Water Project described in Exhibit A hereto and in Exhibit A attached to the Bond Resolution are hereby approved. The use of the proceeds of the Bonds for the Series 2008 Water Project, as described in Exhibit A to the Bond Resolution, and the refunding of the Refunded Bonds is hereby approved. The Bond Resolution is approved as to form and content, and the City acknowledges that the payment of principal of and interest on the Bonds is payable, in whole or in part, from payments to be made by the City under and pursuant to the Contract. The City acknowledges and accepts its duties under the Purchase Agreement, the form and content of which is attached hereto as Exhibit B. The City Manager and the Mayor are authorized to execute the certification referred to in Section 7(l)(10) of the Purchase Agreement as well as any other documents or certifications necessary to accomplish the delivery of the Bonds.

SECTION 3. That it is the purpose and intent of the City Council of the City to approve the Bond Resolution, the refunding of the Refunded Bonds and the facilities to be constructed, acquired, and improved in full accordance with the provisions of the Contract mentioned in the preamble hereof. To the extent required by the Underwriter or the Office of the Attorney General of Texas, the Authority is authorized by this City Council to make changes and revisions to the Bond Resolution from the form approved by this Resolution in order to expedite the delivery of the Bonds. It is the intent of the City to authorize the Authority to proceed with the refunding of the Refunded Bonds and the construction, acquisition, and improvement of the facilities at the earliest possible date, but nothing herein shall be construed as a limitation upon the right and power of the City to approve a change in the facilities for which the Bonds are to be issued (but not the purpose for which the Bonds are to be issued as set forth in the Bond Resolution), the City specifically reserving the right to modify the facilities for which the Bonds are being issued if the Authority and the City agree such modification should be made.

SECTION 4. That. in order to assist the Authority in complying with Rule 15c2-12 of the Securities Exchange of Act of 1934, as amended (the "Rule"), the City covenants and agrees as follows:

(a) Annual Information. The City will provide to the Authority, no later than March 1 of each year (or such other date as may be agreed to by the City and the Authority), while the City is an "obligated person" under the Rule, the information with respect to the City described in Appendix C to the Official Statement relating to the Bonds. Any financial statements to provided pursuant to this Section shall be (i) prepared in accordance with the accounting principles described in Appendix C to the Official Statement, (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not completed within such period, then the City shall provide notice to the Authority that the audited financial statements are not available and shall provide unaudited financial statements for the applicable fiscal year to the Authority. Thereafter, when and if audited financial statements are available, the City shall provide such audited financial statements as required to the Authority.

If the City's fiscal year end differs from the Authority's fiscal year end, the City shall provide the most recent year end annual information as well as cumulative current year to date information. The City shall notify the Authority if the City changes its fiscal year.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the Municipal Securities Rulemaking Board ["MSRB"]) that theretofore has been provided by the City to each nationally recognized municipal securities information repository as determined by the United States Securities and Exchange Commission ("SEC") or its staff within the meaning of the Rule ("NRMSIR") and any person designated by the State of Texas or an authorized department, officer, or Authority thereof as, and determined by the SEC or its staff to be, a state information depository within the meaning of the Rule ("SID") or filed with the SEC.

(b) Reporting of Significant Events.

(1) Upon the occurrence of any of the events described below, the City will promptly notify the Authority and provide information requested by the Authority pertaining to (i) an action, suit or other formal proceeding at law or in equity, against the City that would materially and adversely affect the City's financial condition or its ability to make payments under the Contract and (ii) any change in the City's financial condition or financing arrangements that would materially and adversely affect the City's financial condition or its ability to make payments under the Contract.

(2) The City will notify the Authority as soon as possible if the information required by (a) and (b) above cannot be provided in the above-specified time frame.

(c) Material Event Notice. To the extent applicable, the City agrees to notify the Authority, in a timely manner, of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

(i) principal and interest payment delinquencies;

(ii) nonpayment related defaults;

(iii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers, or their failure to perform;

(vi) adverse tax opinions or events affecting the tax exempt status of the Bonds;

(vii) modifications to rights of Holders;

(viii) Bond calls;

(ix) defeasances;

(x) release, substitution, or sale of property securing repayment of the Bonds; and

(xi) rating changes.

(d) Accuracy and Completeness. The City warrants that all information provided by it to the Authority pursuant to this Section will be accurate in all material respects to the best of its knowledge and belief. The City will provide the Authority with such information as the Authority may reasonably request to confirm the accuracy and completeness of any information provided by the City pursuant to this Section. If the Authority thereafter has reasonable grounds to question the completeness or accuracy of such information, the City will afford the Authority and its attorneys and agents, at the expense of the Authority, reasonable access to any and all records, documents, contracts, and other information which is in the custody or control of the City to confirm such accuracy and completeness. The Authority and its attorneys and agents shall maintain the confidentiality of all such information; unless required to be provided by the Authority to NRMSIRs, SIDs or the MSRB, and except as otherwise provided by law. The City shall not be required to provide information or to allow access to its records which exceeds the standards applicable to a due diligence inquiry in the preparation of an official statement in connection with the sale of Bonds or any Additional Bonds by the Authority.

(e) Limitations, Disclaimers and Amendments.

(1) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Authority and the City each remain an Obligated Person, provided that the Authority and the City in any event will give notice of any payment or deposit of funds by either of such parties that causes the Bonds to be retired and defeased.

(2) The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Authority and the City undertake to provide only the financial information, operating data, financial statements and notices which it has expressly agreed to provide pursuant to this Agreement and do not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Authority's or the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Agreement or otherwise, except as expressly

provided herein. Neither the Authority nor the City make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

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

(4) No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under the Bond Resolution, or any contract relating thereto, for purposes of any other provisions of this Section.

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

(6) The provisions of this Agreement may be amended by the City (with the written approval of the Authority) from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by provisions of the Bond Resolution that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. If the provisions of this Section are so amended, the Authority shall include with any amended financial information or operating data next provided in accordance with the Bond Resolution or the Purchase Agreement an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

(f) Remedies. In the event the City fails or refuses to provide the information required by Sections 1 or 2 hereof, the Authority may enforce its right hereunder by an action for mandamus or specific performance; provided, however, before enforcing such remedies, the Authority shall give the City notice as provided herein and a reasonable opportunity to provide the requested information.

SECTION 5. That Exhibit C to the Contract is amended to include the definition of Series 2008 Water Project attached hereto as Exhibit A. In all other respects the Contract is reapproved and shall be and remain in full force as the agreement of the parties.

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

SECTION 7. That this Resolution shall be effective from and after its adoption, and it is so resolved.

PASSED AND APPROVED on this the ________ day of _________________, 2008.

CITY OF SHERMAN, TEXAS

BY: ________________________________
BILL MAGERS, MAYOR

ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: ________________________________
DOREEN E. MCGOOKEY,
CITY ATTORNEY

EXHIBIT A

Description of the 2008 Project

Water Project:

Construction of water line(s) along U. S. 75 from approximately U. S. 82 to FM 691, to including piping and all other appurtenances necessary for the construction of the water line.

EXHIBIT B

Bond Purchase Agreement

DRAFT

GREATER TEXOMA UTILITY AUTHORITY

$____________

Contract Revenue and Refunding Bonds, Series 2008
(City of Sherman Project)

BOND PURCHASE AGREEMENT

June 16, 2008

Board of Directors
Greater Texoma Utility Authority
5100 Airport Drive
Denison, Texas 75020

City of Sherman, Texas
220 West Mulberry
Sherman, Texas 75090-5832

Ladies and Gentlemen:

The undersigned, Morgan Keegan & Company, Inc. (the *"Underwriter"*), acting on its own behalf and not acting as a fiduciary or agent for the Greater Texoma Utility Authority (the *"Issuer"*), offers to enter into the following agreement (this *"Agreement"*) with the Issuer which, upon your written acceptance of this offer, will be binding upon the Issuer and upon the Underwriter. This offer is made subject to your written acceptance hereof on or before 10:00 p.m., Dallas Time, on June 16, 2008, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Issuer at any time prior to the acceptance hereof by the Issuer. Terms not otherwise defined in this Agreement shall have the same meanings set forth in the Bond Resolution (as defined herein) or in the Official Statement (as defined herein).

1. ***Purchase and Sale of the Bonds***. Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriter, all, but not less than all, of the Issuer's $____________ Contract Revenue and Refunding Bonds, Series 2008 (City of Sherman Project) (the *"Bonds"*). Inasmuch as this purchase and sale represents a negotiated transaction, the Issuer understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the Issuer, but rather is acting solely in its capacity as underwriter for its own account.

The principal amount of the Bonds to be issued, the dated date therefor, the maturities, redemption provisions and interest rates per annum are set forth in Schedule I hereto. The Bonds shall be as described in, and shall be issued and secured under and pursuant to the provisions of the Bond Resolution adopted by the Issuer on June 16, 2008 (the *"Bond Resolution"*).

The purchase price for the Bonds shall be $_____________ (representing the par amount of the Bonds, plus a net reoffering premium of $___________, and less an underwriting discount of $__________) plus accrued interest on the Bonds, calculated on the basis of a 360-day year of twelve 30-day months, from the dated date of the Bonds to the date of the Closing (as hereinafter defined).

Delivered to the Issuer herewith is the Underwriter's good faith corporate check payable to the order of the Issuer in the amount of $34,250 (the *"Check"*). In the event you accept this offer, the Check shall be held uncashed by you until the time of Closing, at which time the Check shall be returned uncashed to the Underwriter. In the event that the Issuer does not accept this Agreement, the Check shall be immediately returned to the Underwriter. Should the Issuer fail to deliver the Bonds at the Closing (other than for a reason caused by the Underwriter), or should the Issuer be unable to satisfy the conditions of the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds, as set forth in this Agreement (unless waived by the Underwriter), or should such obligations of the Underwriter be terminated for any reason permitted by this Agreement, the Check shall immediately be returned to the Underwriter. In the event that the Underwriter fails (other than for a reason permitted hereunder) to purchase, accept delivery of and pay for the Bonds at the Closing as herein provided, the Check shall be cashed and the amount thereof retained by the Issuer as and for fully liquidated damages for such failure of the Underwriter, and no party shall have any further rights against the other hereunder. The Underwriter and the Issuer understand that in such event the Issuer's actual damages may be greater or may be less than such amount. Accordingly, the Underwriter hereby waives any right to claim that the Issuer's actual damages are less than such amount, and the Issuer's acceptance of this offer shall constitute a waiver of any right the Issuer may have to additional damages from the Underwriter. The Underwriter hereby agrees not to stop or cause payment on the check to be stopped unless the Issuer has breached any of the terms of this Agreement.

The Bonds are to be issued pursuant to the provisions of the legislation creating and defining the powers of the Issuer, Chapter 97, Acts of the 66th Legislature, Regular Session, 1979, as amended by Chapter 398, Acts of the 68th Legislature, Regular Session, Texas Civil Statutes, Chapter 1207, Texas Government Code, as amended, and the Bond Resolution, and secured by a first lien on and pledge of the Pledged Revenue (as defined in the Bond Resolution), which consists of certain of the revenues to be received under the Contract for Water and Sewer Service made and entered into as of March 1, 1985, as amended (the "Contract") between the Issuer and the City, payable from gross revenues of the City's waterworks and sewer system (the "System"). A portion of the proceeds received by the Issuer from the sale of the Bonds will be used to construct water system improvements. A portion of the proceeds received by the Issuer from the sale of the Bonds pursuant hereto and certain other funds of the Issuer or the City, if any, shall be deposited with Bank of Texas, NA, as Escrow Agent (the "Escrow Agent"), under and pursuant to the escrow agreement (the "Escrow Agreement") referred to in the Bond

Resolution for the purpose of purchasing certain direct obligations of the United States of America (the "Federal Securities"), which shall mature and the interest on which shall be payable at such times and in such amounts so as to provide money which, together with cash balances from time to time on deposit in the Escrow Fund (as defined in the Escrow Agreement) will be sufficient to pay the principal of and interest on the Refunded Obligations (as defined in the Escrow Agreement). The Refunded Obligations are identified in Schedule II attached hereto.

2. ***Public Offering***. The Underwriter agrees to make a bona fide public offering of all of the Bonds at a price not to exceed the public offering price set forth on the inside cover page of the Official Statement and may subsequently change such offering price without any requirement of prior notice. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering price stated on the inside cover page of the Official Statement. On or before the Closing, the Underwriter shall execute and deliver an issue price certificate prepared by Bond Counsel (as hereinafter defined) verifying the initial offering prices to the public at which a substantial amount of each stated maturity of the Bonds was sold to the public.

3. ***The Official Statement.***

(a) The Issuer previously has delivered copies of the Preliminary Official Statement dated June 2, 2008 (the "*Preliminary Official Statement*") to the Underwriter. The Issuer will prepare a final Official Statement relating to the Bonds, which will be (i) dated the date of this Bond Purchase Agreement, (ii) complete within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission, as amended (the "*Rule*"), and (iii) substantially in the form of the most recent version of the Preliminary Official Statement provided to the Underwriter before the execution hereof. Such final Official Statement, including the cover page thereto, all exhibits, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Bonds, is herein referred to as the "*Official Statement*". Until the Official Statement has been prepared and is available for distribution, the Issuer shall provide to the Underwriter sufficient quantities of the Preliminary Official Statement as the Underwriter deems necessary to satisfy the obligations of the Underwriter under the Rule with respect to distribution to each potential customer, upon request, of a copy of the Preliminary Official Statement.

(b) The Preliminary Official Statement has been prepared for use by the Underwriter in connection with the public offering, sale and distribution of the Bonds. The Issuer hereby represents and warrants that the Preliminary Official Statement has been deemed final by the Issuer as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of the Rule.

(c) The Issuer hereby authorizes the Official Statement and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds. The Issuer consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds. The Issuer shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the Issuer's acceptance of this Agreement (but in any event, not later than within seven (7) business days after the Issuer's acceptance of this Agreement) copies of the Official Statement which are complete as of the date of their delivery to the Underwriter in such quantity as the Underwriter shall request in order for the Underwriter to comply with Section (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board.

(d) If, after the date of this Agreement to and including the date the Underwriter is no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (being the earlier of (i) 90 days from the "end of the underwriting period" (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository but in no case less than twenty-five (25) days after the "end of the underwriting period"), the Issuer becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the Issuer will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as the Underwriter may from time to time reasonably request), and if, in the judgment of the Underwriter, reasonably exercised, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the Issuer will forthwith prepare and furnish, at the Issuer's own expense (in a form and manner approved by the Underwriter), a reasonable number of copies of either amendments or supplements to the Official Statement so that the statements in the Official Statement as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or so that the Official Statement will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the Issuer in accordance herewith, the Issuer makes no representations with respect to the descriptions in the Preliminary Official Statement or the Official Statement of The Depository Trust Company, New York, New York, or its book-entry-only system. If such notification shall be subsequent to the Closing, the Issuer shall furnish such legal opinions, certificates, instruments and other documents as the Underwriter may deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement.

(e) The Underwriter hereby agrees to file the Official Statement with a nationally recognized municipal securities information repository. Unless otherwise notified in writing by the Underwriter, the Issuer can assume that the "end of the underwriting period" for purposes of the Rule is the date of the Closing.

4. ***Representations, Warranties, and Covenants of the Issuer.*** The Issuer hereby represents and warrants to and covenants with the Underwriter that:

(a) The Issuer is a governmental agency, a political subdivision, and a body politic and corporate of the State of Texas, duly created and validly existing under the Constitution, the laws of the State of Texas (the *"State"*), including Chapter 97, Acts of the 66th Legislature, Regular Session, 1979, as amended by Chapter 398, Acts of the 68th Legislature, Regular Session (the *"Act"*), and has full legal right, power and authority pursuant to the Constitution and laws of the State of Texas, and at the date of the Closing will have full legal right, power and authority under the Act and the Bond Resolution, to (i) enter into, execute and deliver this Agreement, the Bond Resolution, the Escrow Agreement and the Continuing Disclosure Undertaking as defined in Section 7(l)(3) hereof and all documents required hereunder and thereunder to be executed and delivered by the Issuer (this Agreement, the Bond Resolution, the Escrow Agreement, the Continuing Disclosure Undertaking and the other documents referred to in this clause are hereinafter referred to as the *"Issuer Documents"*), (ii) sell, issue and deliver the Bonds to the Underwriter as provided herein, and (iii) carry out and consummate the transactions contemplated by the Issuer Documents and the Official Statement, and the Issuer has complied, and will at the Closing be in compliance in all respects, with the terms of the Act and the Issuer Documents as they pertain to such transactions;

(b) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized all necessary action to be taken by it for (i) the adoption of the Bond Resolution and the issuance and sale of the Bonds, (ii) the approval, execution and delivery of, and the performance by the Issuer of the obligations on its part, contained in the Bonds and the Issuer Documents and (iii) the consummation by it of all other transactions contemplated by the Official Statement, the Issuer Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Issuer in order to carry out, give effect to, and consummate the transactions contemplated herein and in the Official Statement;

(c) The Issuer Documents will, upon the execution and delivery thereof, constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights; the Bonds, when issued, delivered and paid for, in accordance with the Bond Resolution and this Agreement, will constitute legal, valid and binding obligations of the Issuer entitled to the benefits of the Bond Resolution and enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights; upon the issuance, authentication and delivery of the Bonds as aforesaid, the Bond Resolution will provide, for the benefit of the holders, from time to time, of the Bonds, the legally valid and binding pledge of and lien it purports to create as set forth in the Bond Resolution;

(d) On the date hereof, the Issuer is not in material breach of or default under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree that would have a material adverse effect upon the operations or financial condition of the Issuer; or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the Issuer under any of the foregoing; and the execution and delivery of the Bonds, the Issuer Documents and the adoption of the Bond Resolution and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a breach of or default under any constitutional provision, law or administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is otherwise subject or under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Bond Resolution;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Issuer of its obligations under the Issuer Documents and the Bonds have been duly obtained or will be obtained prior to Closing, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Bonds;

(f) The Bonds and the Bond Resolution conform to the descriptions thereof contained in the Official Statement under the caption "THE BONDS"; the proceeds of the sale of the Bonds will be applied generally as described in the Official Statement under the captions "PLAN OF FINANCING – Sources and Uses of Funds"; and the Continuing Disclosure Undertaking conforms to the description thereof contained in the Official Statement under the caption "CONTINUING DISCLOSURE OF INFORMATION";

(g) Except as disclosed in the Official Statement, on the date hereof, there is no legislation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of the Issuer, threatened against the Issuer, affecting the existence of the Issuer or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the collection of revenues pledged to payment of the principal of and interest on the Bonds pursuant to the Bond Resolution or in any way contesting or affecting the validity or enforceability of the Bonds, the Issuer Documents, or contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Issuer or any authority for the issuance of the Bonds, the adoption of the Bond Resolution or the execution and delivery of the Issuer Documents, nor, to the best knowledge of the Issuer, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents;

(h) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(i) At the time of the Issuer's acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (d) of Section 3 of this Agreement) at all times subsequent thereto during the period up to and including the date of Closing, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(j) If the Official Statement is supplemented or amended pursuant to paragraph (d) of Section 3 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the twenty-fifth (25^{th}) day following the "end of the underwriting period", the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which made, not misleading;

(k) The Issuer will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Bond Resolution and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds;

(l) The Issuer will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request, at no expense to the Issuer, (A) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (z) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (B) to continue such qualifications in effect so long as required for the distribution of the Bonds (provided, however, that the Issuer will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the Issuer of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the threat of any proceeding for that purpose;

(m) The financial statements of, and other financial information regarding, the Issuer in the Official Statement fairly present the financial position, results of operations and condition of the Issuer as of the dates and for the periods therein set forth, and there has been no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the Issuer since the dates of such statements and information.

(n) The Issuer is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the Issuer, would have a materially adverse effect on the financial condition of the Issuer;

(o) Prior to the Closing the Issuer will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by any of the revenues or assets which will secure the Bonds without the prior written approval of the Underwriter;

(p) Any certificate, signed by any official of the Issuer authorized to do so in connection with the transactions contemplated by this Agreement, shall be deemed a representation and warranty by the Issuer to the Underwriter as to the statements made therein; and

(q) The Issuer covenants that, between the date hereof and the date of the Closing, it will take no action which will cause the representations and warranties made in this Section to be untrue as of the date of the Closing.

(r) By delivering the Official Statement to the Underwriter, the Issuer shall be deemed to have reaffirmed, with respect to the Official Statement, the representations, warranties and covenants set forth above with respect to the Preliminary Official Statement.

5. ***Representations, Warranties, and Covenants of the City.*** The City hereby represents and warrants to and covenants with the Underwriter that:

(a) The City is a home rule municipality, a governmental agency, a political subdivision, and a body politic and corporate of the State, duly created and validly existing under the Constitution, the laws of the State and the City's Home Rule Charter, and has full legal right, power and authority pursuant to the Constitution and laws of the State, and at the date of the Closing will have full legal right, power and authority to (i) enter into and perform its obligations under this Agreement and the Contract, and (ii) to consummate the transactions described in such instruments and the Official Statement, and the City has complied with all provisions of applicable law in all matters relating to such transactions.

(b) By all necessary official action of the City prior to or concurrently with the acceptance hereof, the City has duly authorized all necessary action to be taken by it for (i) the issuance and sale of the Bonds by the Issuer upon the terms set forth herein and in the Official Statement; (ii) the approval of the Official Statement; and (iii) the execution, delivery, and performance or receipt, as appropriate, of this Agreement, the Contract, and any and all such other agreements and documents as may be required to be executed, delivered, and performed or received by the City in order to carry out, give effect to and consummate the transactions described herein, in the Bonds and in the Official Statement.

(c) The City's Ordinance is and, on the date of Closing, will be in full force. The City's Ordinance is and, on the date of the Closing, will be the legal and valid act of the City, and, assuming due authorization, execution, and delivery of such instruments by the other parties thereto and their authority to perform such instruments, the Agreement and the Contract are, and on the date of Closing will be the legal, valid and binding agreements of the parties thereto, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights.

(d) On the date hereof, the Issuer is not in material breach of or default under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree that would have a material adverse effect upon the operations or financial condition of the City; or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City is otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the City under any of the foregoing; and the execution and delivery of the City's Ordinance and compliance with the provisions on the City's part contained therein, will not conflict with or constitute a breach of or default under any constitutional provision, law or administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City is otherwise subject or under the terms of any such law, regulation or instrument, except as provided by the City's Ordinance.

(e) Except as disclosed in the Official Statement, on the date hereof, there is no legislation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of the City, threatened against the City, affecting the existence of the City or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the collection of revenues pledged to payment of the principal of and interest on the Bonds pursuant to the Bond Resolution or in any way contesting or affecting the validity or enforceability of the Bonds, the Contract, or contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the City or any authority for the issuance of the Bonds, the adoption of the City's Ordinance or the execution and delivery of the Agreement, nor, to the best knowledge of the City, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds;

(f) The information contained in the Official Statement under the headings "THE CONTRACT" and "THE CITY OF SHERMAN WATERWORKS AND SEWER SYSTEM," and the information contained in Appendix C do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(g) The financial statements of, and other financial information regarding, the City in the Official Statement fairly present the financial position, results of operations and condition of the City as of the dates and for the periods therein set forth, and there has been no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the City since the dates of such statements and information.

(h) The City is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the City, would have a materially adverse effect on the financial condition of the City;

(i) Prior to the Closing the City will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by any of the revenues or assets which will secure the Bonds without the prior written approval of the Underwriter;

(j) Any certificate, signed by any official of the City authorized to do so in connection with the transactions contemplated by this Agreement, shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein;

(k) The City covenants that, between the date hereof and the date of the Closing, it will take no action which will cause the representations and warranties made in this Section to be untrue as of the date of the Closing; and

(l) To the best of the knowledge and belief of the City, the Preliminary Official Statement contains information, including financial information on operating data, concerning every entity, enterprise, fund or account of the City, that is material to an evaluation of the offering of the Bonds.

By delivering the Official Statement to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Official Statement, the representations, warranties and covenants set forth above with respect to the Preliminary Official Statement.

6. *Closing*.

(a) At 10:00 a.m. Dallas Time, on July 15, 2008, or at such other time and date as shall have been mutually agreed upon by the Issuer and the Underwriter (the *"Closing"*), the Issuer will, subject to the terms and conditions hereof, deliver the Bonds to the Underwriter, duly executed and authenticated, together with the other documents hereinafter mentioned, and the Underwriter will, subject to the terms and conditions hereof, accept such delivery and pay the purchase price of the Bonds, as set forth in Section 1 of this Agreement, by wire transfer payable in immediately available funds to the order of the Issuer as indicated by Bank of Texas, NA, Dallas, Texas (the "*Registrar*"). Payment for the Bonds as aforesaid shall be made at the offices of the Registrar or such other place as shall have been mutually agreed upon by the Issuer and the Underwriter.

(b) Delivery of the Bonds shall be made through The Depository Trust Company, New York, New York ("*DTC*"). The Bonds shall be delivered in definitive fully registered form, bearing CUSIP numbers without coupons, with one Bond for each maturity of the Bonds, registered in the name of Cede & Co., all as provided in the Bond Resolution, and shall be made available to the Underwriter at least one business day before the Closing for purposes of inspection.

7. *Closing Conditions*. The Underwriter has entered into this Agreement in reliance upon the representations, warranties and agreements of the Issuer contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the Issuer of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Underwriter:

(a) The representations and warranties of the Issuer and the City contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(b) The Issuer and the City shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by them prior to or at the Closing;

(c) At the time of the Closing, (i) the Issuer Documents, the Bonds, the Contract and the City's Ordinance shall be in full force and effect in the form heretofore made available to the Underwriter and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriter; (ii) the net proceeds of the sale of the Bonds shall be deposited and applied as described in the Official Statement and in the Bond Resolution; and (iii) all actions of the Issuer required to be taken by the Issuer shall be performed in order for Bond Counsel and counsel to the Underwriter to deliver their respective opinions referred to hereafter;

(d) At the time of the Closing, all official action of the Issuer relating to the Bonds and the Issuer Documents shall be in full force and effect and shall not have been amended, modified or supplemented;

(e) At the time of Closing, all official action of the City relating to the City's Ordinance shall be in full force and effect and shall not have been amended, modified or supplemented;

(f) At or prior to the Closing, the Bond Resolution and the Escrow Agreement shall have been duly executed and delivered by the Issuer and the Issuer shall have duly executed and delivered and the Registrar shall have duly authenticated the definitive Bonds;

(g) At or prior to the Closing, the municipal bond insurance policy shall have been executed, issued and delivered by Financial Security Assurance, Inc.(the "*Bond Insurer*");

(h) At the time of the Closing, there shall not have occurred any change or any development involving a prospective change in the condition, financial or otherwise, or in the revenues or operations of (1) the Issuer or (2) the City, from that set forth in the Official Statement that in the reasonable judgment of the Underwriter, is material and adverse and that makes it impracticable to market the Bonds on the terms and in the manner contemplated in the Official Statement;

(i) Neither the Issuer nor the City shall not have failed to pay principal or interest when due on any of its outstanding obligations for borrowed money;

(j) At the time of Closing, there shall not have occurred any change or any development involving a prospective change in the Project (as defined in the Bond Resolution) in the financial condition of (1) the Issuer or (2) the City, or in their respective revenues or operations, from that set forth in the Official Statement that in the judgment of the Underwriter is material and adverse and makes it, in the judgment of the Underwriter, impractical to market the Bonds on the terms and in the manner contemplated in the Official Statement;

(k) All steps to be taken and all instruments and other documents to be executed, and all other legal matters in connection with the transactions contemplated by this Agreement shall be reasonably satisfactory in legal form and effect to the Underwriter; and

(l) At or prior to the Closing, the Underwriter shall have received copies of each of the following documents:

(1) The Official Statement, and each supplement or amendment thereto, if any, as may have been agreed to by the Underwriter;

(2) The Bond Resolution, certified by the Issuer as having been duly adopted and in full force and effect, with such supplements or amendments as may have been agreed to by the Underwriter, and the Escrow Agreement, having been duly executed on behalf of the Issuer and Bank of Texas, NA;

(3) The Contract, certified by the Issuer as being in full force and effect, with such supplements or amendments as may be agreed to by the Underwriter;

(4) The City's Ordinance, certified by the City as being in full force and effect;

(5) The Continuing Disclosure Agreements (the "*Continuing Disclosure Agreements*") (i) of the Issuer and (ii) between the Issuer and the City of Sherman which satisfy the requirements of Section (b)(5) of the Rule;

(6) The approving opinion of Fulbright & Jaworski L.L.P., Dallas, Texas *("Bond Counsel")*, with respect to the Bonds, in substantially the form attached to the Official Statement;

(7) A supplemental opinion of Bond Counsel addressed to the Issuer and the Underwriter substantially to the effect that:

(i) the Bonds are exempt securities that do not require registration under the Securities Act of 1933, as amended (the "*1933 Act*"), and the Trust Indenture Act of 1939, as amended (the "*Trust Indenture Act*"), and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the 1933 Act or to qualify the Bond Resolution under the Trust Indenture Act; and

(ii) the statements and information contained in the Official Statement under the captions "PLAN OF FINANCING" (exclusive of subcaption "Sources and Uses of Funds"), "THE BONDS" (exclusive of subcaption "Book-Entry-Only System"), "SELECTED PROVISIONS OF THE BOND RESOLUTION," "TAX MATTERS," "CONTINUING DISCLOSURE OF INFORMATION" (with the exception of the information set forth under the subcaption "Compliance with Prior Undertakings"), "OTHER INFORMATION – Legal Opinions" and "OTHER INFORMATION – Legal Investments and Eligibility to Secure Public Funds in Texas" relating to the Bonds and the legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Resolution;

(8) The opinion, dated as of the date of the Closing and addressed to the Underwriter, of counsel for the Underwriter, to the effect that:

(i) the Bonds are exempt securities under the 1933 Act and the Trust Indenture Act and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the 1933 Act and the Bond Resolution need not be qualified under the Trust Indenture Act; and

(ii) based upon their participation in the preparation of the Official Statement as counsel for the Underwriter and their participation at conferences at which the Official Statement was discussed, but without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement, such counsel has no reason to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for any financial, forecast, technical and statistical statements and data included in the Official Statement and the information regarding DTC and its book-entry system in each case as to which no view need be expressed);

(9) A certificate, dated as of the date of the Closing, of an appropriate official of the Issuer to the effect that (i) the representations and warranties of the Issuer contained herein are true and correct in all material respects on and as of

the date of the Closing as if made on the date of the Closing; (ii) except as disclosed in the Official Statement no litigation, proceeding or challenge against the Issuer is pending or, to the best of his or her knowledge, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the directors, officers or officials of the Issuer to hold and exercise their respective positions, (b) contest the due organization and valid existence of the Issuer, (c) contest the validity, due authorization and execution of the Bonds or the Issuer Documents or (d) attempt to limit, enjoin or otherwise restrict or prevent the Issuer from functioning and collecting revenues from the City, including payments on the Bonds, pursuant to the Bond Resolution, and other income or the levy or collection of the revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof; (iii) all official action relating to the Official Statement, the Bonds and Issuer Documents has been duly taken by the Issuer, is in full force and effect and has not been modified, amended, supplemented or repealed; (iv) to the best of his or her knowledge, no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in light of the circumstances under which made, not misleading in any respect as of the time of the Closing, and the information relating to the Issuer contained in the Official Statement is correct in all material respects and, as of the date of the Official Statement did not, and as of the date of the Closing does not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (v) there has not been any material adverse change in the financial condition of the Issuer since September 30, 2007, the latest date as of which audited financial information is available;

(10) A certificate, dated the date of the Closing, of an appropriate official of the City to the effect that (i) no litigation or proceeding against the City is pending or, to his or her knowledge, threatened in any court or administrative body nor is there a basis for litigation which would (A) contest the title of the present members of the governing body of the City and officers of the City to their respective offices, (B) contest the due organization and valid existence of the City, (C) adversely affect or contest the validity, due authorization, execution or performance of the System, or (D) attempt to limit, enjoin or otherwise restrict or prevent the City from functioning and collecting revenues, including revenues for the purpose of making project payments, and other income or the anticipated receipt of revenues of the City's combined water and sanitary sewer system; (ii) the waterworks and sewer system condensed operating statement of the City contained in the Official Statement fairly and accurately presents a condensed version of the operating position of the waterworks and sewer system of the City as of the dates and for the periods therein set forth, and there has not been a material adverse change in such condensed operating statement of the City since September 30, 2007, the latest date as of which such condensed operating

statement for the City is available; (iii) except as may otherwise be described in the Official Statement, the City is in compliance with its obligation to provide certain operating and financial information pursuant to the City's Continuing Disclosure Agreement, as set forth in the City's Ordinance;

(11) A certificate, dated as of the date of the Closing, of an appropriate official of the Issuer in form and substance satisfactory to Bond Counsel and counsel to the Underwriter (a) setting forth the facts, estimates and circumstances in existence on the date of the Closing, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code, and (b) certifying that to the best of the knowledge and belief of the Issuer there are no other facts, estimates or circumstances that would materially change the conclusions, representations and expectations contained in such certificate;

(12) The approving opinion of the Attorney General of the State of Texas and the registration certificate of the Comptroller of Public Accounts of the State of Texas in respect of the Bonds;

(13) Any other certificates and opinions required by the Bond Resolution or the Contract for the issuance thereunder of the Bonds;

(14) An executed copy of the Escrow Agreement;

(15) A copy of the special report prepared by Grant Thornton LLP, Minneapolis, Minnesota, independent certified public accountants (the "*Verification Agent*") addressed to the Issuer, the City, Bond Counsel, Texas Attorney General, and the Underwriter, verifying (i) the arithmetical computations of the adequacy of the maturing principal and interest on the Federal Securities and uninvested cash on hand under the Escrow Agreement to pay, when due, the principal of and interest on the Refunded Obligations; and (ii) the computation of the yield with respect to the Federal Securities and the Bonds;

(16) Evidence satisfactory to the Underwriter of the rating of "AAA" from Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P"), and that such rating is in effect as of the date of Closing;

(17) The municipal bond insurance policy issued by Bond Insurer, together with an opinion of counsel to Bond Insurer in form and substance satisfactory to the Underwriter;

(18) A certificate of Bond Insurer with respect to the accuracy of statements contained in the Official Statement regarding the municipal bond insurance policy and the due authorization, execution, issuance and delivery of the municipal bond insurance policy;

(19) A certified copy of the executed Contract;

(20) A certified copy of the executed City's Ordinance; and

(21) Such additional legal opinions, certificates, instruments and other documents as Bond Counsel, the Underwriter or counsel to the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the Issuer's representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Issuer on or prior to the date of the Closing of all the respective agreements then to be performed and conditions then to be satisfied by the Issuer.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriter. The Underwriter acknowledges having received, prior to the execution of this Agreement, a copy of the Bond Resolution, which contains the Continuing Disclosure Undertaking, and the City's Ordinance, which contains the City's Continuing Disclosure Undertaking.

If the Issuer or the City shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this Agreement, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriter, the Issuer, nor the City shall be under any further obligation hereunder.

8. ***Termination***. The Underwriter shall have the right to cancel its obligation to purchase the Bonds if, between the date of this Agreement and the Closing, the market price or marketability of the Bonds shall be materially adversely affected, in the sole judgment of the Underwriter, reasonably exercised, by the occurrence of any of the following:

(a) legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or any member of the Congress or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to impose, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Bonds or the interest on the Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated herein;

(b) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the 1933 Act, or that the Bond Resolution is not exempt from qualification under or other requirements of the Trust Indenture Act, or that the issuance, offering or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities laws as amended and then in effect;

(c) any state blue sky or securities commission or other governmental agency or body in any state in which more than 15% of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto;

(d) a general suspension of trading in securities on the New York Stock Exchange or the American Stock Exchange, the establishment of minimum prices on either such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so;

(e) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(f) any amendment to the federal or state Constitution or action by any federal or state court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Issuer, its property, income, securities (or interest thereon), or the validity or enforceability of the taxes to pay principal of and interest on the Bonds;

(g) any event occurring, or information becoming known which, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(h) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the Issuer, except for changes which the Official Statement discloses are expected to occur;

(i) the United States shall have either become engaged in hostilities that did not exist prior to the date hereof or issued a declaration of war or a national emergency or there shall have occurred a new material outbreak or escalation of hostilities or a national or international calamity or crisis, financial or otherwise, the effect of such outbreak, calamity or crisis on the financial markets of the United States being such as, in the reasonable judgment of the Underwriter, would materially and adversely affect the ability of the Underwriter to market the Bonds;

(j) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to the Official Statement;

(k) there shall have occurred any downgrading, or any notice shall have been given of any intended or potential downgrading in the rating accorded any of the Issuer's obligations that are secured in a like manner as the Bonds (including the rating to be accorded the Bonds);

(l) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; provided however, that such prohibition is not caused by an intentional act, or failure to act, of the Underwriter; and

(m) With respect to the condition described in subparagraph (l) above, the Underwriter is not aware of any current, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

9. *Expenses*.

(a) The Underwriter shall be under no obligation to pay, and the Issuer shall pay, any expenses incident to the performance of the Issuer's obligations hereunder, including, but not limited to (i) the cost of preparation and printing of the Bonds; (ii) the fees and disbursements of Bond Counsel and the Issuer's Financial Advisor; (iii) the fees and disbursements of any other attorneys, engineers, accountants, and other experts, consultants or advisers retained by the Issuer; (iv) the fees for bond ratings; (v) the fees for the municipal bond insurance policy for the Bonds; (vi) the costs of preparing, printing and mailing the Preliminary Official Statement and the Official Statement; (vii) the fees and expenses of the Paying Agent/Registrar; (viii) advertising expenses (except any advertising expenses of the Underwriter as set forth below); (ix) the out-of-pocket, miscellaneous and closing expenses, including the cost of travel, of the officers of the Issuer; (x) the Attorney General's review fee; and (xi) any other expenses mutually agreed to by the Issuer and the Underwriter to be reasonably considered expenses of the Issuer which are incident to the transactions contemplated hereby.

(b) The Underwriter shall pay (i) the cost of preparation and printing of this Agreement, the Blue Sky Survey and Legal Investment Memorandum, if any; (ii) all advertising expenses in connection with the public offering of the Bonds; and (iii) all other expenses incurred by the Underwriter in connection with the public offering of the Bonds, including the fees and disbursements of counsel retained by the Underwriter.

(c) If this Agreement shall be terminated by the Underwriter because of any failure or refusal on the part of the Issuer to comply with the terms or to fulfill any of the conditions of this Agreement, or if for any reason the Issuer shall be unable to perform its obligations under this Agreement (other than as a result of actions taken or caused by the Underwriter), the Issuer will immediately return the Check to the Underwriter and there shall be no further obligation of the Issuer to the Underwriter.

Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing to the Greater Texoma Utility Authority, 5100 Airport Drive, Denison, Texas 75020, Attention: General Manager, and any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to Morgan Keegan & Company, Inc., 5956 Sherry Lane, Suite 1900, Dallas, Texas 75225, Attention: Tom Oppenheim.

10. ***Parties in Interest***. This Agreement as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the Issuer and the Underwriter (including successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. This Agreement may not be assigned by the Issuer. All of the Issuer's representations, warranties and agreements contained in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds pursuant to this Agreement; and (iii) any termination of this Agreement.

11. ***Effectiveness***. This Agreement shall become effective upon the acceptance hereof by the Issuer and shall be valid and enforceable at the time of such acceptance.

12. ***CHOICE OF LAW***. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

13. ***Severability***. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provision or provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

14. ***Business Day***. For purposes of this Agreement, "business day" means any day on which the New York Stock Exchange is open for trading.

15. ***Section Headings***. Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provisions of this Agreement.

16. ***Counterparts***. This Agreement may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

17. None of the members of the Board of Directors of the Issuer or the members of the City Council, nor any officer, agent, or employee of the Issuer or the City, shall be charged personally by the Underwriter with any liability, or be held liable to the Underwriter under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

[*Execution Page Follows.*]

If you agree with the foregoing, please sign the enclosed counterpart of this Agreement and return it to the Underwriter. This Agreement shall become a binding agreement between the Issuer and the Underwriter when at least the counterpart of this letter shall have been signed by or on behalf of each of the parties hereto.

MORGAN KEEGAN & COMPANY, INC.,
Underwriter

By:________________________________
Name: ______________________________
Title: _______________________________

ACCEPTED AND AGREED to as of the date hereof:

GREATER TEXOMA UTILITY AUTHORITY

By:________________________________
Name:______________________________
Title:_______________________________

CITY OF SHERMAN, TEXAS

By:________________________________
Name:______________________________
Title:_______________________________

SCHEDULE I

$____________ Greater Texoma Utility Authority
Contract Revenue and Refunding Bonds, Series 2008
(City of Sherman Project)

Maturity	Amount	Interest Rate	Price or Yield[b]
10/01/2008	$		
10/01/2009			
10/01/2010			
10/01/2011			
10/01/2012			
10/01/2013			
10/01/2014			
10/01/2015			
10/01/2016			
10/01/2017			
10/01/2018			
10/01/2019			
10/01/2020			
10/01/2021			
10/01/2022			
10/01/2023			
10/01/2024			
10/01/2025			
10/01/2026			
10/01/2027			

(Plus accrued interest from June 15, 2008)

[a] **Optional Redemption** . . . The Bonds having stated maturities on and after October 1, 2016, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on October 1, 2015, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

[b] The initial offering prices or yields are furnished by the Underwriter and represent the initial offering prices or yields to the public, which may be changed by the Underwriter at anytime.

SCHEDULE II

Description of Refunded Bonds*

Contract Revenue Refunding Bonds, Series 1998
(City of Sherman Project)

Principal Amount	Interest Rate	Maturity
$1,910,000	4.50%	09/30/2011

Redemption Date: 10-01-2008
Redemption Price: 100%

*Preliminary, subject to change.

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. C.2

**** RESOLUTION NO. 5223***
Authorizing the Expenditure of $3,000.00 in Matching Funds to the Texoma Council of Governments for Transportation Planning

Issue
The Sherman-Denison Metropolitan Planning Organization (MPO) has asked the City of Sherman to provide $3,000.00 as its portion of the local match needed to acquire the transportation planning funds made available from the Federal Transit Administration under Section 5307, Title 49 U.S.C.

Background
Federal Transit Administration Section 5307 Planning Funds are available to the Cities of Sherman and Denison through the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). These activities are carried on in cooperation with the Texas Department of Transportation. The City of Sherman's matching requirement for grant participation is $3,000.00 annually. This participation will allow us to have access to funds for public transit administration and planning (TAPS), the Operating Transportation Grant received by the Senior Citizens Transportation program, and Off-System Bridge Repair/Replacement (not on state highways or roads). These planning funds also could be available for efforts such as truck route studies, traffic counts to determine high hazardous intersections, and SAFETEA-LU required TxDOT projects for improvement to the State Transportation System. The professional staff of the MPO is available for traffic planning studies and information for planning purposes.

Origination
County Commissioner Gene Short, Chairman Sherman-Denison MPO

Financial Consideration
This year's local match of $3,000.00 is budgeted in fiscal year 2007 - 2008.

Staff Recommendation
It is recommended that the City Council adopt the attached resolution, authorizing the City staff to participate in the public transit administration and planning effort and that the grant match fee of $3,000.00 be approved.

Alternatives
The City Council could opt not to contribute Sherman's local match. This alternative would leave us without a voice on the MPO Board and would cause us to lose benefits attributable to the program.

Attachments
Resolution No. 5223; Request from MPO Transportation Chairman Gene Short dated June 2, 2008

Prepared by:
Jeff Miller, Director of Public Works

Approved by:
George Olson, City Manager

RESOLUTION NO. 5223

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXPENDITURE OF THREE THOUSAND DOLLARS ($3,000.00) IN MATCHING FUNDS TO THE TEXOMA COUNCIL OF GOVERNMENTS FOR TRANSPORTATION PLANNING; 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 Federal Transit Administration has available transportation planning funds for the Texoma Council of Governments acting as the Metropolitan Planning Organization; and

WHEREAS, 49 U.S.C. and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) requires local governments to contribute matching funds for the operation of the program;

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

SECTION 1. That the City Manager is hereby authorized and directed to expend Three Thousand Dollars and No Cents ($3,000.00) to the Texoma Council of Governments as the City's share of the matching funds for public transit administration and planning.

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

PASSED AND APPROVED on this the _____ day of ________________, 2008.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ________________________________
BILL MAGERS, MAYOR

BY: ________________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

____
DOREEN E. MCGOOKEY,
CITY ATTORNEY

SHERMAN-DENISON
METROPOLITAN PLANNING ORGANIZATION
INTERMODAL URBAN TRANSPORTATION PLANNING
www.sdmpo.org

June 2, 2008

Jeff Miller, Director of Public Works
City of Sherman
220 West Mulberry Street
Sherman, Texas 75090

Dear Mr.Miller:

President Bush signed into law the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). The Sherman - Denison Metropolitan Planning Organization (MPO) has been advised of the availability of planning funds from the Federal Transit Administration (FTA) under Section 5307 Title 49 U.S.C.

In accordance with Title 49 U.S.C. and the SAFETEA-LU, local governments must provide matching funds for the operation of this program. The MPO respectfully requests the City of Sherman provide $3,000, by resolution, as its portion of the local match needed to accomplish the required public transit administration and planning in support of the Section 5307 grant. The City of Denison has also been requested to provide $3,000.

Ten years ago we were able to reduce your needed local match amount by $ 1,000. We are glad to announce that because of state funding match ($11,000) for this important program we will be able to keep the required local match at the same level as last year. Additionally, we have been able to hold the line on budget increases for this program.

The attached administrative and planning budget is for your use as appropriate. This budget has been approved by the MPO, but is subject to State and FTA administrative changes. The SAFETEA-LU required annual listing of projects is also attached.

These transportation programs will provide an excellent return on the city's investment. As an example, the MPO has been able to set aside $ 10,000 annually to meet city specific needs. A copy of your last year's resolution is attached.

If you have any questions, please contact me at 813-3534.

Sincerely,

Gene Short

Gene Short
County Commissioner
Chairman Sherman - Denison MPO

enclosures

1117 Gallagher Drive Suite 300 Sherman, Texas 75090 Phone: (903) 813-3531 / 813-3534 FAX: (903) 813-3539

Sherman - Denison Urban Area

FTA SECTION 5307 ALLOCATION
FOR FY 2008

TASK	FTA FUNDING	Min. Required LOCAL SHARE[1]	TOTAL
Planning	$68,000	$17,000	$85,000
Capital[2]	$179,700	$32,438	$212,138
Operations (TAPS)	$448,228	$448,228	$896,456
TOTAL	**$695,928**	**$497,666**	**$1,193,594**

1. Planning requires $ 6,000 local share plus $11,000 additional offset by state match.
2. Capital items includes funds allocated for preventative maintenance of vehicles, ADA equipment and software upgrades.

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. C.3

**** RESOLUTION NO. 5224***

Renewing Guidelines and Criteria for the City of Sherman's Industrial Tax Abatement Program to Promote Development/Redevelopment in Certain Areas of the City

Issue
To renew the guidelines and criteria established for the City of Sherman's Industrial Tax Abatement Program

Background
The City is required by Texas law to renew its Industrial Tax Abatement Program guidelines and criteria every two years. The last renewal was approved at the June 19, 2006 Council meeting. This program, which began on July 18, 1988 with the City Council's adoption of Resolution No. 2455, is intended to promote industrial development and the creation of jobs. No changes are proposed to the current guidelines and criteria.

Origination
Assistant City Manager/CFO

Financial Consideration
There is no immediate impact to approving guidelines and criteria for the Industrial Tax Abatement Program. The impact of a particular abatement is judged when the abatement agreement is presented to the City Council.

Staff Recommendation
The staff recommends that the City Council approve the resolution.

Alternatives
The Council could decide not to participate in the Industrial Tax Abatement Program.

Attachments
Resolution No. 5224

Prepared by:
Robby Hefton, Assistant City Manager/CFO

Approved by:
George Olson, City Manager

RESOLUTION NO. 5224

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RENEWING GUIDELINES AND CRITERIA FOR THE CITY OF SHERMAN'S INDUSTRIAL TAX ABATEMENT PROGRAM TO PROMOTE DEVELOPMENT/REDEVELOPMENT IN CERTAIN AREAS OF THE CITY; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, by Resolution No. 4824, passed and approved on June 19, 2006, the City of Sherman declared its eligibility and intention to participate in the Tax Abatement Program to promote development/redevelopment in certain areas of the City and adopted Tax Abatement Guidelines and Criteria for use in all Tax Abatement Programs; and

WHEREAS, the City of Sherman is required to renew the guidelines and criteria adopted for this program every two years;

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

SECTION 1. That the City Council of the City of Sherman, Texas, hereby renews the following Tax Abatement Guidelines and Criteria for use in all Tax Abatement Programs, as required by law:

CITY OF SHERMAN'S
RENEWED TAX ABATEMENT GUIDELINES AND CRITERIA

1. A tax abatement agreement must be reasonably likely to contribute to the retention or expansion of primary employment or to attract a primary employer to make a major capital investment that will benefit the City of Sherman's economic development. Primary employers are those companies whose sales, service and shipments are ultimately used in statewide, national or international markets.

2. A tax abatement agreement will not be entered into where a company is only changing its location within Grayson County, without increasing the number of employees, significantly expanding the facilities, or unless failure to grant such abatement would mean the loss of the business operation in Grayson County.

3. Tax abatement agreements will be considered for both new facilities and structures and for the expansion or modernization of existing facilities and structures.

4. The City Council of the City of Sherman will approve or deny a tax abatement request based upon the subjective evaluation of the following guidelines and criteria. The Council may consider any advisory recommendations received from the Tax Reinvestment Advisory Committee as it may choose:

- Employment Impact

  How many jobs will be created by this project?

  How many current jobs will be retained by this project?

  What types of jobs will be created or retained?

  What will the annual total payroll of the created and/or retained jobs be, in current dollars and projected for each of the next five years?

- Fiscal Impact

  How much real and personal property will be added to the tax rolls, for each tax year covered by the abatement agreement?

  What is the economic life to the additional property?

  What effect will this project have on existing businesses or facilities?

  What is the total budget for this project, projected for each year covered by the abatement agreement?

  What capital expenditures will the project require of the City of Sherman?

- Community Impact

  What effect would the project have on the local housing market?

  Is the project compatible with existing long-range or comprehensive plans?

  What is the environmental impact of the project?

SECTION 2. That these Renewed Tax Abatement Guidelines and Criteria shall be effective immediately upon the passage of this resolution.

SECTION 3. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the _____ day of ________________, 2008.

CITY OF SHERMAN, TEXAS

BY: ______________________________
BILL MAGERS, MAYOR

ATTEST:

BY: ______________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

____
DOREEN E. MCGOOKEY,
CITY ATTORNEY

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. C.4

**** RESOLUTION NO. 5225***

Awarding a Bid to and Authorizing Execution of a Contract with Jerry Paul Higgins, Ltd. for Replacement of the Travis Street Water Main between U.S. Highway 75 and Washington Street

Issue

Contracting for the replacement of the Travis Street water main between U.S. Highway 75 and Washington Street

Background

The current Capital Improvement Program contains a project to replace the water main on Travis Street, between U.S. Highway 75 and Washington Street. Four (4) bidders responded to the request for bids. A bid tabulation is attached.

Origination

Department of Utilities Administration

Financial Consideration

Adequate funding for this project is included in this year's Capital Improvement Program.

Staff Recommendation

It is recommended that the contract for the replacement of the Travis Street water main be awarded to the low bidder, Jerry Paul Higgins, Ltd., in the amount of $140,562.19 and that the City Manager be authorized to execute the required contract documents.

Alternatives

As may be directed by the City Council

Attachments

Engineer's Recommendation with Bid Tabulation and Proposed Notice of Award
Resolution No. 5225
Contract
Location Map

Prepared by:
Mark Gibson, Utilities and Engineering Director

Approved by:
George Olson, City Manager

MORRIS ENGINEERS

May 29, 2008

Mark Gibson, P.E.
Director of Utilities & Engineering
City of Sherman
P.O. Box 1106
Sherman, Texas 75091-1106

RE: Travis Street Waterline between U.S. Highway 75 and Washington Street Recommendation of Award

Dear Mark,

Bids were accepted on May 29, 2008 for the construction of the Travis Street Waterline between U.S. Highway 75 and Washington Street in Sherman. The bids were in response to an Advertisement for Bids dated May 6, 2008. Your office published the advertisement in the Herald-Democrat. Individual notices were mailed from our office to nineteen (19) contractors. During the bidding period, six (6) prospective bidders picked up plans and specifications. A total of four (4) bids were received. Enclosed is a tabulation of those bids.

The lowest bid was submitted by Jerry Paul Higgins, Ltd., for the amount of $140,562.19. This contractor has successfully completed past construction work for the City of Sherman. I believe they are a responsible and competent contractor; therefore, I recommend that you award the project to Jerry Paul Higgins, Ltd. for the amount bid.

Enclosed is a Notice of Award for your use in so awarding the project. If you will sign, date, and return the notice to me, we will forward it to the contractor along with contracts for execution.

Please call me if you have any questions.

Sincerely,

Tim

Timothy L. Morris, P.E.

Enclosures
c: Jerry Paul Higgins, Ltd.
Project file

BID TABULATION
CITY OF SHERMAN
CONSTRUCTION OF TRAVIS STREET WATERLINE
BETWEEN U.S. HIGHWAY 75 AND WASHINGTON STREET
BID OPENING: MAY 29, 2008

				JERRY PAUL HIGGINS, LTD P.O. BOX 1865 SHERMAN, TX 75091		LYNN VESSELS CONSTR. P.O. BOX 1212 SHERMAN, TX 75091		DICKERSON CONST. P.O. BOX 181 CELINA, TX 75009		ADB UTILITY CONTRACT. 300 W. BROADWAY #1 PROSPER, TX 75078	
ITEM NO	ITEM DESCRIPTIONI	QTY.	UNIT	UNIT COST	TOTAL ITEM COST	UNIT COST	TOTAL ITEM COST	UNIT COST	TOTAL ITEM COST	UNIT COST	TOTAL ITEM COST
1	F&I 8" DIA. AWWA C900 SDR 18 PVC WATERLINE	1940	LF	35.55	68,967.00	54.05	104,857.00	55.00	106,700.00	90.64	175,841.60
2	F&I 6" DIA. AWWA C900 SDR 18 PVC WATERLINE	200	LF	36.25	7,250.00	53.76	10,752.00	70.00	14,000.00	82.50	16,500.00
3	F&I 8" DIA. AWWA GATE VALVES	5	EA	758.68	3,793.40	839.50	4,197.50	900.00	4,500.00	1,475.00	7,375.00
4	F&I 6" DIA. AWWA GATE VALVES	6	EA	520.64	3,123.84	585.35	3,512.10	700.00	4,200.00	1,100.00	6,600.00
5	F&I 2" DIA. AWWA GATE VALVES	1	EA	318.62	318.62	356.50	356.50	400.00	400.00	800.00	800.00
6	F&I FIRE HYDRANT ASSEMBLY	5	EA	2,268.88	11,344.40	3,294.75	16,473.75	3,000.00	15,000.00	3,750.00	18,750.00
7	F&I CEMENT LINED D.I. FITTINGS	1.12	TONS	5,262.20	5,893.66	6,776.79	7,590.00	6,000.00	6,720.00	3,500.00	3,920.00
8	PRICE FOR 14" STEEL ENCASEMT W/SPACERS	20	LF	46.16	923.20	46.00	920.00	80.00	1,600.00	195.00	3,900.00
9	F&I 5/8" TO 1" SERVICE CONNECTIONS										
A.	EAST SIDE	12	EA	177.25	2,127.00	805.00	9,660.00	1,250.00	15,000.00	550.00	6,600.00
B.	WEST SIDE	7	EA	1,041.55	7,290.85	1,017.75	7,124.25	600.00	4,200.00	1,200.00	8,400.00
10	F&I 1-1/2" TO 2" SERVICE CONNECTIONS										
	WEST SIDE	1	EA	1,528.64	1,528.64	2,731.25	2,731.25	2,250.00	2,250.00	1,350.00	1,350.00
11	F&I ASPHALT STREET REPAIR	2010	LF	10.59	21,285.90	16.10	32,361.00	21.00	42,210.00	29.50	59,295.00
12	F&I CONCRETE DRIVEWAY REPAIR	66	LF	50.38	3,325.08	59.80	3,946.80	45.00	2,970.00	55.00	3,630.00
13	FURNISH EQPT & LABOR TO INSTALL METER										
	BOX, METER LOOP, & METER FURN. BY CITY	5	EA	207.12	1,035.60	460.00	2,300.00	150.00	750.00	600.00	3,000.00
14	TRENCH EXCAVATION PROTECTION	2140	LF	0.75	1,605.00	0.29	620.60	2.00	4,280.00	1.00	2,140.00
15	PREPARE SWPPP	1	JOB	750.00	750.00	1,725.00	1,725.00	1,500.00	1,500.00	3,500.00	3,500.00
										*Condition not shown on bid	
	TOTAL BID				140,562.19		209,127.75		226,280.00		321,601.60
	BID BOND/CASHIER'S CHECK?				BB		BB		BB		BB
	ADDENDUM ACKNOWLEDGED?				Y		Y		Y		Y
	CONDITIONAL OR QUALIFIED BID?				N		N		N		Y*

I certify that the foregoing is a true and correct tabulation of all bids received in response to Advertisement for Bids dated May 7, 2008.

Timothy L. Morris, P.E. / Morris Engineers

NOTICE OF AWARD

To: ______Jerry Paul Higgins, Ltd.____________

______P.O. Box 1865____________________

______Sherman, TX 75091-1865__________

PROJECT Description: **Travis Street Waterline between U.S. Highway 75 and Washington Street**

The OWNER has considered the BID submitted by you for the above described WORK in response to its Advertisement for Bids dated May 7, 2008, and Information for Bidders.

You are hereby notified that your BID has been accepted for items in the amount of **$140,562.19**.

You are required by the Information for Bidders to execute the Agreement and furnish the required CONTRACTOR'S Performance BOND, Payment BOND and certificates of insurance within ten (10) calendar days from the date of this Notice to you.

If you fail to execute said Agreement and to furnish said BONDS within ten (10) days from the date of this Notice, said OWNER will be entitled to consider all your rights arising out of the OWNER's acceptance of your BID as abandoned and as a forfeiture of your BID BOND. The OWNER will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the OWNER.

Dated this ________ day of __________, 20___.

______City of Sherman______________________
Owner

By:____

Title:______________________________________

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged

by ____Jerry Paul Higgins, Ltd.__________________,

this the ____________ day of ______________, 20___.

By:______________________________________

Title:_____________________________________

RESOLUTION NO. 5225

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH JERRY PAUL HIGGINS, LTD. FOR REPLACEMENT OF THE TRAVIS STREET WATER MAIN BETWEEN U.S. HIGHWAY 75 AND WASHINGTON STREET; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That Jerry Paul Higgins, LTD. of Sherman, Texas, is hereby awarded the bid in the total amount of One Hundred Forty Thousand Five Hundred Sixty-Two Dollars and Nineteen Cents ($140,562.19) for replacement of the Travis Street Water Main between U.S. Highway 75 and Washington Street; 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 by the City Attorney, to execute a contract with Jerry Paul Higgins, LTD. for construction of the Travis Street Water Main Replacement, in accordance with the terms and provisions of all contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the _____ day of ________________, 2008.

CITY OF SHERMAN, TEXAS

BY: ________________________________
BILL MAGERS, MAYOR

ATTEST:

BY: ________________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: ________________________________
DOREEN E. MCGOOKEY,
CITY ATTORNEY

CITY OF SHERMAN §
COUNTY OF GRAYSON §

CONTRACT
BETWEEN THE CITY OF SHERMAN AND THE CONTRACTOR

THIS AGREEMENT is by and between the **CITY OF SHERMAN** ("CITY" or "OWNER") and

and **JERRY PAUL HIGGINS, LTD.** (" CONTRACTOR").

The **CITY** and **CONTRACTOR**, for the consideration set forth in Article 4 of the Contract and the mutual covenants expressed in this Contract, agree as follows:

ARTICLE 1 - PROJECT

1.01 CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. The Project is generally described as follows:

Travis Street Waterline Between U.S. Highway 75 and Washington Street

This Project will be completed with/without change orders and all extra work in connection with the project, as described in the contract documents, shall be at the CONTRACTOR'S sole cost and expense all the materials, supplies, machinery, equipment, tools, superintendence, labor, necessary and customary insurance, and other accessories and services necessary to complete the Project in accordance with the Contract Documents.

ARTICLE 2 – INDEPENDENT CONTRACTOR

2.01 CONTRACTOR is and throughout this Contract shall remain an INDEPENDENT CONTRACTOR and as such is the sole judge on how to perform the work required under this Contract.

ARTICLE 3 - CONTRACT TIMES

3.01 *Commencement of Contract*

A. CONTRACTOR agrees to commence work under this Contract on or before the date specified in the written "Notice to Proceed" of the CITY and to fully complete the contract within forty-five (45) calendar days following the specified date unless the period of completion is otherwise extended by this Contract.

B. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

3.02 *Liquidated Damages*

A. CONTRACTOR and CITY recognize that time is of the essence of this Contract and that CITY will suffer loss that is difficult to calculate if the Work is not completed within the times specified in paragraph 3.01 above, plus any extensions thereof allowed in accordance with paragraph 4.02 of the General Conditions. The parties also recognize the expense, and difficulties involved with a delay make it impossible to evaluate the actual loss suffered by CITY due to the nature of this project if the Work is not completed on time. Accordingly, CITY and CONTRACTOR agree that as liquidated damages for the delay (but not as a penalty), CONTRACTOR shall pay CITY $100.00 for each day that expires after the time specified in paragraph 3.01 f until the Work is substantially complete. If CONTRACTOR shall neglect, refuse, or fail to complete the remaining Work within the Contract Time or any proper extension thereof granted by CITY, CONTRACTOR shall pay CITY $100.00 for each day that expires after the time specified in paragraph 3.01 for completion and readiness for final payment until the Work is completed and ready for final payment. The parties agree that the amount of $100.00 represents a fair and reasonable estimate of the CITY'S damages.

ARTICLE 4 - CONTRACT PRICE/CONSIDERATION

4.01 CITY shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents an amount in current funds equal to the sum of the amounts determined pursuant to paragraphs 4.01.A and 4.01.B below:

A. For all Project work, a total Sum of:

<u>One Hundred and Forty Thousand and Five Hundred and Sixty-Two Dollars and nineteen cents</u> ($140.562.19)

B. If the payment for the Project is based on Unit Pricing, the Contract Price shall be as set forth in the Unit Pricing portion of the Proposal.

C. The above price reflects the consideration for the performance of this Contract.

ARTICLE 5 - PAYMENT PROCEDURES

5.01 *Submittal and Processing of Payments*

A. CONTRACTOR shall submit Applications for Payment in accordance with Article 5 of the General Conditions. Applications for Payment will be processed by the ENGINEER (defined in Article 9 of this Contract) as provided in the General Conditions.

ARTICLE 6 - CONTRACTOR'S REPRESENTATIONS

6.01 In order to induce CITY to enter into this Contract, CONTRACTOR makes the following representations:

A. CONTRACTOR has examined and carefully studied the Contract Documents and the other related data identified in the Bidding Documents.

B. CONTRACTOR has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
C. CONTRACTOR is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.

D. CONTRACTOR has carefully studied all Contract Documents and understands the Work and Performance required in the Contract Documents and represents to the CITY that CONTRACTOR is fully capable of completing the work specified in the Contract Documents.

E. CONTRACTOR has obtained and carefully studied (or assumes responsibility for having done so) all additional or supplementary examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface, and Underground Facilities) at or contiguous to the Site which may affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by CONTRACTOR, including applying the specific means, methods, techniques, sequences, and procedures of construction, if any, expressly required by the Contract Documents to be employed by CONTRACTOR, and safety precautions and programs incident thereto

F. CONTRACTOR does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.

G. CONTRACTOR is aware of the general nature of work to be performed by CITY and others at the Site that relates to the Work as indicated in the Contract Documents.

H. CONTRACTOR has correlated the information known to CONTRACTOR, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.

I. CONTRACTOR has given ENGINEER written notice of all conflicts, errors, ambiguities, or discrepancies that CONTRACTOR has discovered in the Contract Documents, and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.

J. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE 7 - CONTRACT DOCUMENTS

7.01 *Contents*

A. The Contract Documents consist of the following and are incorporated into this Contract for all purposes:

1. This Contract;
2. Advertisement for Bids;
3. Information for Bidders;
4. Bid
5. Bid Bond
6. Payment Bond;
7. Performance Bond;
8. General Conditions of Agreement;
9. Special Conditions of Agreement;
10. Notice of Award;
11. Notice to Proceed;
12. Contractor's Certification and Guarantee;
13. Consent of Surety to Final Payment;

14. Specifications: Section E and Section WP;
15. Any Change Orders;
16. Specifications prepared by Morris Engineers dated April 2008;
17. Drawings prepared by Morris Engineers numbered 1 of 10 through 10 of 10, and dated April 2008;
18. Addenda
    No. ____________, dated ________________, 20____.

B. There are no Contract Documents other than those listed above in this Article 7.

C. The Contract Documents may only be amended, modified, or supplemented as provided in Paragraph 9.09 of this Contract.

ARTICLE 8 – NOTICE

Any notice and/or statement required or permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing;

If intended for CITY to:	If intended for CONTRACTOR, to:
Designee: Mark Gibson, PE.	Designee: ____________________
Address: 220 W. Mulberry Sherman, Texas 75091	Address: ______________________________ ______________________________

ARTICLE 9 - MISCELLANEOUS

9.01 *Terms*

A. Terms used in this Contract will have the meanings indicated in the General Conditions.

B. In addition to the terms in the General Conditions, the term "ENGINEER" in this Contract shall mean a person designated as the ENGINEER by the City.

9.02 *Assignment of Contract*

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

9.03 *Successors and Assigns*

A. CITY and CONTRACTOR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

9.04 *Severability and Conflict*

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

B. If there are any conflicts between the Contract and the Contract Documents, the provisions in the Contract prevail over the provisions in the Contract Documents.

9.05 *Captions*

Section or other headings contained in this Contract are for reference purposes only and shall not affect in any way the meaning or interpretation of this Contract.

9.06 *INDEMENITY AND DUTY TO DEFEND*

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

B. CONTRACTOR IS EXPRESSLY REQUIRED TO DEFEND THE CITY AGAINST ALL CLAIMS FOR WHICH THE CITY BECOMES LIABLE. IN ITS SOLE DISCRETION, CITY SHALL HAVE THE RIGHT TO SELECT OR TO APPROVE DEFENSE COUNSEL TO BE RETAINED BY CONTRACTOR IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY CITY, UNLESS SUCH A RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING BY THE CITY MANAGER, APPROVED BY THE CITY ATTORNEY, AND PROPERLY AUTHORIZED BY THE CITY'S COUNCIL. 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 THE CITY OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY THE CITY PURSUANT TO THIS CONTRACT. CONTRACTOR SHALL RETAIN CITY APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF CITY'S WRITTEN NOTICE THAT CITY IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS CONTRACT. 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 IN DEFENSE OF CLAIMS FOR WHICH CONTRACTOR IS LIABLE UNDER THIS PARAGRAPH.

C. This indemnification and duty to defend is subject to and does not waive any governmental immunity available to the CITY under Texas law, and any defenses of the parties under Texas law. The provisions of this paragraph are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

9.08 *Deletion of Arbitration Clause*

The parties agree that Paragraph 6.03 entitled Arbitration in the General Conditions, is not binding on the parties. This paragraph is not designed to prevent the parties from mutually agreeing to select arbitration as a means of resolving any disputes related to this Contract. The parties, however, agree not to be bound by the terms of 6.03 entitled Arbitration in the General Conditions.

9.07 *Choice of Law: Venue.*

This contract, the entire relationship of the parties, and any litigation between the parties (whether grounded in contract, tort, statute, law or equity) shall be governed by, construed in accordance with, and interpreted pursuant to the laws of the State of Texas, without giving effect to its choice of laws principles. This contract is wholly performable in Grayson County, Texas. Exclusive venue for any litigation between the parties shall be brought in Grayson County, Texas, and shall be brought in the State District Courts of Grayson County, Texas, or in the United States District Court for the Eastern District of Texas. The parties waive any challenge to personal jurisdiction or venue (including without limitation a challenge based on inconvenience) in Grayson County, Texas, and specifically consent to the jurisdiction of the State District Courts of Grayson County, Texas, or in the United States District Court for the Eastern District of Texas, Sherman Division.

9.08 *Binding Authority*

By their signatures below, the individuals represent that they have reviewed Contract with their attorney and that the individuals have the express authority to enter into this Contract.

9.09 *Entire Agreement*

This Contract embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters in this Contract, and except as otherwise provided herein cannot be modified without written agreement of both the parties to be attached to and made a part of this Contract.

9.10 *Contract Interpretation*

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

IN WITNESS WHEREOF, CITY and CONTRACTOR have signed this Contract in duplicate. One counterpart each has been delivered to CITY and CONTRACTOR. All portions of the Contract Documents have been signed or identified by CITY and CONTRACTOR or on their behalf.

This Contract will be effective on ________________, ______ (which is the Effective Date of the Contract).

CITY: **CITY OF SHERMAN, TEXAS**

By: ______________________________

George Olson
City Manager

Attest ______________________________

City Clerk

CONTRACTOR: **JERRY PAUL HIGGINS, LTD.**

By: ______________________________

Attest ______________________________

Notary Public

Commission Expires: ____________________

Agent for service of process: ________________

____

(If CONTRACTOR is a corporation or a partnership, attach evidence of authority to sign.)

Approved as to form:

____

Doreen E. McGookey
City Attorney

City of Sherman, Texas

TRAVIS STREET between HWY 75 and WASHINGTON

PROJECT LOCATION MAP

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. C.5

**** RESOLUTION NO. 5226***
Awarding a Bid to and Authorizing Execution of a Contract with Lynn Vessels Construction, LLC to Replace an Existing Storm Sewer along Harrison Avenue

Issue
Contracting for replacement of a failing storm sewer along Harrison Avenue

Background
Approximately fifteen (15) months ago, staff discovered that a section of an existing storm sewer, between Lowell Avenue and Mulberry Street along Harrison Avenue, was failing. Temporary repairs to the pipe were made to keep the storm water flowing through the pipe and eventually to an open ditch south of Mulberry Street. To address the problem, the cost to replace the pipe was included in the 2007-2012 Capital Improvement Program (CIP) budget. Only one bid for the project was received on May 20, 2008 for $78,550.23. The City's engineering design consultant, Teague Nall and Perkins, Inc., has recommended that Lynn Vessels Construction, LLC be awarded the bid and contract.

Origination
Department of Public Works

Financial Consideration
Funds for this project are appropriated in the current year budget.

Staff Recommendation
Award the bid and authorize the City Manager to enter into a contract with Lynn Vessels Construction for replacement of the storm sewer.

Alternatives
Those as may be recommended by the City Council

Attachments
Recommendation from Teague Nall and Perkins, Inc.
Resolution No. 5226
Contract
Location Map

Prepared by:
Jeff Miller, Public Works Director

Approved by:
George Olson, City Manager

TNP TEAGUE NALL AND PERKINS

Civil Engineering | Surveying | Landscape Architecture | Planning

May 21, 2008

Mr. Jeff Miller
City of Sherman
220 W. Mulberry Street
Sherman, Texas 75090

RE: Harrison Avenue Storm Drain Replacement
Contract Recommendation
TNP Job No: SHN 08131

Dear Mr. Miller,

On Tuesday May 20, 2008, bids were received at the Department of Engineering and Planning for the replacement of the Harrison Avenue Storm Drain project. The low bidder was Lynn Vessels Construction LLC with a base bid of $78,550.23. After checking their references, we recommend that the city award the contract to Lynn Vessels Construction LLC.

Thank you for the opportunity to work with the City on this project and please do not hesitate to call if you need any additional information.

Sincerely,

TEAGUE NALL AND PERKINS INC.

Chris Schmitt

Chris Schmitt, P.E.

RESOLUTION NO. 5226

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC TO REPLACE AN EXISTING STORM SEWER ALONG HARRISON AVENUE; 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 Lynn Vessels Construction, LLC of Sherman, Texas, is hereby awarded the bid in the total amount of Seventy-Eight Thousand Five Hundred Fifty Dollars and Twenty-Three Cents ($78,550.23) for replacement of an existing storm sewer along Harrison Avenue; 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 by the City Attorney, to enter into a contract with Lynn Vessels Construction, LLC for the Harrison Avenue Storm Sewer Replacement, in accordance with the terms and provisions of the contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the _____ day of ________________, 2008.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: ______________________________
BILL MAGERS, MAYOR

BY: ______________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: ______________________________
DOREEN E. MCGOOKEY,
CITY ATTORNEY

CITY OF SHERMAN § **CONTRACT**
COUNTY OF GRAYSON §

PROJECT NO. SHN08131

This Contract, made and entered into this 10th day of June, 2008, by and between the **City of Sherman**, Texas, hereinafter called "Owner or City," and **LYNN VESSELS CONSTRUCTION, LLC** hereinafter called "CONTRACTOR".

WITNESSETH:

For and in consideration of the payment, agreements and conditions hereinafter mentioned, and under the conditions expressed in the bonds herein, Contractor hereby agrees to complete the construction of improvements described as follows:

HARRISON AVENUE STORM DRAIN REPLACEMENT

in the City of Sherman, Texas, and all extra work in connection therewith, under the terms as stated in the Standard Specifications for Public Works Construction as it may be amended from time to time (hereinafter called "Standard Specifications"), and under the terms of the Special Provisions of this Contract; and at his, her or their own proper cost and expense to furnish all superintendence, labor, insurance, equipment, tools and other accessories and services necessary to complete the said construction in accordance with all the Contract documents, incorporated herein as if written word for word, and in accordance with the plans, which include all maps, plats, blueprints, and other drawings and printed or written explanatory manner therefore, and the specifications as prepared by **Teague, Nall & Perkins Inc.** hereinafter called **Engineer**, who has been identified by the endorsement of the Contractor's written proposal, these General Provisions of the Standard Specifications, the Special Provisions of the Contract, the payment, performance, and maintenance bonds hereto attached; all of which are made a part hereof and collectively evidence and constitute the entire Contract.

The Contractor hereby agrees to commence work within Ten (10) days after the date written notice to do so shall have been given to him or her and to complete same within 90 calendar days after the date of written notice to commence work.

The Owner agrees to pay the Contractor in current funds for the performance of the Contract in accordance with the proposal submitted therefore, subject to additions and deductions, as provided therein.

This Contract is entered into subject to the Charter and ordinances of Owner, as they may be amended from time to time, and is subject to and is to be construed, governed and enforced under all applicable State of Texas and federal laws. Situs of this Contract is agreed to be Grayson County, Texas, for all purposes including performance and execution.

If any of the terms, sections, subsection, sentences, clauses, phrases, provisions, covenants, or conditions of this Contract is held for any reason to be invalid, void or unenforceable, the remainder of the terms, sections, subsections, sentences, clauses, phrases, provisions, covenants, or conditions of this Contract shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

Owner reserves the right to terminate this agreement immediately upon breach of any term or provision of the Contract by Contractor; or, if any time during the term of this Contract, Contractor shall fail to commence the work in accordance with the provisions of this Contract or fail to diligently provide Services in an efficient, timely, and careful manner and in strict accordance with the provisions of this Contract or fail to use an adequate number or quality of personnel and equipment to complete the work or fail to perform any of its obligations under this Contract, then Owner shall have the right, if Contractor shall not cure any such default after thirty (30) days written notice thereof, to terminate the Contract and complete the work in any manner it deems desirable, including engaging the Services of other parties therefore. Any such act by Owner shall not be deemed a waiver of any other right or remedy of Owner. If after exercising any such remedy the cost to Owner of the performance of the balance of the work is in excess of that part of the Contract sum which has not theretofore been paid to Contractor hereunder, Contractor shall be liable for and shall reimburse Owner of such excess.

No right or remedy granted herein or reserved to the parties is exclusive of any other right or remedy herein by law or equity provided or permitted; but, each shall be cumulative of every other right or remedy given hereunder. No covenant or condition of this Contract may be waived without consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this Contract.

Contractor's status shall be that of an independent Contractor and not an agent, servant, employee or representative of Owner in the performance of this Contract. No term or provision of, or act of Contractor or Owner under this Contract shall be construed as changing that status.

Owner and Contractor each bind themselves, their successors, executors, administrators and assigns to the other party to this Contract. Neither Owner nor Contract will assign, sublet, sub-contract or transfer any interest in this Contract without the written consent of the other party. No assignment, delegation of duties or subcontract under this Contract will be effective without the written consent of Owner.

It is further agreed that one or more instances of forbearance by the City in the exercise of its rights herein shall in no way constitute a waiver thereof.

The parties agree that any reference to arbitration in any of the conditions of the contract documents is not binding on the parties. The parties desire an expeditious means to resolve any disputes that may arise between them regarding this Contract. If either party disputes any matter relating to this Contract, the parties agree to try in good faith, before bringing any legal action, to settle the dispute by submitting the matter to mediation before a third party who will be selected by agreement of the parties. The parties will each pay one-half of the mediator's fees.

INDEMENITY

A. CONTRACTOR AGREES TO DEFEND, INDEMNIFY AND HOLD CITY, ITS OFFICERS, AGENTS AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM, INCLUDING ATTORNEYS FEES, FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY CONTRACTOR'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, OR BY ANY NEGLIGENT OR STRICTLY LIABLE ACT OR OMISSION OF CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THIS AGREEMENT; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OR FAULT OF CITY, ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRING NEGLIGENCE OF THE CONTRACTOR AND THE CITY, RESPONSIBILITY AND LIABILITY, IF ANY, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, SUBJECT TO AND WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW, AND ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

Venue. This contract, the entire relationship of the parties, and any litigation between the parties (whether grounded in contract, tort, statute, law or equity) shall be governed by, construed in accordance with, and interpreted pursuant to the laws of the State of Texas, without giving effect to its choice of laws principles. Exclusive venue for any litigation between the parties shall be brought in Grayson County, Texas, and shall be brought in the State District Courts of Grayson County, Texas, or in the United States District Court for the Eastern District of Texas. The parties waive any challenge to personal jurisdiction or venue (including without limitation a challenge based on inconvenience) in Grayson County, Texas, and specifically consent to the jurisdiction of the State District Courts of Grayson County, Texas, or in the United States District Court for the Eastern District of Texas, Sherman Division.

By their signatures below, the individuals represent that they have reviewed Contract with their attorney, or after have been given the opportunity to confer with an attorney, the parties have voluntarily chose not to do so, and that the individuals have the express authority to enter into this Contract.

This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of both the parties to be attached to and made a part of this Agreement.

IN WITNESS WHEREOF, the parties of these presents have executed this agreement in the year and date first written above.

OWNER OR CITY: **CITY OF SHERMAN, TEXAS**

____

By: ______________________________

City Manager

ATTEST:

____

City Clerk

CONTRACTOR: **LYNN VESSELS CONSTRUCTION, LLC.**

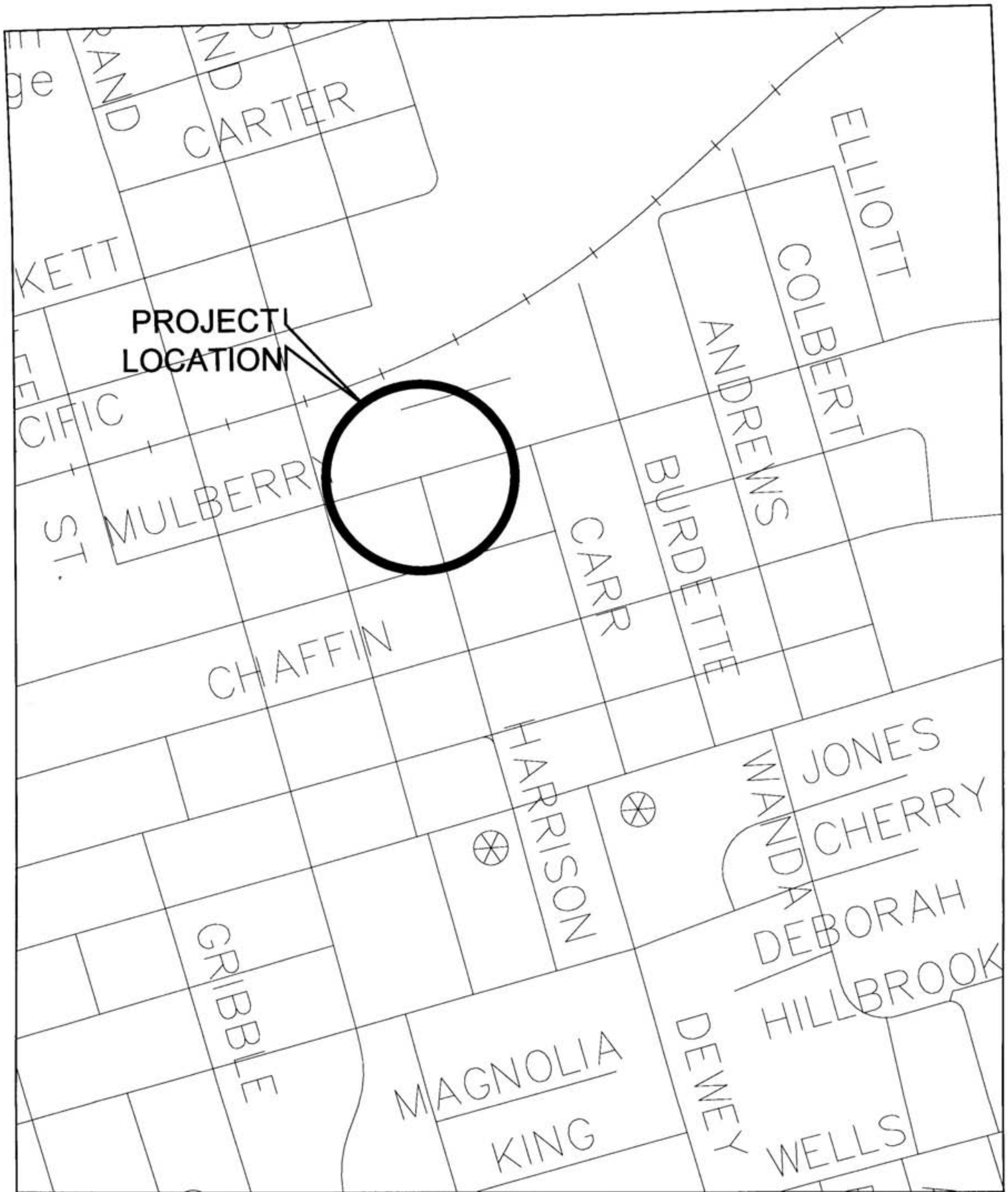
____

By: Lynn Vessels

Stefanie Michael

Notary Public

Stefanie Michael
State of Texas
Expires 3-2-2011
Notary Public



City of Sherman, Texas

HARRISON AVENUE STORM SEWER REPLACEMENT

PROJECT LOCATION MAP

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. C.6

**** RESOLUTION NO. 5227***

Authorizing the Purchase of Replacement Residential Trash and Recycling Carts through the Houston-Galveston Area Council of Governments (H-GAC) for the Solid Waste Services Department

Issue

To consider approval of a resolution to purchase replacement residential trash and recycling carts through the Houston-Galveston Area Council of Governments (H-GAC) for use within the Solid Waste Services Department

Background

Maintaining and periodically replacing residential automated trash carts is an important part of the solid waste program, both for our residents and to assure more efficient collection. The typical life of an automated cart is about ten (10) years, but can be shorter based upon a number of factors, including exposure to the elements and collection equipment mechanical malfunctions. As we enter the twelfth year of our automated trash collection program and the eighth year of our recycling program, we need to continue our replacement program for aging or broken carts. It is also important to maintain a supply of carts for new homes and accommodate requests for extra carts. Due to the extremely high cost of purchasing recycling carts in our current teal color, staff is recommending the purchase of new carts in the lower cost universal blue recycling color (see bid tab). Purchasing automated carts from H-GAC conforms to the requirements of Texas statutes that are applicable to competitive bids and competitive proposals. No product or service is offered by H-GAC that has not been subjected to either competitive bid or competitive proposal process.

Origination

Department of Public Works

Financial Consideration

Funds for the purchase of new 100-gallon automated carts (both trash and recycling) were appropriated in the 2007-2008 fiscal year operating budget. Toter, Inc. was the H-GAC vendor that offered the lowest bid price for the type of cart used by the City.

Staff Recommendation

It is recommended that the staff be authorized to acquire residential trash and recycling carts through H-GAC.

Alternatives

Those as may be recommended by the City Council

Attachments

Resolution No. 5227; Bid Tabulation; H-GAC Interlocal Agreement

Prepared by:
Jeff Miller, Director of Public Works

Approved by:
George Olson, City Manager

RESOLUTION NO. 5227

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF REPLACEMENT RESIDENTIAL TRASH AND RECYCLING CARTS THROUGH THE HOUSTON-GALVESTON AREA COUNCIL OF GOVERNMENTS (H-GAC) FOR THE SOLID WASTE SERVICES DEPARTMENT; 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 to purchase, through the Houston-Galveston Area Council of Governments (H-GAC), Residential Solid Waste Roll Out Carts at a purchase price of Forty-Five Dollars and Eighty-Nine Cents ($45.89) per cart and Recycling Roll Out Carts at a purchase price of Forty-Nine Dollars and Thirty-Three Cents ($49.33), in accordance with the terms and conditions of the Interlocal Participation Agreement attached hereto and made a part hereof for all purposes. Any agreements related to the purchase must be approved by the City Attorney.

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

PASSED AND APPROVED on this the _____ day of ________________, 2008.

CITY OF SHERMAN, TEXAS

BY: ______________________________
BILL MAGERS, MAYOR

ATTEST:

BY: ______________________________
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: ______________________________
DOREEN E. MCGOOKEY,
CITY ATTORNEY

BID TAB
AUTOMATED TRASH/RECYCLING CARTS

VENDOR	BID TRASH	BID RECYCLE	REMARKS
H-GAC	$45.89	$49.33	Recycle cart available in **BLUE** only
Texas Buy Board (Otto Environmental)	$51.11	$51.11	Recycle cart available in **BLUE** only
El Monte Plastic	No Bid	$64.50	To replace recycle cart in **TEAL** color

HOUSTON-GALVESTON AREA COUNCIL
INTERLOCAL AGREEMENT

ILA NUMBER: 91-15399?

THIS INTERLOCAL AGREEMENT ("Agreement"), made and entered into pursuant to the Interlocal Cooperation Act (Article 4413(32c) V.T.C.S.) by and between the Houston-Galveston Area Council, hereinafter referred to as H-GAC, having its principal place of business at 3555 Timmons Lane, Suite 500, Houston, Texas 77027 and CITY OF SHERMAN hereinafter referred to as the local government having its principal place of business at 400 N. RUSK, SHERMAN, TX 75090.

WITNESSETH:

WHEREAS, H-GAC is a regional planning commission created under Acts of the 59th Legislature, Regular Session, 1965, recodified as Chapter 391 Texas Local Government Code; and

WHEREAS, H-GAC has entered into an agreement with the local government on the 18TH day of MARCH, 19 91 and

WHEREAS, the local government desires to purchase certain governmental administrative functions, goods or services; and

WHEREAS, H-GAC hereby agrees to perform the scope of services outlined in Article 5 as hereinafter specified in accordance with the Agreement, and

NOW, THEREFORE, H-GAC and the local government do hereby agree as follows:

ARTICLE 1 LEGAL AUTHORITY

The local government warrants and assures H-GAC that it possesses adequate legal authority to enter into this Agreement. The local government's governing body has authorized the signatory official(s) to enter into this Agreement and bind the local government to the terms of this Agreement and any subsequent amendments hereto.

ARTICLE 2 APPLICABLE LAWS

H-GAC and the local government agree to conduct all activities under this Agreement in accordance with all applicable rules, regulations, ordinances and laws in effect or promulgated during the term of this Agreement.

ARTICLE 3 WHOLE AGREEMENT

The Interlocal Agreement and Attachments, as provided herein, constitute the complete Agreement between the parties hereto, and supersedes any and all oral and written agreements between the parties relating to matters herein. Except as otherwise provided herein, this Agreement cannot be modified without written consent of the parties.

ARTICLE 4 PERFORMANCE PERIOD

The period of this Interlocal Agreement shall be for the (balance of) fiscal year of the local government which begins 10/31/90, 19__ and ends 10/31/91, 19__. This contract shall thereafter automatically be renewed annually for each succeeding fiscal year, provided that such renewal shall not have the effect of extending the period in which the local government may make any payment due H-GAC beyond the fiscal year in which such obligation was incurred under this Agreement.

H-GAC or the local government may cancel this Agreement at any time upon 30 days written notice to the other party to this Agreement. The obligations of the local government, including its obligation to pay H-GAC for all costs incurred under this Agreement prior to such notice shall survive such cancellation, as well as any other obligation incurred under this Agreement, until performed or discharged by the local government.

ARTICLE 5 SCOPE OF SERVICES

The local government appoints H-GAC its true and lawful purchasing agent for the purchase of certain materials and services through the Council's Cooperative Purchasing Program, as enumerated through the submission of a duly executed purchase order, order form or resolution. All material purchased hereunder shall be in accordance with specifications established by H-GAC.

The materials and services shall be procured in accordance with procedures governing competitive bidding by H-GAC; and at the unit prices and administrative fee as indicated in the current H-GAC Order Form and Price Lists.

Ownership (title) of material purchased shall transfer directly from the vendor to the local government. The local government agrees to provide H-GAC with documentation of receipt and acceptance of material within five (5) days of acceptance of same.

ARTICLE 6 PAYMENTS

The local government agrees that, upon the presentation by H-GAC of a properly documented, verified proof of performance and a statement of costs H-GAC has incurred in accordance with the terms of this Agreement, it shall pay H-GAC, from current revenues available to the local government during the current fiscal year, on or before the date of the delivery of materials and services to be provided under this agreement.

ARTICLE 7 CHANGES AND AMENDMENTS

Any alterations, additions, or deletions to the terms of this Agreement which are required by changes in Federal and State law or regulations are automatically incorporated into this Agreement without written amendment hereto, and shall become effective on the date designated by such law or regulation.

H-GAC may, from time to time, require changes in the scope of the services offered through the H-GAC Cooperative Purchasing Program to be performed hereunder.

ARTICLE 8 TERMINATION PROCEDURES

Either H-GAC or the local government may cancel or terminate this Agreement upon thirty (30) days written notice by certified mail to the other party. In the event of such termination prior to completion of any purchase provided for herein, the local government agrees to pay for services on a prorated basis for materials and services actually provided and invoiced in accordance with the terms of this Agreement, including penalties, less payment of any compensation previously paid.

ARTICLE 9 SEVERABILITY

All parties agree that should any provision of this Agreement be determined to be invalid or unenforceable, such determination shall not effect any other term of this Agreement, which shall continue in full force and effect.

ARTICLE 10 FORCE MAJEURE

To the extent that either party to this Agreement shall be wholly or partially prevented from the performance within the term specified of any obligation or duty placed on such party by reason of or through strikes, stoppage of labor, riot, fire, flood, acts of war, insurrection, accident, judgement, act of God, or specific cause reasonably beyond the parties' control and not attributable to its neglect or nonfeasance, in such event, the time for the performance of such obligation or duty shall be suspended until such disability to perform is removed. Determination of force majeure shall rest solely with H-GAC.

ARTICLE 11 VENUE

Venue and jurisdiction of any suit, or cause of action arising under or in connection with the Agreement shall lie exclusively in Harris County, Texas.

This instrument, in duplicate originals, has been executed by the parties hereto as follows:

CITY OF SHERMAN
Local Government

BY [signature]

TALMADGE N. BUIE
CITY MANAGER DATE 3/18/91

Name & Title of Signatory
(PLEASE TYPE)

HOUSTON-GALVESTON AREA COUNCIL

BY [signature] Date 7/27/91
Manager of Cooperative Purchasing

BY [signature] Date 4/3/91
Jack Steele
Executive Director

March 28, 1991

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. D.1

**** OTHER BUSINESS***

Final Plat Approval of the Garcia Addition, being 1.12 acres in the G.B. Pilant Survey, Abstract No. 963; Alysia Garcia, Owner (1400 Block of East Lake Street)

Issue
To consider Final Plat approval of the Garcia Addition

Background
The property is located in the 1400 block of East Lake Street, between First Street and the railroad tracks. This is the redevelopment of existing property that has never been platted.

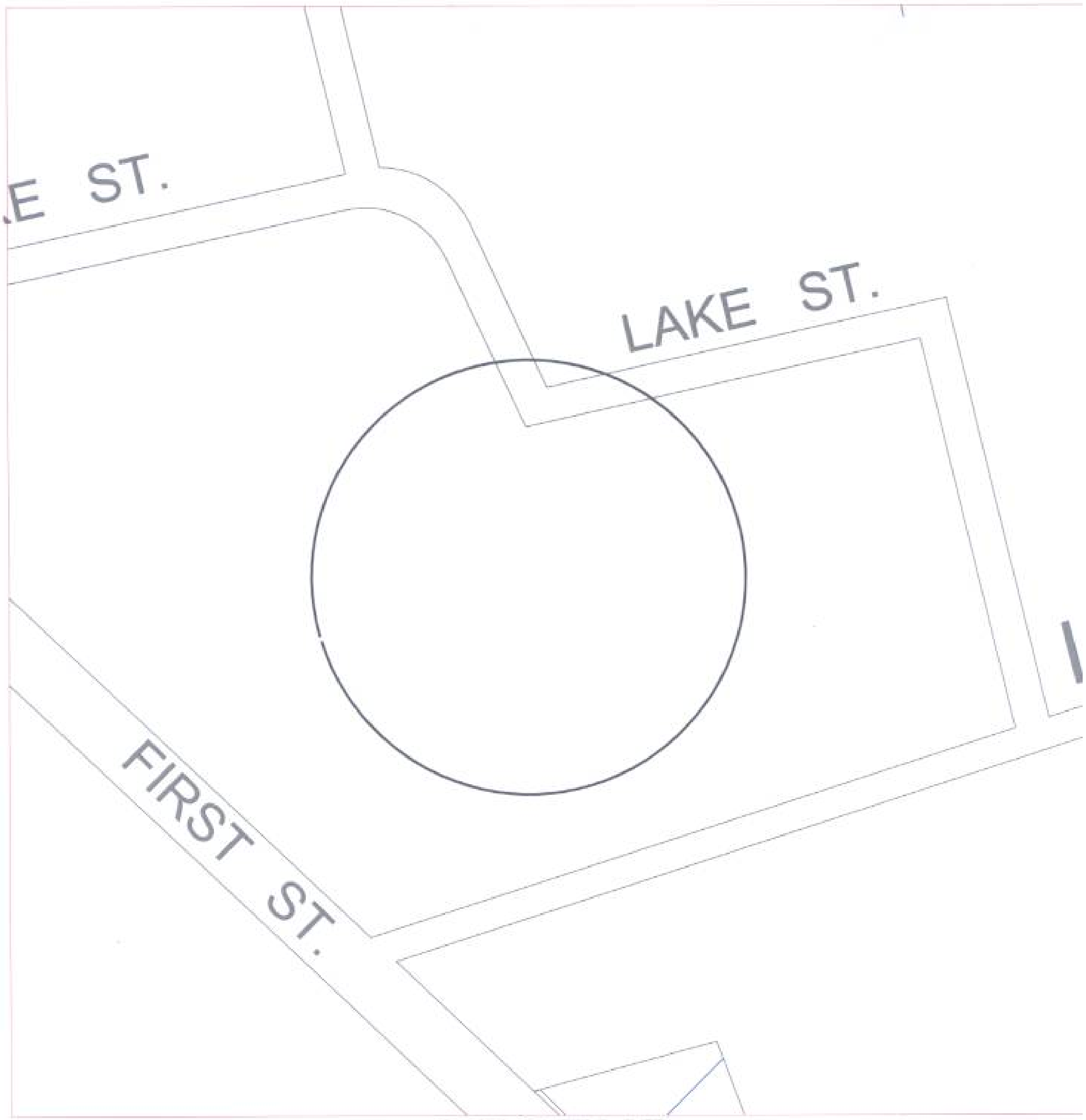
Origination
Alysia Garcia (Owner); Sartin & Associates (Surveyors)

Board Recommendation
At the May 20, 2008 regular meeting, the Planning and Zoning Board voted unanimously to recommend to the City Council that the Final Plat be approved.

Attachments
Location Map
Photos
Plat
P&Z Communication
Staff Review Letter

Prepared by:
Scott Shadden, Development Services Director

Approved by:
George Olson, City Manager



LEGEND

R-A	SINGLE FAMILY AGRICULTURAL DISTRICT
SF-1	SINGLE FAMILY RESIDENTIAL DISTRICT
R-1	ONE AND TWO FAMILY RESIDENTIAL DISTRICT
R-2	MULTI-FAMILY RESIDENTIAL DISTRICT
C-1	RETAIL BUSINESS DISTRICT
C-2	GENERAL COMMERCIAL DISTRICT
CO	OFFICE DISTRICT
M-1	LIGHT MANUFACTURING DISTRICT
M-1.5	MEDIUM MANUFACTURING DISTRICT
M-2	HEAVY MANUFACTURING DISTRICT
M H	MANUFACTURED HOUSING DISTRICT
	BLALOCK INDUSTRIAL PARK
O-1	OVERLAY DISTRICT - 75 & 82
O-1.1	OVERLAY DISTRICT - 1417
O-1.2	OVERLAY DISTRICT -SAM RAYBURN FREEWAY
CPO	COLLEGE PARK OVERLAY
A&C	ARTS & CULTURAL OVERLAY DISTRICT
CBD	CENTRAL BUSINESS DISTRICT

1400 BLOCK OF EAST LAKE STREET FINAL PLAT

ENGINEERING DEPARTMENT

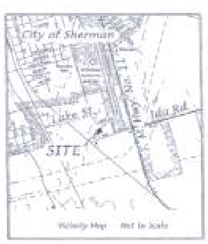

Lake Street
Scale: 1 inch = 100.0 feet
(c) Copyright

NOTICE: Selling a portion of this addition by metes and bounds is a violation of city ordinance and state law and is subject to fines and withholding of utilities and building permits.

GARCIA'S ADDITION

to the

CITY of SHERMAN, TEXAS



Vicinity Map   Not to Scale

Owner & Developer

Alysia Garcia
P.O. Box 73
Sherman, Texas 75090
903-436-1348

SARTIN & ASSOCIATES, INC.
Registered Professional Land Surveyors
109 S. Travis, P. O. Box 1843   Sherman, Texas 75091 - 1843
Ph.: (903) 893-8008 · Fax: (903) 868-7570

AGENDA ITEM #19

City of Sherman

Planning and Zoning Commission

Board of Adjustments

Agenda Communication Form

May 20, 2008

1400 Block of East Lake Street
1.12 acres in the G.B. Pilant Survey, Abstract No. 963
Final Plat

Requested Action/Proposed Use:
Approval of Final Plat of the Garcia Addition.

Background
This is redevelopment of existing property that has never been platted.

Adjacent Zoning:
R-1 (One and Two Family Residential) District.

Origination:
Alysia Garcia (Owner) and Sartin & Associates (Surveyors).

Master Plan Designation:
Residential

Attachments:
Location map
Photographs
Final Plat
Staff Review

Prepared by:
Rita Gaither,
Planning & Development Coordinator

Approved by:
Mark Gibson,
Director of Utilities & Engineering Services

STAFF REVIEW LETTER

April 14, 2008

Alysia Garcia
PO Box 773
Sherman, Texas 75091

Dear Applicants,

The request for approval of a Final Plat of the Garcia Addition concerning the property located at 1400 Block of East Lake Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, May 20, 2008 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Show Lot 1, Block 1 to clarify that the two tracts area being platted into one.
2. Original tax certificates shall be furnished for the purpose of recording the plat.
3. Letters from the various utility providers are required verifying availability of service and when service will be available. (City will acquire)
4. Water pro-rata of $1,500.00 is required.
5. The sewer service shall be extended to the property.
6. The field notes refer to a 0.789 acre tract and the drawing has 0.769 acre tract and they refer to a 1.200 acre tract in lieu of the 1.12 acre tract. Appropriate corrections shall be made to the field notes.
7. This lot has no street frontage as required. A variance is required prior to approval of plat.
8. Remove the electric service line notation from the plat.
9. Any other changes made to the final plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

The Board will not consider a request unless it has representation. You are hereby notified to be present, either in person or by a legally authorized representative to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Rita Gaither, Development Coordinator at 903-892-7212 prior to the meeting.

Respectfully,

Mark Gibson
Director of Utilities and Engineering

cc:	George Olson, City Manager	Jeff Miller, Director of Public Works
	Rita Gaither, Development Coordinator	Danny Fuller, Fire Marshal
	Doreen E. McGookey, City Attorney	Angela Gurley, Customer Service Manager
	Sartin & Associates Survey Company, P.O. Box 1843, Sherman, Texas 75090	

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. D.2

OTHER BUSINESS

Final Plat Approval of the Jane Allen Ellis Addition; Monroe Bank, Trustee for Jane Allen Ellis Trust, Owners (1828 Texoma Parkway)

Issue

To consider Final Plat approval of the Jane Allen Ellis Addition

Background

The property is located at the southwest corner of Texoma Parkway and Taylor Street. The owner would like to plat this property into one lot to construct a Walgreen's Pharmacy at this location.

Origination

Monroe Bank, Trustee for Jane Allen Ellis Trust (Owners); The Bousquet Group, Inc., Travis Bousquet (Representative); and JNI Investments (Developer)

Board Recommendation

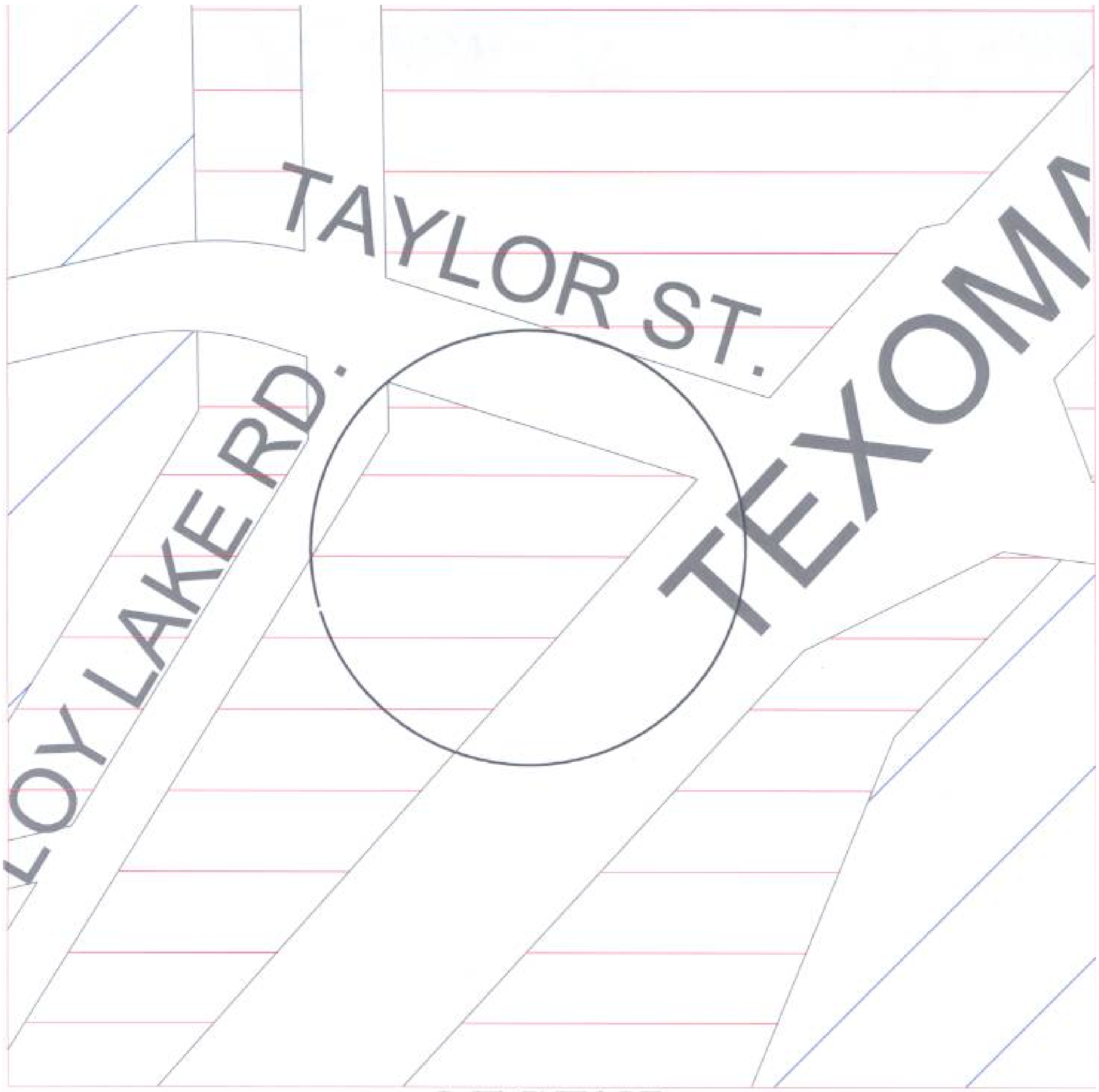
At the May 20, 2008 regular meeting, the Planning and Zoning Board voted unanimously to recommend to the City Council that the Final Plat be approved.

Attachments

Location Map
Photos
Plat
P&Z Communication
Staff Review Letter

Prepared by:
Scott Shadden, Development Services Director

Approved by:
George Olson, City Manager



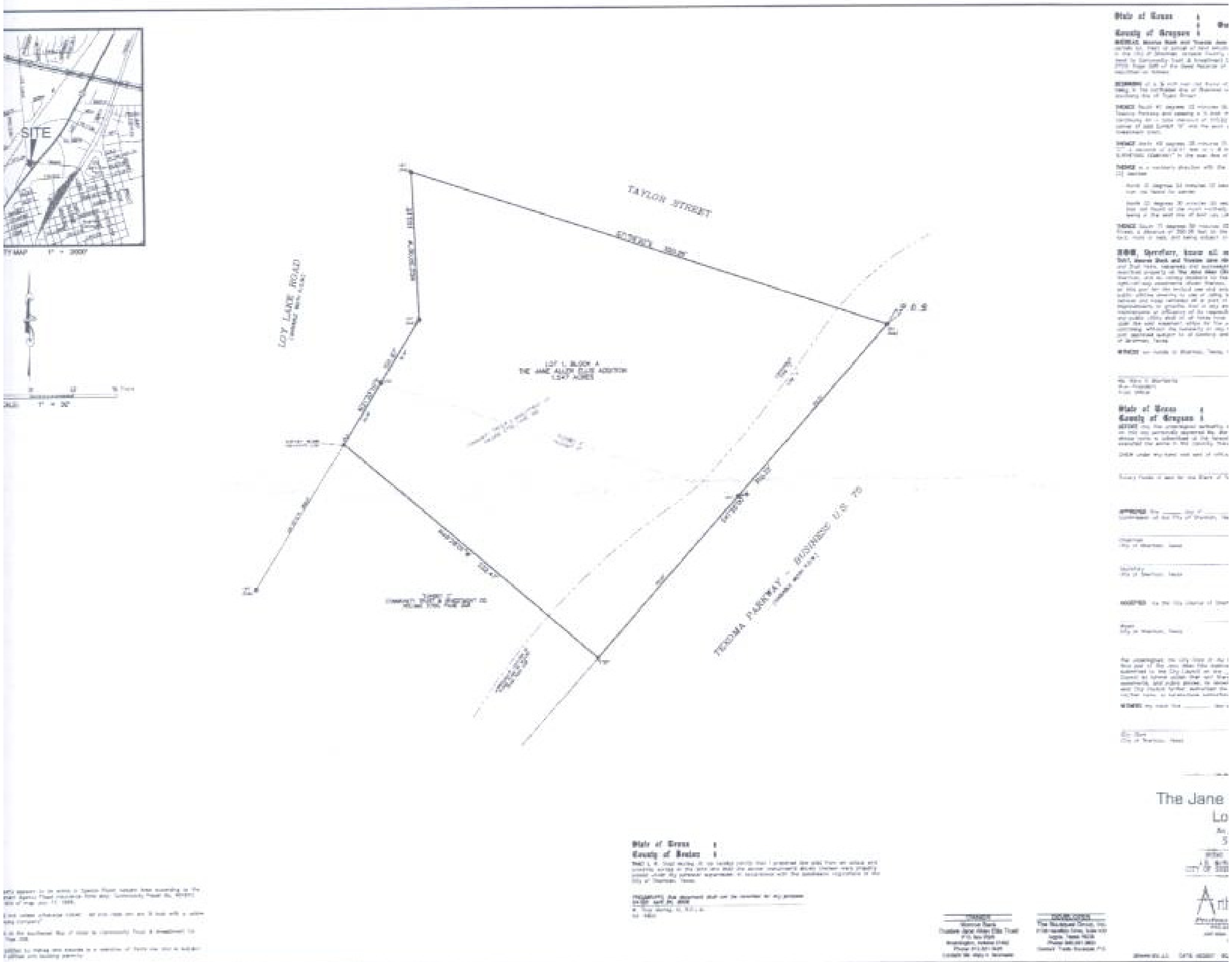
LEGEND

	R-A	SINGLE FAMILY AGRICULTURAL DISTRICT
	SF-1	SINGLE FAMILY RESIDENTIAL DISTRICT
	R-1	ONE AND TWO FAMILY RESIDENTIAL DISTRICT
	R-2	MULTI-FAMILY RESIDENTIAL DISTRICT
	C-1	RETAIL BUSINESS DISTRICT
	C-2	GENERAL COMMERCIAL DISTRICT
	CO	OFFICE DISTRICT
	M-1	LIGHT MANUFACTURING DISTRICT
	M-1.5	MEDIUM MANUFACTURING DISTRICT
	M-2	HEAVY MANUFACTURING DISTRICT
	M H	MANUFACTURED HOUSING DISTRICT
		BLALOCK INDUSTRIAL PARK
	O-1	OVERLAY DISTRICT - 75 & 82
	O-1.1	OVERLAY DISTRICT - 1417
	O-1.2	OVERLAY DISTRICT -SAM RAYBURN FREEWAY
	CPO	COLLEGE PARK OVERLAY
	A&C	ARTS & CULTURAL OVERLAY DISTRICT
	CBD	CENTRAL BUSINESS DISTRICT

1828 TEXOMA PARKWAY FINAL PLAT

ENGINEERING DEPARTMENT


Taylor
Texoma Pa



SITE
TAYLOR STREET
LOY LAKE ROAD
LOT 1, BLOCK A
TEXOMA PARKWAY - BUSINESS U.S. 75
P.O.B.
State of Texas
County of Grayson
The Jane

AGENDA ITEM #13

City of Sherman

Planning and Zoning Commission

Board of Adjustments

Agenda Communication Form

May 20, 2008

Jason Sofey, Chairman

Jim Jacobs, Vice Chairman	**John Nix, Commissioner**
Jason Bethel, Commissioner	**Steve Jones, Commissioner**
Lawrence Davis, Commissioner	**David Plyler, Commissioner**
Brad Morgan, Commissioner	**Robin Atherton, Commissioner**

1828 Texoma Parkway
Being 1.547 aces in the J.B. McAnair Survey, Abstract No. 763
Final Plat

Requested Action/Proposed Use:
Final Plat of Jane Allen Ellis Addition (Walgreen's Pharmacy).

Background
This is the final plat for property currently zoned C-2 (General Commercial) District. The property has never been platted.

Adjacent Zoning:
C-2 (General Commercial) District

Origination:
Monroe Bank, Trustee for Jane Allen Ellis Trust (Owners), The Bousquet Group, Inc., Travis Bousquet (Representative) and JNI Investments (Developer)

Master Plan Designation:
Retail/Commercial

Attachments:
Location map
Photos
Final Plat
Staff Review Letter

Prepared by:	**Approved by:**
Rita Gaither,	**Scott Shadden,**
Planning & Developmental Coordinator	**Director of Developmental Services**

STAFF REVIEW LETTER

April 14, 2008

Monroe Bank
Trustee Jane Allen Ellis Trust
P.O. Box 2329
Bloomington, IN 47402

The Bousquet Group, Inc.
Travis Bousquet
2126 Hamilton Drive #430
Argyle, TX 76226

JNI Investments
12050 Vance Jackson, Ste. 102
San Antonio, TX 78230

Dear Applicants,

The request for approval of a Final Plat of the Jane Allen Ellis Addition concerning the property located at 1828 Texoma Parkway has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, May 20, 2008 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Original tax certificates shall be furnished for the purpose of recording the plat.
2. Letters from the various utility providers are required verifying availability of service and when service will be available. (City will acquire)
3. The floodplain line shall be tied by dimensions to lot corners for location.
4. The plat shall show right-of-way of existing streets and names of adjacent plats.
5. Any other changes made to the final plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

The Board will not consider a request unless it has representation. You are hereby notified to be present, either in person or by a legally authorized representative to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Rita Gaither, Development Coordinator at 903-892-7212 prior to the meeting.

Respectfully,

Mark Gibson
Director of Utilities and Engineering

cc: George Olson, City Manager
Rita Gaither, Development Coordinator
Doreen E. McGookey, City Attorney
Jeff Miller, Director of Public Works
Danny Fuller, Fire Marshal

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. D.3

**** OTHER BUSINESS***

Consideration to Ordinance No. 2684, Section 26, Subsection 12(E)(2) for a Variance to Allow a Lot with No Public Street Frontage in an R-1 (One Family Residential) District in the 1400 Block of East Lake Street, being 1.12 acres in the G.B. Pilant Survey, Abstract No. 963 (Alysia Garcia, Owner)

Issue

To consider the request of Alysia Garcia (Owner) and Sartin and Associates (Surveyors) for special consideration for a variance to allow a lot with no public street frontage in an R-1 (One Family Residential) District in the 1400 block of East Lake Street

Background

The property is located in the 1400 block of East Lake Street, between First Street and the railroad tracks. The lot is situated behind two other lots with a 30' general access easement. The owner would like to construct a single family home on this lot.

Origination

Alysia Garcia (Owner) and Sartin and Associates (Surveyors)

Board Recommendation

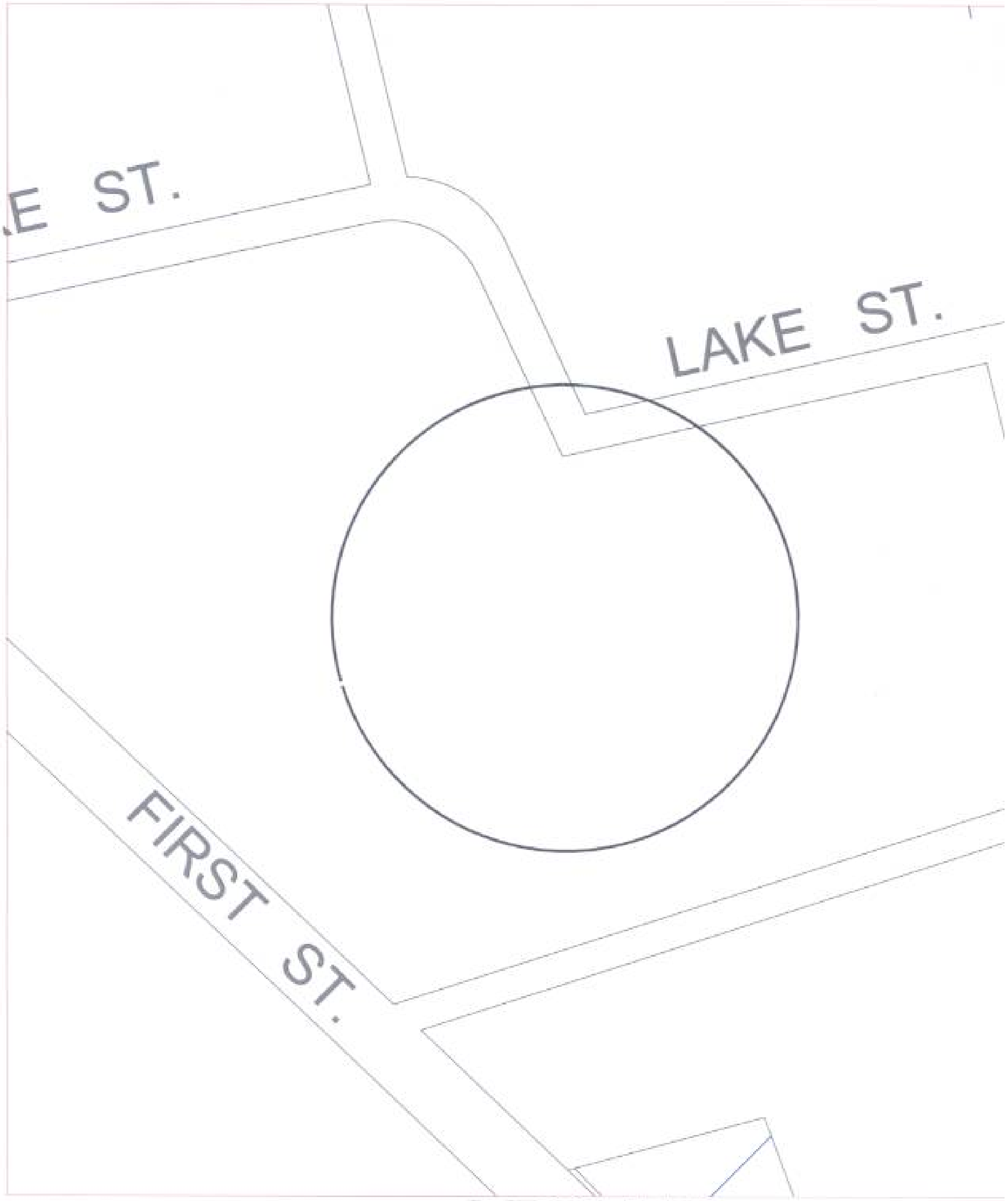
At the regular meeting on May 20, 2008, the Planning and Zoning Board voted 6/0 to approve the variance and forward the request to the City Council.

Attachments

Location Map
Photographs
Site Plan
P&Z Communications Form
Staff Review Letter

Prepared by:
Scott Shadden, Development Services Director

Approved by:
George Olson, City Manager



LEGEND

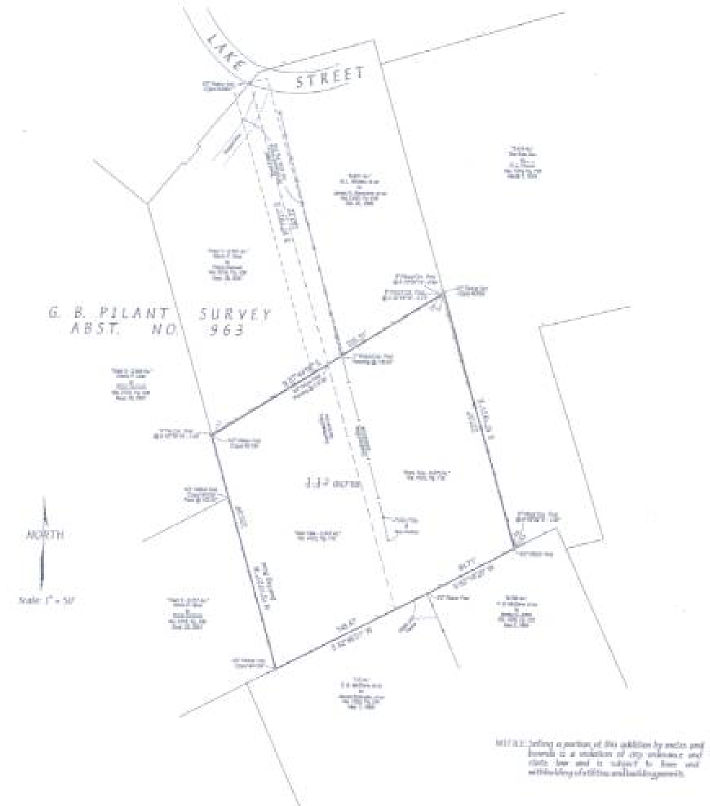
R-A	SINGLE FAMILY AGRICULTURAL DISTRICT
SF-1	SINGLE FAMILY RESIDENTIAL DISTRICT
R-1	ONE AND TWO FAMILY RESIDENTIAL DISTRICT
R-2	MULTI-FAMILY RESIDENTIAL DISTRICT
C-1	RETAIL BUSINESS DISTRICT
C-2	GENERAL COMMERCIAL DISTRICT
C O	OFFICE DISTRICT
M-1	LIGHT MANUFACTURING DISTRICT
M-1.5	MEDIUM MANUFACTURING DISTRICT
M-2	HEAVY MANUFACTURING D
M H	MANUFACTURED HOUSING
	BLALOCK INDUSTRIAL PARK
O-1	OVERLAY DISTRICT - 75 & 8
O-1.1	OVERLAY DISTRICT - 1417
O-1.2	OVERLAY DISTRICT -SAM R
CPO	COLLEGE PARK OVERLAY
A&C	ARTS & CULTURAL OVERLA
CBD	CENTRAL BUSINESS DISTRI

1400 BLOCK OF EAST LAKE STREET VARIANCE

ENGINEERING DEPARTMENT


Lake Street
Scale: 1 inch = 100.0 feet
(c) Copyright 200

1400 BLOCK E. LAKE



GARCIA'S ADDITION
to the
CITY of SHERMAN, TEXAS

Owner & Developer

Alysia Garcia
P.O. Box 73
Sherman, Texas 75090
903-436-1346

SARTIN & ASSOCIATES, INC.
Registered Professional Land Surveyors
109 S. Travis, P.O. Box 1843   Sherman, Texas 75091-1843
Ph. (903) 893-8003 · Fax (903) 868-7978

SHEET 1 OF 2
AGARCIA.pcs

AGENDA ITEM #18

City of Sherman

Planning and Zoning Commission

Board of Adjustments

Agenda Communication Form

May 20, 2008

Jason Sofey, Chairman

1400 Block of East Lake Street
Being 1.12 acres in the G. B. Pilant Survey, Abstract No. 963
Variance

Requested Action/Proposed Use:
Variance to allow a lot with no public street frontage in an R-1 (One Family Residential) District.

Background
The property is located in the 1400 block of East Lake Street between First Street and the railroad tracks. The lot is located behind two other lots with a 30’ general access easement. The owner would like to construct a single family home on this lot.

Adjacent Zoning:
R-1 (One Family Residential) District

Origination:
Alysia Garcia (Owner) and Sartin and Associates (Surveyors) Care Partners Management Group, LP (Prospective Buyer) and Thomas D. Scott (Representative)

Master Plan Designation:
Residential

Number of notices mailed:
8

Objections received:
0

Attachments:
Location map, Photos, Site Plan, Staff Review Letter

Prepared by:
Patsy Reeves,
Developmental Services Secretary

Approved by:
Scott Shadden,
Director of Developmental Services

STAFF REVIEW LETTER

April 14, 2008

Alysia Garcia
PO Box 773
Sherman, Texas 75091

Sartin & Associates
P.O. Box 1843
Sherman, Texas 75090

Dear Applicants,

The request for approval of a variance to allow a lot with no public street frontage in an R-1 (One Family Residential) District concerning the property located in the 1400 Block of East Lake Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, May 20, 2008 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

<u>Engineering:</u>

10. This variance is for one lot and will not apply to a second lot even if the property is replatted.
11. The easement for access is private in nature and no maintenance or services will be provided by the City.
12. Solid Waste pickup will not be provided to the site. The receptacle will need to be placed on Lake Street.
13. A driveway permit will be required to improve this access when a building permit is issued and inspection will be performed by the City of Sherman Engineering Department.

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

If additional information or clarification is needed, do not hesitate to contact Rita Gaither, Development Coordinator at 903-892-7212 prior to the meeting.

Respectfully,

Mark Gibson
Director of Utilities and Engineering

cc: George Olson, City Manager
Rita Gaither, Development Coordinator
Doreen E. McGookey, City Attorney
Jeff Miller, Director of Public Works
Danny Fuller, Fire Marshal
Scott Shadden, Director Developmental Services

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. D.4

CITIZEN REQUESTS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. D.5

MEDIA QUESTIONS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. D.6

COUNCIL COMMENTS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. D.7

ADJOURNMENT

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL
Agenda Communication Form

From: The Office of the City Manager **Date:** 6-16-2008

Subject: Agenda Item No. N/A

COUNCIL CALENDAR

2008
CITY COUNCIL MEETINGS

JANUARY

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

FEBRUARY

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

MARCH

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

APRIL

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

MAY

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

JUNE

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

JULY

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

AUGUST

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

SEPTEMBER

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

OCTOBER

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

NOVEMBER

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

DECEMBER

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

01/21/08 - M.L.K., Jr. Birthday - Called Council Meeting on 01/22/08
02/29/08 - 12:00 Noon Called Meeting with Chamber Board
05/10/08 - City Council Election
05/13/08 - 12:00 Noon Called Meeting to Canvass Election Results
05/22/08 - 6:00 PM Called Meeting for Comprehensive Plan Community Forum
05/29/08 - 6:00 PM Called Meeting for Comprehensive Plan Community Forum
06/10/08 - 12:00 Noon Budget Planning Meeting in Council Chambers
07/17-18/08 - Budget Workshop in Council Chambers
09/01/08 - Labor Day - Called Council Meeting on 09/02/08