CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, JUNE 1, 2009
5:00 P.M.

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

A.2 PLEDGE OF ALLEGIANCE

A.3 INVOCATION BY MAYOR BILL MAGERS

A.4 APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF MAY 18, 2009

Public Hearing

B.1 PUBLIC HEARING
Final Statement/Action Plan for Program Year 2009 Community Development Block Grant

B.2 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5605
Closing and Abandoning a Portion of North Porter Street from East Brockett Street to East Richards Street in the City of Sherman, Grayson County, Texas; Conveying the Interest in Said Right-of-Way to the Abutting and Adjacent Property Owner, Austin College

B.3 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5606
Closing and Abandoning a 15-foot Alley in Block Four (4) of the W.P. Carter's Addition to the City of Sherman, Grayson County, Texas, Bounded by Broughton Street, Throckmorton Street, College Street and Carter Street, as Recorded in Volume 25, Page 196 of the Grayson County Deed Records; Conveying the Interest in Said Right-of-Way to the Abutting and Adjacent Property Owner, Lazy L Enterprises

Close Public Hearing and Consider Adoption of Ordinances

B.4 ADOPTION OF ORDINANCES
Consider Adoption of Ordinance Numbers:
a) 5605
b) 5606

B.5 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. 5363*

Authorizing Publication of the Proposed Final Statement/Action Plan for the Community Development Block Grant for Fiscal Year 2009; Authorizing Submission of the Block Grant Application; Authorizing Execution of Certain Assurances of Compliance in Connection with the Administration and Conduct of the Community Development Program for Fiscal Year 2009

C.2 RESOLUTION NO. 5364

Authorizing Execution of a Deed Without Warranty to Austin College for the Conveyance of a Portion of Right-of-Way being North Porter Street from East Brockett Street to East Richards Street in the City of Sherman, Grayson County, Texas

C.3 RESOLUTION NO. 5365

Authorizing Execution of a Deed Without Warranty to Lazy L Enterprises for the Conveyance of a 15-foot Alley in Block Four (4) of the W. P. Carter's Addition to the City of Sherman, Texas, Bounded by Broughton Street, Throckmorton Street, College Street and Carter Street, said Property to be Maintained as a Utility Easement

C.4 ** RESOLUTION NO. 5366*

Authorizing Execution of an Employment Contract with Sharon A. Malone, M.D. as Licensed Medical Director for Emergency Medical Services; Providing for a Statement of Medical Direction; Providing for Automatic Renewal

C.5 ** RESOLUTION NO. 5367*

Awarding a Bid to and Authorizing Execution of a Contract with Bound Tree Medical, LLC for EMS Medical and Medicinal Supplies to be Used by the Sherman Fire Department

C.6 RESOLUTION NO. 5368

Relating to Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 2009 (City of Sherman Project); Approving the Issuance Thereof and the Refunding of Certain Outstanding Bonds of the Authority

Requests to Advertise

D.1 ** REQUEST TO ADVERTISE*

Pecan Grove Park Development – Phase II

D.2 ** REQUEST TO ADVERTISE*

Janitorial Cleaning Services

Other Business

D.3 OTHER BUSINESS
Receive Presentation from Thomas W. Nuckols of the Texoma Parks and Trails Alliance and Robert W. Minshew of Downtown Sherman Preservation and Revitalization concerning the Comprehensive Master Plan

D.4 CITIZEN REQUESTS

D.5 MEDIA QUESTIONS

D.6 COUNCIL COMMENTS

Executive Session

E.1 EXECUTIVE SESSION
In Accordance with Chapter 551, Government Code, V.T.C.S. (Open Meetings Law), "The City Council Will Now Hold a Closed Executive Meeting Pursuant to the Provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon's Texas Codes Annotated, in Accordance with the Authority Contained in the Following Sections"

Section 551.074 Personnel Matters:
Consider the Qualifications, Appointment or Removal of Members to Boards and Commissions:
a) Sherman Housing Authority Board (2)

The Council reconvenes into General Session

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

F.2 ADJOURNMENT

COUNCIL CALENDAR

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

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:** 6-1-2009

Subject: Agenda Item No. A.2

PLEDGE OF ALLEGIANCE

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. A.3

INVOCATION BY MAYOR BILL MAGERS

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. A.4

APPROVE MINUTES
THE REGULAR CITY COUNCIL MEETING OF MAY 18, 2009

STATE OF TEXAS §

May 18, 2009

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 May 18, 2009.

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

MEMBERS ABSENT: **NONE.**

CALL TO ORDER — **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 Robert Softly.

APPROVE MINUTES — **APPROVE MINUTES**

The Council reviewed the Minutes of the Called City Council (Budget Planning) Meeting of April 29, 2009 and the Regular City Council Meeting of May 4, 2009. Council Member Steele moved to approve the Minutes as presented; Second by Deputy Mayor Wacker. All present voted AYE.
MOTION CARRIED.

OATH OF OFFICE — **OATH OF OFFICE CERTIFICATE OF ELECTION**

OATH OF OFFICE AND PRESENTATION OF CERTIFICATE OF ELECTION

Mayor Magers recognized the families of Council Members that were in attendance in the audience to watch the Oath of Office.

Linda Ashby, City Clerk, administered the Oath of Office to the following Council-elect positions. All positions were unopposed, so the City was able to cancel the Election this year.

Mayor	**Bill Magers**
Council Member, At-Large, Place 1	**Willie Steele**
Council Member, At-Large, Place 2	**Cary Wacker**

A Certificate of Election was presented to each of the newly sworn-in Council Members. The new members were seated at the Council table.

NEW COUNCIL SEATED — **NEW COUNCIL SEATED**

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

MEMBERS ABSENT:
None.

COUNCIL ELECTION OF DEPUTY MAYOR — **ELECTION OF DEPUTY MAYOR**

Mayor Magers asked for nominations for the Office of Deputy Mayor.

ACTION TAKEN.

Motion by Council Member Adami to elect Council Member Joe Smith to serve as Deputy Mayor, for a term from May 18, 2009 to May 8, 2010. Second by Deputy Mayor Wacker.

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

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES — **ORD 5604 SUP FOR AMUSEMENT CENTER**

Mayor Magers introduced Ordinance 5604 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A COMMERCIAL AMUSEMENT CENTER IN A C-2 (GENERAL COMMERCIAL) DISTRICT AND THE O-1 (75 & 82) OVERLAY DISTRICT AT 2510 TEXOMA PARKWAY, BEING 3.92 ACRES IN THE REUBEN HENDRIX SURVEY, ABSTRACT NO. 504 (PLITT PLAZA JOINT VENTURE, OWNERS; MOVIE TAVERN EXPRESS, TENANT; AND TERENCE JOHNSON, REPRESENTATIVE); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.

No citizens appeared before the City Council to discuss Ordinance 5604.

The Ordinances were introduced and the Public Hearing was closed. — **CLOSE PUBLIC HEARING**

ADOPTION OF ORDINANCES

Ordinance 5604 — **ORD 5604 SUP FOR AMUSEMENT CENTER**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A COMMERCIAL AMUSEMENT CENTER IN A C-2 (GENERAL COMMERCIAL) DISTRICT AND THE O-1 (75 & 82) OVERLAY DISTRICT AT 2510 TEXOMA PARKWAY, BEING 3.92 ACRES IN THE REUBEN HENDRIX SURVEY, ABSTRACT NO. 504 (PLITT PLAZA JOINT VENTURE, OWNERS; MOVIE TAVERN EXPRESS, TENANT; AND TERENCE JOHNSON, REPRESENTATIVE); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.

Scott Shadden, Director of Development Services, explained that they are going to add a game room similar to the one at Chuck E. Cheese.

ACTION TAKEN.

Motion by Council Member Steele to approve Ordinance No. 5604, as presented. Second by Council Member Softly.

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

CONSENT AGENDA — **CONSENT AGENDA**

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

RESOLUTIONS

RESOLUTION NO. 5361 – AUTHORIZING EXECUTION OF A SERVICE AGREEMENT WITH SOUTHWESTERN BELL TELEPHONE, L.P. D/B/A AT&T TEXAS FOR MAINTENANCE OF THE SHERMAN POLICE DEPARTMENT'S UNIVERSAL EMERGENCY NUMBER SERVICE (E911) HARDWARE — **RES 5361 E-911 MAINTENANCE AT POLICE DEPT.**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A SERVICE AGREEMENT WITH SOUTHWESTERN BELL TELEPHONE, L.P. D/B/A AT&T TEXAS FOR MAINTENANCE OF THE SHERMAN POLICE DEPARTMENT'S UNIVERSAL EMERGENCY NUMBER SERVICE (E-911) HARDWARE.
CONSENT AGENDA.

RESOLUTION NO. 5362 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH INTRADO, INC. FOR THE PROVISION OF AUTOMATIC LOCATION IDENTIFICATION ("ALI") MANAGEMENT IMPLEMENTATION (E-911 DATABASE) SERVICES TO THE SHERMAN POLICE DEPARTMENT — **RES 5362 E-911 DATABASE IMPLEMENTATION**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH INTRADO, INC. FOR THE PROVISION OF AUTOMATIC LOCATION IDENTIFICATION ("ALI") MANAGEMENT IMPLEMENTATION (E-911 DATABASE) SERVICES TO THE SHERMAN POLICE DEPARTMENT.
CONSENT AGENDA.

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

COUNCIL AUDIT COMMITTEE (3) — **COUNCIL AUDIT COMMITTEE**

Mayor Magers asked if all Council Members wanted to continue to serve on the board on which they were already serving. If they did, he suggested that all appointments be made with one motion.

Council Members Cary Wacker, Chip Adami, and Deputy Mayor Joe Smith did want to continue serving on the Council Audit Committee. Their terms would be from May 19, 2009 to June 2010.

INVESTMENT COMMITTEE (2) — **INVESTMENT COMMITTEE**

Council Members Willie Steele and Robert Softly did want to continue serving on the Investment Committee. Their terms would be from May 19, 2009 to May 2010.

TAX REINVESTMENT COMMITTEE (2) — **TAX REINVESTMENT COMMITTEE**

Deputy Mayor Joe Smith and Council Member Chip Adami did want to continue serving on the Tax Reinvestment Committee. Their terms would be from May 19, 2009 to May 2010.

TAX INCREMENT FINANCING BOARD #1 (3) — **TAX INCREMENT FINANCING BOARD #1**

Mayor Bill Magers and Council Members Willie Steele and Chip Adami did want to continue serving on the Tax Increment Financing Board #1. Their terms would be from May 19, 2009 to May 2010.

TAX INCREMENT FINANCING BOARD #2 (3) — **TAX INCREMENT FINANCING BOARD #2**

Mayor Bill Magers and Council Members Willie Steele and Chip Adami did want to continue serving on the Tax Increment Financing Board #2. Their terms would be from May 19, 2009 to May 2010.

TAX INCREMENT FINANCING BOARD #3 (3) — **TAX INCREMENT FINANCING BOARD #3**

Mayor Bill Magers and Council Members Willie Steele and Chip Adami did want to continue serving on the Tax Increment Financing Board #3. Their terms would be from May 19, 2009 to May 2010.

ACTION TAKEN.

Motion by Council Member Wacker to reappoint the aforementioned Council Members to the respective boards for terms as designated. Second by Council Member Softly.

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

CITIZENS REQUESTS

FLOODING, EROSION, AND POLLUTION ISSUES — **FLOODING, EROSION & POLLUTION ISSUES**

Ernestine Harrell, 2600 Nantucket Drive, appeared to tell the City Council about flooding, erosion, and pollution problems in the creek behind her house. She also presented a packet of photos of the culvert on the creek.

Ms. Harrell said she was representing homes in the 2600 block of Nantucket, four houses in the 2500 block of Nantucket, and the homes on Vancouver Place. She recognized several of the neighbors that were in attendance in the audience.

She wanted to raise awareness on the flooding, erosion, and pollution issues on the creek that flows under Vancouver Place. The culvert is too small and constricts the volume of storm water drainage. She said the problem is compounded by new construction upstream.

Ms. Harrell said there is approximately 80 square feet of storm water drainage through the culvert and the bottom of the culvert is standing in water which causes mosquito and pollution problems.

The drainage basin for that creek extends north of Highway 82 and merges with the creek from Dean Gilbert Retention Lake downstream behind the homes on Vancouver. A bridge on Lamberth Road also crosses this creek even further downstream.

Ms. Harrell showed several photos of the flooding and pollution from the June 2007 flood as she described the situation. The erosion is also about to expose a sewer line. Several sanitary sewer openings are also near the creek and covered with water during flooding. According to Ms. Harrell, new construction upstream is also causing pollution and toxins in the creek.

The North Haven Addition is projected to have 68 new homes and Ms. Harrell estimated a 2,000 square foot footprint for the house, garage, driveway and street, which would total 136,000 square feet of unaccounted storm water runoff under the culvert at Vancouver Place. There are two retention ponds that are designated in the North Haven Addition.

Ms. Harrell was also concerned about construction of the new medical facility between U.S. Highway 82 and Cypress Grove Road and the additional runoff that will drain to the same culvert. She added that there is no storm water drainage pond to contain water from the medical facility. She also addressed flooding damage at the Roy Logston Tank Battery on Prairie Grove and the possible pollution from that site.

Ms. Harrell suggested using a bridge, such as the one on Lamberth Road, to replace the culverts at Vancouver Place to open up the drainage.

She added that there are 18 homes on Nantucket Drive and Vancouver Place with a combined value of $3,699,500 being adversely affected, either directly or indirectly, by these issues. She thanked the City Council for any help they could give for the flooding and erosion problems.

Mayor Magers explained that since the item was not an agenda item, the City Council is unable to comment directly on the item, however they can ask questions.

Mayor Magers asked if the problems happen only during heavy deluges or anytime it rains. Ms. Harrell said she only purchased the house in 2004, but the floodwater has been 18 inches inside her garage. A gentleman from the audience said it happens every time it rains. Ms. Harrell said the water actually backs up behind the culvert and acts as a dam. The

culvert itself doesn't allow much water to run through before it backs up. Deputy Mayor Smith verified that debris is not the problem. Water is the problem.

Mayor Magers said the City is looking at all waterways and does not want to make emotional decisions. The Council needs to look at the big picture and determine how everything will fit together for flooding. He added that they will direct the staff to see what can be done.

Ms. Harrell said one of the major issues is that building permits continue to be issued for upstream building that do not address the flooding issues that they are encountering.

Mayor Magers said the City will continue to issue permits upstream. He added that there are engineering retention ponds, and while they don't cure all flooding, the City is taking steps to try and develop in a smart manner. He said that Sherman will grow and develop.

MEDIA QUESTIONS

COUNCIL STANDING COMMITTEES — **COUNCIL STANDING COMMITTEES**

Kathy Williams, Herald Democrat Reporter, asked for a list of the standing Council Committees to which Members were appointed earlier in the Meeting.

TEXOMA COUNCIL OF GOVERNMENTS GOVERNING BODY (1) — **TCOG**

Mayor Magers asked Council Members if they would like to consider an appointment to the Texoma Council of Governments Governing Body without going into Executive Session. He asked if any other Council Member would like to serve on the Board.

ACTION TAKEN.

Motion by Council Member Steele to reappoint Deputy Mayor Joe Smith to the Texoma Council of Governments Governing Body for a term from June 1, 2009 to June, 2012. Second by Council Member Wacker.

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

COUNCIL COMMENTS

APOLOGY TO FAMILY — **APOLOGY TO FAMILY**

Council Member Wacker apologized for not inviting her family to attend the Council Meeting. Several of her family members live out of town.

PARKS AND RECREATION BROCHURE — **PARKS & REC BROCHURE**

Council Member Adami complimented the staff on the Parks and Recreation Brochure that was recently mailed to citizens. He added it was great to see information on all the services and activities offered by the City.

SERVICE ON THE CITY COUNCIL

SERVICE ON CITY COUNCIL

Mayor Magers said this is his final term as Mayor and it is an honor and a pleasure to work with the other Council Members. He felt that the City has a good team and he thanked them for their service.

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

EXECUTIVE SESSION

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

SECTION 551.074	**PERSONNEL MATTERS: CONSIDER THE QUALIFICATIONS, APPOINTMENT OR REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS: TEXOMA COUNCIL OF GOVERNMENTS GOVERNING BODY (1)**

Council Members decided not to go into Executive Session prior to making appointments to the Texoma Council of Governments Governing Body.

ADJOURNMENT

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 5:31 p.m.

_____

MAYOR

_____

CITY CLERK

May 18, 2009
City Council Meeting
Sherman, Texas

We are here to raise awareness to the flooding, erosion and pollution issues on the creek that flows under Vancouver Place.

The culvert is to small and constricts the volume of storm water drainage. The problem is now compounded by the new construction upstream.

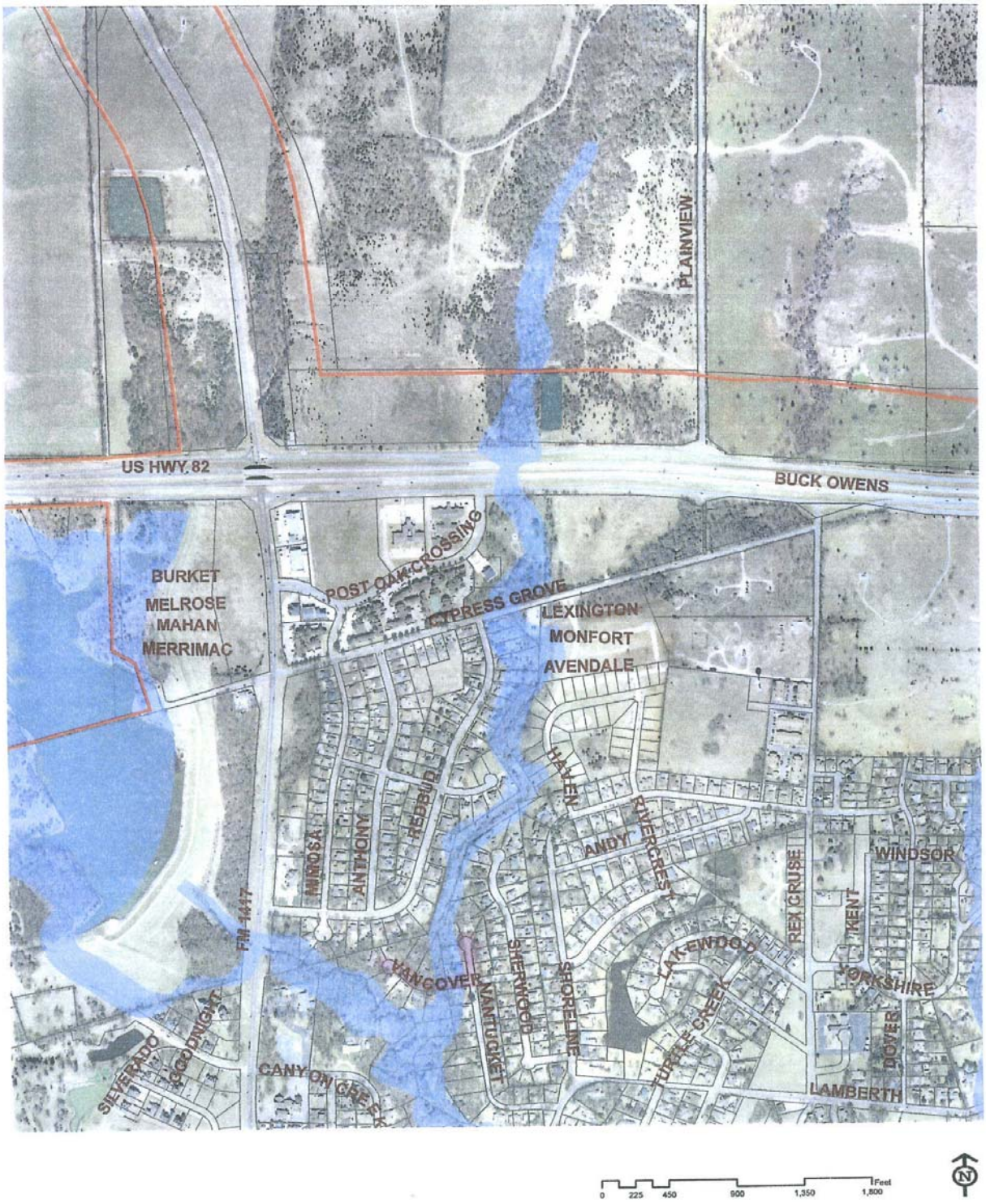
Conclusion:

There are eighteen homes on Nantucket Drive and Vancouver Place with a combined value of $3,699,500.00 being adversely affected by these issues.

North side of Culvert on Vancouver Place
Size of openings)
5'x8'x2 = 80# for storm water drainage

Bottome of Culvert is 15" above the bed of the creek causing mosquito and pollution problems from standing water.

South side of culver on Vancouver Place. Bed of creek is four feet below the bottom of the culvert.


PLAINVIEW
US HWY. 82
BUCK OWENS
BURKET
MELROSE
MAHAN
MERRIMAC
POST OAK CROSSING
CYPRESS GROVE
LEXINGTON
MONFORT
AVENDALE
HAVEN
ANDY
RIVERCREST
WINDSOR
REX CRUSE
KENT
YORKSHIRE
DOVER
LAKEWOOD
TURTLE CREEK
LAMBERTH
SHORELINE
SHERWOOD
NANTUCKET
VANCOVER
MIMOSA
ANTHONY
REBER
FM 1417
CANYON CREEK
GOODNIGHT
SILVERADO
0
225
450
900
1,350
1,800
Feet
N

STEPHENS
HAVEN
IDLEWOOD
MIMOSA
ANTHONY
REDBUD
ANDY
SHERWOOD
RIVERCREST
VANCOVER
SHORELINE
NANTUCKET
FM 1417
CANYON CREEK
MONTE CRISTO
LAMBERTH
SAN JUAN
0
85
170
340
510
680
Feet
N

June 2007 Flood
North side of creek
at Culvert over
Vancouver Place.

Flooding and
Pollution

June 2007 Flood
South side of Creek
at Culver Over
Vancouver Place.
Once the flood waters
reach the South side
of the Culver, the Storm
Water drainage returns
violently and destructively
to the Creek bed.

East bank of the Creek immediately south of the Culvert. Erosion caused by flooding as a result of the constricted water flow thru the culvert at Vancouver Place.

Sewer line soon to be exposed again!

Erosion Problems
West bank of creek
north of the constricted
culvert at Vancouver Place

Sanitary Sewer Openings

① 2608 Nantucket

② 2613 Nantucket

Repeatedly cover by flood water caused by constricted Culvert.

①

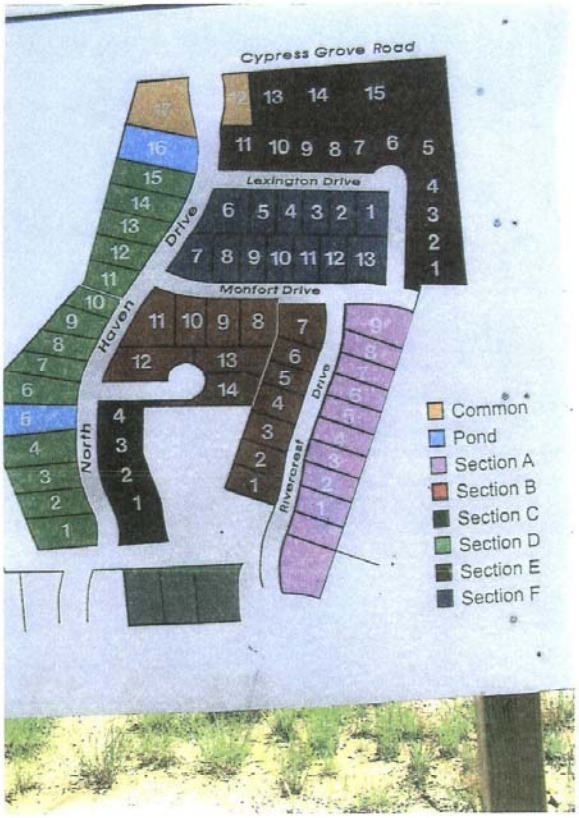
②

Sanitary sewer openings that are repeatedly submerged by storm water drainage as a result of flooding caused by the constricted culvert on the creek under Vancouver Place and additional storm water drainage from new construction upstream introduces an unimaginable amount of pollutions and toxins into the creek and flooded properties adjoining the creek.

North Haven Addition
South of Cypress Grove Rd
and east of creek

Construction fence is down.

New Medical Complex between Hwy 82 and Cypress Grove Road just east of creek that drains to Constricted culvert under Vancouver Place



North Haven Addition

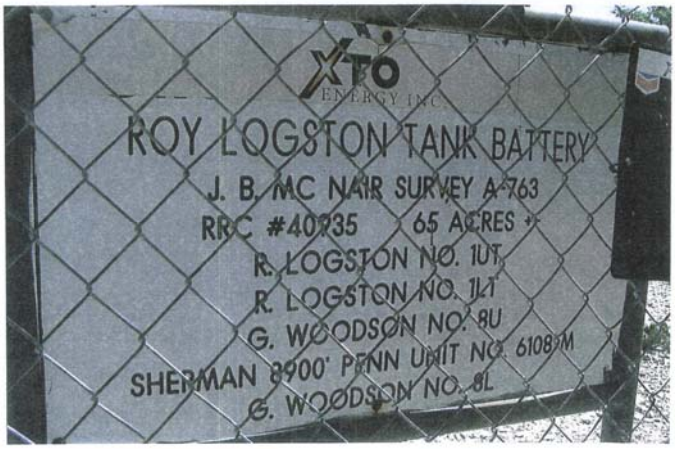
68 new homes

x2000# Foot Print, house, garage, driveway and street, equals 136,000 # of unaccounted storm water runoff under Constricted Culvert at Vancouver Place.

New Medical Building Complex Footprint over ½ mile long with no visable planning for storm water drainage. Recent rains have introduced an incalculable amount of pollutants and storm water drainage to the creek and the inadequate constricted culvert downstream at Vancouver Place.

Located on south side of Prairie Grove and West of Medical Complex Construction East of Creek.

Damage from recent flooding thru fitro chemical tank battery as a result of constricted storm water flow and construction of new Medical Complex



Flood went over Cypress Creek west of Medical Complex Construction.

Flooded Sanitary Sewer North side Cypress Grove Rd and West of New Medical Complex Construction

Creek South
Bridge at
Lamberth

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. B.1

PUBLIC HEARING
Final Statement/Action Plan for Program Year 2009
Community Development Block Grant

Issue
Approval of the Fiscal Year (FY) 2009 Community Development Block Grant Final Statement/Action Plan

Background
Each year, the City of Sherman receives an entitlement grant (Community Development Block Grant) from the U.S. Department of Housing and Urban Development (HUD). We are required to prepare and submit an annual Action Plan, which is a description of the activities that will be undertaken during the coming year to address the needs of our low to moderate income citizens. This Action Plan is based on a five (5) year Consolidated Plan & Strategy developed by City staff and approved by the Sherman City Council. It serves as the City's long term planning tool to address the identified needs of affordable housing, public housing, homelessness, and other non-housing community development needs and activities within the City of Sherman. Over the past five (5) years, the City of Sherman's history of allocations for the Community Development Block Grant is as follows: FY 2004 - $391,000; FY 2005 - $370,520; FY 2006 - $333,097; FY 2007 - $332,014; and FY 2008 - $321,189.

Origination
Theresa Caudle, Neighborhood Services Coordinator

Financial Consideration
The City of Sherman has been allocated $324,514 in Community Development Block Grant funds from the U.S. Department of Housing and Urban Development to address our various community development needs for low to moderate income citizens during FY 2009.

Staff Recommendation
The staff recommends that the Sherman City Council approve the FY 2009 Community Development Block Grant Final Statement/Action Plan as submitted.

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

Attachments
FY 2009 Community Development Block Grant Final Statement/Action Plan

Prepared and Approved by:
George Olson, City Manager

CITY OF SHERMAN, TEXAS
FINAL STATEMENT/ACTION PLAN OF
COMMUNITY DEVELOPMENT OBJECTIVES
AND PROJECTED USE OF FUNDS FOR PROGRAM YEAR 2009

GRANT NO: B-2009-MC-48-0027

The City of Sherman has received notice from the U.S. Department of Housing and Urban Development (HUD) that its entitlement grant for the Community Development Program (CDBG) for fiscal year 2009 is $324,514.00. These funds will be received on October 1, 2009. Activities that directly benefit low and moderate-income persons will be available citywide. Other activities which have an area benefit will only be available in areas of the city which are populated by a majority of low and moderate-income persons. The City has met citizen participation requirements.

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

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

COMMUNITY DEVELOPMENT PROGRAM ACTION PLAN
PROGRAM YEAR 2009

OWNER-OCCUPIED HOUSING REHABILITATION:.....$194,909
A program of specific housing repairs will be provided to low and moderate income homeowners who reside within the city limits of Sherman, to bring their properties to code requirements. Expenditures will be limited to $5,000 per housing unit under this activity. This activity will cause no displacement of low and moderate income persons.

FIRST-TIME HOMEOWNERSHIP PROGRAM:..... $ 25,000
A program, in cooperation with local lending institutions, to provide technical, educational and financial assistance to low and moderate income first-time homebuyers through a variety of services, including basic closing-cost assistance, at a maximum of $2,000.

DEMOLITION/CLEARANCE PROGRAM:.....$ 10,725
A program to demolish vacant, substandard structures and clear property lots which pose a risk to health/safety of low-moderate income target neighborhoods.

PROGRAM ADMINISTRATION:.....$ 63,000
The City proposes to use the Administration funds for personnel and support for all phases of the application process, environmental reviews, fair labor standard compliance, contract management, fair housing Grantee Performance Report, preparation of annual Action Plan and Performance Report associated with the City of Sherman Five-Year Consolidated Plan and Strategy.

PUBLIC SERVICE ACTIVITIES:

Sherman Housing Authority:.....$ 8,800
A program to address the problems of drug abuse and associated crime in public housing. Activities include increasing law enforcement services to stop the sell of illegal drugs in and around assisted housing, apprehend sellers of such drugs and an overall reduction of crime in the assisted housing area.

Texoma Area Paratransit System, Inc:.....$ 17,600
A program that will provide transportation assistance to low and moderate income individuals who reside within the city limits of Sherman including transportation to and from work, to and from school, and to doctor and grocery trips for the elderly.

Crisis Center:.....$ 3,080
A program of activities that will provide emergency assistance to homeless women and children of domestic violence, who at one time, resided within the city limits of Sherman.

Boys & Girls Club of Sherman, Inc:.....$ 1,400
A program to provide scholarships for the low and moderate income Sherman youth. Scholarship funding will provide the opportunity for low/moderate income youth to participate in organized sports activities that would not otherwise be able to participate.

TOTAL PROGRAM ALLOCATION:.....$324,514

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

CITY OF SHERMAN COMMUNITY DEVELOPMENT OBJECTIVES

1. Encourage citizen participation and input to obtain maximum public involvement in program activities.
2. Promote the rehabilitation and repair of deteriorating housing through the City's rehabilitation program.
3. Promote homeownership opportunities for low-moderate income persons through the City's First-time Homeownership closing cost assistance program.
4. Eliminate slum and blight through the removal of structures that create unsafe, unsanitary and hazardous situations for the public.
5. Promote drug elimination programs for low and moderate income assisted housing families/households.
6. Provide support for transportation assistance to low and moderate income persons.
7. Provide support for provision of emergency shelter/assistance to the homeless.
8. Assist in providing youth activities for children from low and moderate income families.

The Action Plan of Community Development Objectives and Projected Use of Funds for Program Year 2009 are available in the Community Development Office of the City of Sherman. Any citizen or agency interested in commenting on this Final Statement of Objectives is invited to submit written comments c/o Theresa Caudle, CD Coordinator, City of Sherman, P. O. Box 1106 Sherman, TX 75091-1106. Written comments must be received prior to 5:00 p.m. on Monday, July 6, 2009. A summary of comments received will be made a part of the summary of citizen participation of this Plan.

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. B.2

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5605
Closing and Abandoning a Portion of North Porter Street from East Brockett Street to East Richards Street in the City of Sherman, Grayson County, Texas; Conveying the Interest in Said Right-of-Way to the Abutting and Adjacent Property Owner, Austin College

Issue
To consider approving the closure and abandonment of a portion of Porter Street for sale and conveyance to Austin College

Background
Austin College has made a request to purchase a portion of North Porter Street, from East Brockett Street to East Richards Street. This purchase is a part of the planned expansion of the Austin College campus and implementation of their campus master plan. Austin College currently owns all property on both sides adjoining this portion of Porter Street. This Ordinance will perform the necessary administrative action to officially close and abandon the street and prepare it for sale to Austin College.

Origination
Austin College

Financial Consideration
The cost of the required appraisal was covered by Austin College. Based upon the appraised value of this parcel, its sale would yield $20,908.75. Maintenance of this portion of Porter Street will revert to Austin College.

Staff Recommendation
It is recommended that the City Council approve the Ordinance closing and abandoning this portion of Porter Street and permitting its sale to Austin College.

Alternatives
As may be directed by the City Council

Attachments
Ordinance No. 5605; Austin College request letter; Appraisal and Survey; Location Map

Prepared by:
Jeff Miller, Director of Public Works

Approved by:
George Olson, City Manager

ORDINANCE NO. 5605

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CLOSING AND ABANDONING A PORTION OF NORTH PORTER STREET FROM EAST BROCKETT STREET TO EAST RICHARDS STREET IN THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS; CONVEYING THE INTEREST IN SAID RIGHT-OF-WAY TO THE ABUTTING AND ADJACENT PROPERTY OWNER, AUSTIN COLLEGE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the hereinafter described street in the City of Sherman, Grayson County, Texas, shall be closed and abandoned, save and except the entire 60' street right-of-way shall be reserved as an easement for public and franchise utilities for the right of ingress and egress to same for purposes of operation, maintenance or removal of such utilities or until such utilities shall be abandoned and relocated:

NORTH PORTER STREET
FROM EAST BROCKETT STREET TO EAST RICHARDS STREET

SITUATED in the County of Grayson, State of Texas, being a part of the J.B. McAnair Survey, Abstract No. 763, and being an irregular shaped strip of land embracing a 60 foot wide street locally known as Porter Street, and being more particularly described by metes and bounds as follows.

BEGINNING at a point for the Northwest corner of the herein described tract at the intersection of the West line of said Porter Street with the South line of Richards Street, said point also being the Northeast corner of Block 8 of Binkley's First Addition to said City of Sherman as shown by plat of record in Volume 105, Page 2, Deed Records, Grayson County, Texas:

THENCE North 74º00'00" East a distance of 60.00 feet to a point for the Northeast corner of the herein described tract at the intersection of said South line of Richards Street with the East line of said Porter Street, said point also being the Northwest corner of Block 12 of said Binkley's First Addition;

THENCE South 16º00'00" East with said East line of Porter Street and West line of said Block 12, passing the Southwest corner of said Block 12 and crossing Williams Street as platted (now closed and untraveled), passing the Northwest corner of Block 13 of said addition and continuing, passing the Southwest corner of said Block 13 and continuing for a total distance of 760.82 feet to a point for corner in the extended North line of College Street;

THENCE North 74º00’00” East with said extended North line of college Street a distance of 17.00 feet to a point for corner;

THENCE South 16º00’00” East continuing with said East line of Porter Street a distance of 618.12 feet to a point for the Southeast corner of the herein described tract at the intersection of said East line of Porter Street with the North line of Brockett Street;

THENCE South 74º00’00” West a distance of 60.00 feet to a point for the Southwest corner of the herein described tract of the intersection of said North line of Brockett Street with the West line of said Porter Street;

THENCE North 16º00’00” West with said West line of Porter Street a distance of 558.04 feet to a point for corner in the extended South line of said College Street;

THENCE South 74º19’50” West with said extended South line of college Street a distance of 17.00 feet to a point for corner;

THENCE North 16º00’00” West continuing with said West line of Porter Street, crossing said College Street, passing the Southeast corner of Block 9 of said Binkley’s First Addition and continuing, passing the Northeast corner of said Block 9 in the South line of Williams Street and continuing across said Williams Street, passing the Southeast corner of said Block 8 and continuing for a total distance of 820.80 feet to the Point-of-Beginning and containing 1.92 acres of land.

SECTION 2. That it is the intent of the City Council that the right and interest in such right-of-way herein closed and vacated shall vest to the abutting property owner by appropriate conveyance of said right-of-way herein described.

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

INTRODUCED on this the _____ day of _____, 2009.

ADOPTED on this the _____ day of _____, 2009.

EFFECTIVE DATE on this _____ day of _____, 2009.

CITY OF SHERMAN, TEXAS

BY: _____
JOE N. SMITH,
DEPUTY MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

Austin College
1849

January 21, 2009

Mr. Jeff Miller
Director of Public Works
P.O. Box 1106
Sherman, TX 75091-1106

Dear Mr. Miller:

Several weeks ago, I spoke to you regarding Austin College purchasing three blocks of Porter Street from Richards St. (to the north) to Brockett St. (to the south). The college owns all the adjacent property to this street.

A survey has now been completed by Underwood Drafting in Denison. The survey is included in the appraisal by Walcott Black & Associates; and a copy of each is being provided to you. Austin College is willing to pay the appraised value.

Please contact me if you or the Council needs any further information. Thank you for your consideration.

Regards,

Heidi B. Ellis

Heidi Ellis
Vice President for Business Affairs
Austin College

APPRAISAL OF

NORTH PORTER STREET GOING NORTH FROM EAST BROCKETT STREET & TERMINATING ON EAST RICHARDS STREET

LOCATED AT:

NORTH PORTER STREET (EAST BROCKETT TO EAST RICHARDS STREETS)
SHERMAN, TEXAS 75090

FOR:

CLIENT IS AUSTIN COLLEGE
900 NORTH GRAND AVENUE
SHERMAN, TEXAS 75090

BORROWER:

CLIENT IS AUSTIN COLLEGE

AS OF:

JANUARY 5, 2009

BY:

WALCOTT G. BLACK, SRA
WALCOTT G. BLACK, SRA & ASSOCIATES (903-893-7998)

WALCOTT G. BLACK, SRA & ASSOCIATES

LAND APPRAISAL REPORT

File No. L AC PORTER ST 2008

operty Address	NORTH PORTER STREET (Brockett To Richards)	Census Tract	0014.00	LENDER DISCRETIONARY USE	
ty	SHERMAN	County GRAYSON	State TX Zip Code 75090	Sale Price	$ MARKET VALUE
gal Description	PLEASE REFER TO THE ATTACHED SURVEY WITH FIELD NOTES			Date	N/A
wner/Occupant	CITY OF SHERMAN TO AUSTIN COLLEGE		Map Reference 63	Mortgage Amount	$ N/A
ale Price $	MARKET VALUE Date of Sale UNKNOWN		Property Rights Appraised	Mortgage Type	N/A
oan charges/concessions to be paid by seller $	UNKNOWN		[X] Fee Simple	Discount Points and Other Concessions	
R. Taxes $	N/A Tax Year N/A HOA $/Mo. N/A		[ ] Leasehold	Paid by Seller	$ N/A
nder/Client	CLIENT IS AUSTIN COLLEGE		[ ] Condominium (HUD/VA)		PURCHASE CITY STREET
	900 NORTH GRAND AVENUE SHERMAN, TEXAS 75090		[ ] PUD	Source	AUSTIN COLLEGE

				NEIGHBORHOOD ANALYSIS	Good	Avg.	Fair	Poor
OCATION	[X] Urban	[ ] Suburban	[ ] Rural	Employment Stability		[X]		
UILT UP	[X] Over 75%	[ ] 25-75%	[ ] Under 25%	Convenience to Employment		[X]		
ROWTH RATE	[ ] Rapid	[X] Stable	[ ] Slow	Convenience to Shopping		[X]		
ROPERTY VALUES	[ ] Increasing	[X] Stable	[ ] Declining	Convenience to Schools	[X]			
EMAND/SUPPLY	[ ] Shortage	[X] In Balance	[ ] Over Supply	Adequacy of Public Transportation		[X]		
ARKETING TIME	[ ] Under 3 Mos.	[ ] 3-6 Mos.	[X] Over 6 Mos.	Recreation Facilities		[X]		

RESENT LAND USE %		LAND USE CHANGE		PREDOMINANT		SINGLE FAMILY HOUSING		Adequacy of Facilities		[X]		
ngle Family	75%	Not Likely	[X]	OCCUPANCY		PRICE	AGE	Property Compatibility		[X]		
4 Family		Likely	[ ]	Owner	[X]	$(000)	(yrs)	Protection from Detrimental Cond.		[X]		
ulti-Family		In process	[ ]	Tenant	[ ]	25,000 Low	10YRS	Police & Fire Protection		[X]		
ommercial		To: SEE HIGHEST		Vacant (0-5%)	[X]	75,000 High	90YRS	General Appearance of Properties		[X]		
dustrial		AND BEST USE		Vacant (over 5%)	[ ]	Predominant		Appeal to Market		[X]		
acant	25%	ANALYSIS.				35,000 -	60YRS					

ote: Race or the racial composition of the neighborhood are not considered reliable appraisal factors.

COMMENTS: The neighborhood is northeast of the owntown square being very near Austin College. Boundaries are North: Lewis Street, East: Grand Avenue, South: East Brockett Street, nd West: North Branch Street. Improvements are somewhat compatible in this specific neighborhood and protection from detrimental onditions is average. The general appearance of properties within this neighborhood is fair to average excepting Austin College which is ery well maintained. Marketability here for the single family dwelling will be maybe average as of the property visit date.

imensions	60 X 558.04 X 17 X 820.80 X 60 X 760.82 X 17 X 618.12 - SURVEY			Topography	FAIRLY LEVEL
ite Area	ABOUT 83,635 SQUARE FEET	Corner Lot	"ONE CITY STREET"	Size	APPX 83,635 SQ FT +/-
oning Classification	RESIDENTIAL	Zoning Compliance	YES	Shape	MOST RECTANGULAR
IGHEST & BEST USE: Present Use	CITY STREET	Other Use	N/A	Drainage	GRADED TO LOT LINE

UTILITIES	Public	Other	SITE IMPROVEMENTS Type		Public	Private	View	VACANT LOTS - AC BLDGS
lectricity	[X]	T X U	Street	ASPHALT	[X]	[ ]	Landscaping	NONE
as	[X]	T X U	Curb/Gutter	YES - CONCRETE	[X]	[ ]	Driveway	NONE
ater	[X]	CITY	Sidewalk	NONE	[X]	[ ]	Apparent Easements	REFER TO NEW SURVEY
anitary Sewer	[X]	CITY	Street Lights	YES - ELECTRIC	[X]	[ ]	FEMA Flood Hazard	Yes* ____ No X
torm Sewer	[ ]	NONE	Alley	NONE	[ ]	[ ]	FEMA* Map/Zone	48181CO145 E

Comments (Apparent adverse easements, encroachments, special assessments, slide areas, etc.): SEE ATTACHED

he undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar djustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior o, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to, r less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
ddress	North Porter ST SHERMAN, TEX	300 BLOCK WEST KING ST SHERMAN, TEXAS		514 SOUTH DEWEY AVENUE SHERMAN, TEXAS		900 BLK S MONTGOMERY ST SHERMAN, TEXAS	
roximity to Subject		Across Town Southwestward		Across Town Southward		Across Town Southwestward	
ales Price	$ MARKET VAL	$ 5,750.		$ 14,000		$ 5,500	
rice/	$ N/A ⍁	$ 00.78 ⍁		$ 00.93 ⍁		$ 00.79 ⍁	
ata Source	SITE VISIT	SHER-DEN REALTY - MLS		THOMAS REALTY - MLS		EBBY HALLIDAY - MLS	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)$ Adjustment	DESCRIPTION	+(-)$ Adjustment	DESCRIPTION	+(-)$ Adjustment
Sales or Financing Concessions		CASH SALE NO SELLER PTS		CASH SALE NO SELLER PTS		CASH SALE NO SELLER PTS	
Date of Sale/Time	MKT VALUE	10 - 2008		8 - 2008		5 - 2008	
Location	AVERAGE	AVERAGE		SUPERIOR	-20/SQ FT	AVERAGE	
Site/View	83,635 SQ FT	7,405 SQ FT	-60/SQ FT	14,980 SQ FT	-40/SQ FT	7,000 SQ FT	-60/SQ FT
TOPOGRAPHY	MOST LEVEL	MOST LEVEL		MOST LEVEL		MOST LEVEL	
CONFIGURATION	MOST RECT	MOST RECT		MOST RECT		MOST RECT	
IMPROVEMENTS	NONE	NONE		NONE		NONE	
Net Adj. (total)		[ ] + [X] - $	60	[ ] + [X] - $	60	[ ] + [X] - $	60
Indicated Value of Subject		Gross: 7692.3 Net: -7692.3	$ 00.18 / SQ FT	Gross: 6451.6 Net: -6451.6	$ 00.33 / SQ FT	Gross: 7594.9 Net: -7594.9	$ 00.19 / SQ FT

Comments of Sales Comparison: THE COMPARABLES ARE ALL CLOSED TRANSACTIONS AND OFFER A VALUE RANGE PER SQUARE FOOT (AFTER ADJUSTMENT) FOR THIS SUBJECT OF $00.18 TO $00.33. THE SUBJECT AND COMPARABLE VISITS PLUS MARKET ANALYSIS INDICATES A VALUE PER SQUARE FOOT FOR THE PARCEL OF $00.25. THEN, THE SUBJECT'S 83,635

ADDENDUM

Borrower:	CLIENT IS AUSTIN COLLEGE	File No.:	L AC PORTER ST 2008
Property Address:	NORTH PORTER STREET (Brockett To Richards)	Case No.:	
City:	SHERMAN	State: TX	Zip: 75090
Lender:	CLIENT IS AUSTIN COLLEGE		

SITE COMMENTS

HIGHEST & BEST USE ANALYSIS:

A portion of North Porter Street (consists of 83,635 square feet) beginning on the north right-of-way line for East Brockett Street and directioned northward while terminating on the south right-of-way line for East Richards Street was analyzed AS IS. The present use as a city street is probable, is legal, is physically possible, can be appropriately supported, and is financially feasible. The highest and best use of the subject is continued use as a city street.

However, Austin College desires to purchase this sector of North Porter Street, so there is planned by "THE COLLEGE" a possible change-in-use for this street. And, for purposes of this appraisal, the subject is really being considered as a mostly rectangular, excessive (83,635 sq ft) single family lot within a neighborhood where marketing is not good.

The asphalt street topping with concrete curb and gutter was not considered herein as the City of Sherman will analyze any contribution to value from the asphalt with concrete curb / gutter. The reported value herein pertains to "dirt" only.

THE SITE:

This subject site is a portion of North Porter Street containing about 83,635 square feet (Underwood survey). This sector of North Porter begins on the north right-of-way line for East Brockett Street and continues northward for about 1,379 feet thus terminating on the south right-of-way line for East Richards Street.

The property visit revealed a city street running near north - south and having a fairly level topography. North Porter is improved with the asphalt topping lined with concrete curbs and gutters. The Underwood survey shows a width or right-of-way of 60 feet for the subject.

The site dimensions are as follows: 60 feet for the south boundary line along the north side of East Brockett Street; about 1,378.84 feet for the west boundary line; 60 feet for the north boundary line along the south side of East Richards Street; and about 1,379.54 feet for the east boundary line. There is a 17 foot off-set for both the east and west sides of this Porter as the subject is not a perfect rectangle. The Underwood survey sums the square footage within this property as 83,636 square feet or 1.92 acres.

There is no planned residential development for this immediate neighborhood to my knowledge. This subject is not in a major growth pattern for the City of Sherman. However, Austin College is advancing toward this immediate neighborhood while expanding their learning and sporting facilities.

Finally, marketing for this subject will be only fair presently. A holding term for the property will be in excess of six months.

The subject has been utilized as a Sherman city street for many years. This property has not sold in the past three years. There is no listing for this subject. Austin college has applied with the City of Sherman to purchase this property.

ENVIRONMENTAL ADDENDUM

APPARENT* HAZARDOUS SUBSTANCES AND / OR DETRIMENTAL ENVIRONMENTAL CONDITIONS

WALCOTT G. BLACK, SRA & ASSOCIATES Case No. File No. L AC PORTER ST 2008

Borrower/ Client	CLIENT IS AUSTIN COLLEGE				
Address:	PART OF PORTER STREET (EAST BROCKETT TO EAST RICHARDS STREETS)				
City:	SHERMAN	County GRAYSON	State: TX	Zip code:	75090
Lender	CLIENT IS AUSTIN COLLEGE				

***Apparent is defined as that which is visible, obvious, evident or manifest to the appraiser.**

This universal Environmental Addendum is for use with any real estate appraisal. Only the statements which have been checked by the appraiser apply to the property being appraised.

This addendum reports the results of the appraiser's routine inspection of and inquiries about the subject property and its surrounding area. It also states what assumptions were made about the existence (or nonexistence) of any hazardous substances and/or detrimental environmental conditions. **The appraiser is not an expert environmental inspector** and therefore might be unaware of existing hazardous substances and/or detrimental environmental conditions which may have a negative effect on the safety and value of the property. It is possible that tests and inspections made by a qualified environmental inspector would reveal the existence of hazardous materials and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

DRINKING WATER

☐ Drinking Water is supplied to the subject from a municipal water supply which is considered safe. However the only way to be absolutely certain that the water meets published standards is to have it tested at all discharge points.

☐ Drinking Water is supplied by a well or other non-municipal source. It is recommended that tests be made to be certain that the property is supplied with adequate pure water.

☐ Lead can get into drinking water from its source, the pipes, at all discharge points, plumbing fixtures and/or appliances. The only way to be certain that water does not contain an unacceptable lead level is to have it tested at all discharge points.

☒ **The value estimated in this appraisal is based an the assumption that there is an adequate supply of safe, lead-free Drinking Water.**

Comments

SANITARY WASTE DISPOSAL

☐ Sanitary Waste is removed from the property by a municipal sewer system.

☐ Sanitary Waste is disposed of by a septic system or other sanitary on site waste disposal system. The only way to determine that the disposal system is adequate and in good working condition is to have it inspected by a qualified inspector.

☒ **The value estimated in this appraisal is based on the assumption that the Sanitary Waste is disposed of by a municipal sewer or an adequate properly permitted alternate treatment system in good condition.**

Comments

SOIL CONTAMINANTS

☐ There are no **apparent** signs of Soil Contaminants on or near the subject property (except as reported in Comments below). It is possible that research, inspection and testing by a qualified environmental inspector would reveal existing and/or potential hazardous substances and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

☒ **The value estimated in this appraisal is based on the assumption that the subject property is free of Soil Contaminants.**

Comments

ASBESTOS

☐ All or part of the improvements were constructed before 1979 when Asbestos was a common building material. The only way to be certain that the property is free of friable and non-friable Asbestos is to have it inspected and tested by a qualified asbestos inspector.

☐ The improvements were constructed after 1979. No **apparent** friable Asbestos was observed (except as reported In Comments below).

☒ **The value estimated in this appraisal is based on the assumption that there is no uncontained friable Asbestos or other hazardous material on the property.**

Comments

PCBs (POLYCHLORINATED BIPHENYLS)

☐ There were no **apparent** leaking fluorescent light ballasts, capacitors or transformers anywhere on or nearby the property (except as reported in Comments below).

☐ There was no **apparent** visible or documented evidence known to the appraiser of soil or groundwater contamination from PCBs anywhere on the property (except as reported in Comments below).

☒ **The value estimated in this appraisal is based on the assumption that there are no uncontained PCBs on or nearby the property.**

Comments

RADON

☐

Case No.
File No. L AC PORTER ST 2008

USTs (UNDERGROUND STORAGE TANKS)

☐ There is no **apparent** visible or documented evidence known to the appraiser of any USTs on the property nor any known historical use of the property that would likely have had USTS.
☐ There are no **apparent** petroleum storage and/or delivery facilities (including gasoline stations or chemical manufacturing plants) located on adjacent properties (except as reported in Comments below).
☐ There are **apparent** signs of USTs existing now or in the past on the subject property. It is recommended that an inspection by a qualified UST inspector be obtained to determine the location of any USTs together with their condition and proper registration if they are active; and if they are inactive, to determine whether they were deactivated in accordance with sound industry practices.
☒ **The value estimated in this appraisal is based on the assumption that any functioning USTs are not leaking and are properly registered and that any abandoned USTs are free from contamination and were properly drained, filled and sealed.**

Comments _____

NEARBY HAZARDOUS WASTE SITES

☐ There are no **apparent** Hazardous Waste Sites on the subject property or nearby the subject property (except as reported in Comments below). Hazardous Waste Site search by a trained environmental engineer may determine that there is one or more Hazardous Waste Sites on or in the area of the subject property.
☒ **The value estimated in this appraisal is based on the assumption that there are no Hazardous Waste Sites on or nearby the subject property that negatively affect the value or safety of the property.**

Comments _____

UREA FORMALDEHYDE (UFFI) INSULATION

☐ All or part of the improvements were constructed before 1982 when UREA foam insulation was a common building material. The only way to be certain that the property is free of UREA formaldehyde is to have it inspected by a qualified UREA formaldehyde inspector.
☐ The improvements were constructed after 1982. No **apparent** UREA formaldehyde materials were observed (except as reported in Comments below).
☒ **The value estimated in this appraisal is based on the assumption that there is no significant UFFI insulation or other UREA formaldehyde material on the property.**

Comments _____

LEAD PAINT

☐ All or part of the improvements were constructed before 1980 when Lead Paint was a common building material.There is no **apparent** visible or known documented evidence of peeling or flaking Lead Paint on the floors, walls or ceilings (except as reported in Comments below). The only way to be certain that the property is free of surface or subsurface Lead Paint is to have it inspected by a qualified inspector.
☐ The improvements were constructed after 1980. No **apparent** Lead Paint was observed (except as reported in Comments below).
☒ **The value estimated in this appraisal is based on the assumption that there is no flaking or peeling Lead Paint on the property.**

Comments _____

AIR POLLUTION

☐ There are no **apparent** signs of Air Pollution at the time of the inspection nor were any reported (except as reported in Comments below). The only way to be certain that the air is free of pollution is to have it tested.
☒ **The value estimated in this appraisal is based on the assumption that the property is free of Air Pollution.**

Comments _____

WETLANDS/FLOODPLAINS

☐ The site does not contain any **apparent** Wetlands/Flood Plains (except as reported in Comments below). The only way to be certain that the site is free of Wetlands/Flood Plains is to have it inspected by a qualified environmental professional.
☒ **The value estimated in this appraisal is based on the assumption that there are no Wetlands/Flood Plains on the property (except as reported in Comments below).**

Comments _____

MISCELLANEOUS ENVIRONMENTAL HAZARDS

☐ There are no other **apparent** miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:

☒ Excess Noise at certain times resulting from ROO sporting events.
☐ Radiation + Electromagnetic Radiation _____
☒ Light Pollution at certain times resulting from ROO sporting events on the AC intramural field / tennis courts.
☐ Waste Heat _____
☐ Acid Mine Drainage _____
☐ Agricultural Pollution

WALCOTT G. BLACK, SRA & ASSOCIATES

USPAP COMPLIANCE ADDENDUM

File No. L AC PORTER ST 20

Borrower CLIENT IS AUSTIN COLLEGE Order #

Property Address NORTH PORTER STREET (Brockett To Richards)

City SHERMAN County GRAYSON State TX Zip Code 75090

Lender/Client CLIENT IS AUSTIN COLLEGE Client Reference #

Only those items checked [X] below apply to this report.

PURPOSE, FUNCTION AND INTENDED USE OF THE APPRAISAL

☐ The purpose of the appraisal is to provide an opinion of market value of the subject property as defined in this report, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of the report. The *only* function of the appraisal is to assist the client mentioned in this report in evaluating the subject property for lending purposes. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited.

☐ The purpose of the appraisal is to provide an opinion of market value of the subject property, as defined in this report, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of this report. The *only* function of the appraisal is to assist the client mentioned in this report in evaluating the subject property Real Estate Owned (REO) purposes. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited.

[X] The purpose of this appraisal is to offer value opinion, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of this report. The only function of the appraisal is to assist the client mentioned in this report in evaluating the subject property for a street purchase by client. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use is prohibited.

The intended user is AUSTIN COLLEGE & the intended use is for a value opinion so that AUSTIN COLLEGE may buy Porter.

TYPE OF APPRAISAL AND APPRAISAL REPORT

☐ This is a _____ Appraisal written in a _____ Report format and the USPAP Departure Rule has *not* been invoked.

☐ This is a Limited Appraisal written in a _____ Report format and the USPAP Departure Rule *has* been invoked as disclosed in the body or addenda of the report. The client has agreed that a Limited Appraisal is sufficient for its purposes.

SCOPE (EXTENT) OF REPORT

[X] The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales, listings, and/or rentals within the subject market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion. The extent of analysis applied to this assignment may be further imparted within the report, the Appraiser's Certification below and/or any other Statement of Limiting Conditions and Appraiser's Certification such as may be utilized within the Freddie Mac form 439 or Fannie Mae form 1004b (dated 6/93), when applicable.

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

☐ A reasonable marketing time for the subject property is 9MO - 1YR day(s) utilizing market conditions pertinent to the appraisal assignment.

☐ A reasonable exposure time for the subject property is _____ day(s).

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved, unless otherwise stated within the report.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have [X] or have not [ ] made a personal inspection of the property that is the subject of this report. (If more than one person signs this report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraisal property.)
- No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant professional assistance must be stated.)

NOTE: In the case of any conflict with a client provided certification (i.e., Fannie Mae or Freddie Mac), this revised certification shall take precedence.

- **Supervisory Appraiser's Certification:** If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 2-7 and 9 on the second page of Freddie Mac Form 439 6-93/Fannie Mae Form 1004B 6-93, or the third page of Form 2055, and am taking full responsibility for the appraisal report.

APPRAISER'S AND SUPERVISORY APPRAISER'S SIGNATURE

APPRAISER: SUPERVISORY APPRAISER (only if required):

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the Appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.

2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.

5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.

6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.

7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.

8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.

9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.

10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional

File No. L AC PORTER ST 20

APPRAISERS CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to , or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.

2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.

3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and Limiting Conditions specified in this form.

4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.

5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.

6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.

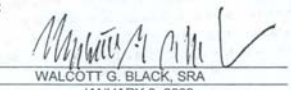
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.

8. I have personally inspected the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.

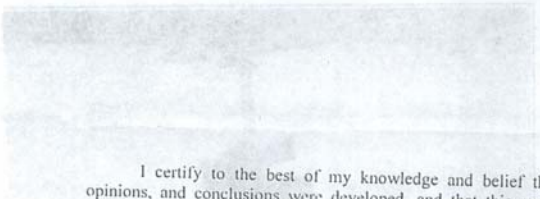
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: PORTER STREET (EAST BROCKETT TO EAST RICHARDS STREETS), SHER

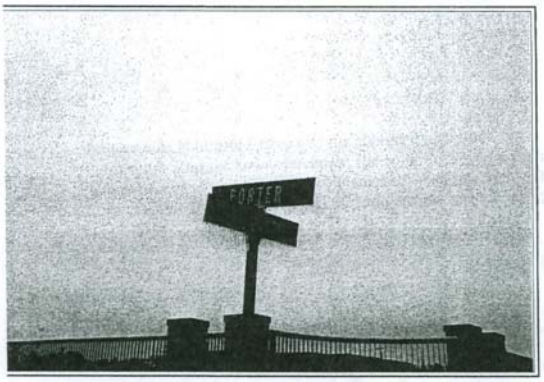
APPRAISER:	**SUPERVISORY APPRAISER (only if required)**
Signature: 	Signature:
Name: WALCOTT G. BLACK, SRA	Name:
Date Signed: JANUARY 9, 2020	Date Signed:

APPRAISER'S CERTIFICATION
(Continued)



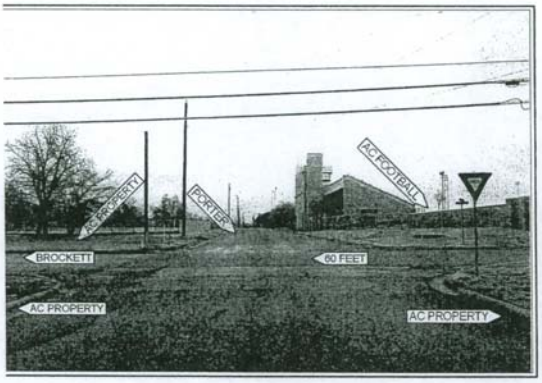
I certify to the best of my knowledge and belief that the reported analysis, opinions, and conclusions were developed, and that this report has been prepared in conformity with the requirements of the code of professional ethics and the standards of professional appraisal practice of the appraisal institute.

Borrower:	CLIENT IS AUSTIN COLLEGE		File No.:	L AC PORTER ST 2008	
Property Address:	NORTH PORTER STREET (EAST BROCKETT TO EAST RICHARDS)		Case No.:		
City:	SHERMAN	State:	TX	Zip:	75090
Lender:	N/A				



NORTH PORTER STREET AT
EAST BROCKETT STREET

PROPOSED IS THE PURCHASE FOR NORTH PORTER STREET BEGINNING ON THE NORTH SIDE OF EAST BROCKETT STREET, THEN GOING NORTH FOR A DISTANCE OF ABOUT 1,378 FEET THUS TERMINATING ON THE SOUTH SIDE OF EAST RICHARDS STREET.



AUSTIN COLLEGE BEING ON EACH SIDE OF NORTH PORTER STREET

THAT PROPOSED PURCHASE OF THIS NORTH PORTER STREET AS SEEN FROM THE SOUTH SIDE OF EAST BROCKETT STREET

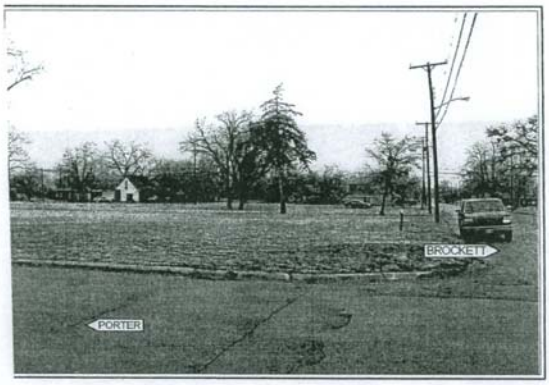
THE WIDTH FOR NORTH PORTER IS 60 FEET AT EAST BROCKETT STREET.

AUSTIN COLLEGE OWNS THIS TRACT WHICH IS IN THE SOUTHEAST

INTERSECTION FOR EAST BROCKETT AND NORTH PORTER STREETS.

CAMERA FACES EASTWARD

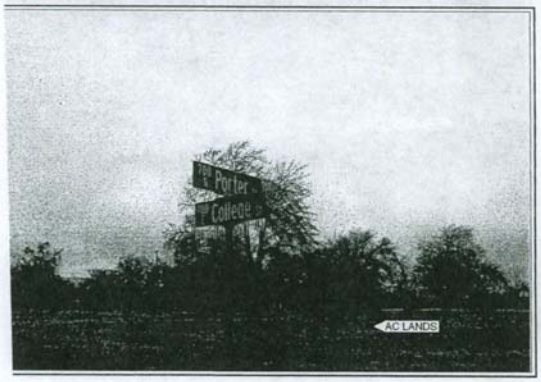
Borrower:	CLIENT IS AUSTIN COLLEGE		File No.:	L AC PORTER ST 2008	
Property Address:	NORTH PORTER STREET (EAST BROCKETT TO EAST RICHARDS)		Case No.:		
City:	SHERMAN	State:	TX	Zip:	75090
Lender:	N/A				



A WESTWARD GLIMPSE OF EAST BROCKETT STREET AS IT

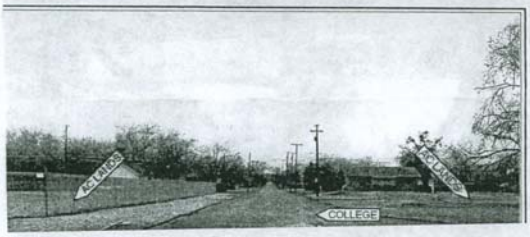
INTERSECTS NORTH PORTER STREET

AUSTIN COLLEGE OWNS THIS PARCEL WHICH IS IN THE SOUTH - WEST CORNER FOR THAT INTERSECTION OF EAST BROCKETT AND NORTH PORTER STREETS.



CAMERA FACES NORTHWESTWARD

THE PROPOSED PURCHASE OF NORTH PORTER STREET EXTENDS NORTHWARD FROM THIS INTER - SECTION OF PORTER WITH EAST COLLEGE STREET.



A WESTWARD VIEWING OF EAST COLLEGE STREET AS IT

INTERSECTS WITH NORTH PORTER STREET

AUSTIN COLLEGE OWNS THE LANDS ON BOTH THE NORTH AND SOUTH SIDES OF EAST COLLEGE STREET.

orrower:	CLIENT IS AUSTIN COLLEGE		File No.:	L AC PORTER ST 2008	
roperty Address:	NORTH PORTER STREET (EAST BROCKETT TO EAST RICHARDS)		Case No.:		
ity:	SHERMAN	State:	TX	Zip:	75090
ender:	N/A				

THE PROPOSED NORTH PORTER STREET BUY CONTINUES NORTH

HERE. THIS PORTER FORMS THE WEST BOUNDARY FOR THE AUSTIN COLLEGE ROO FOOTBALL FIELD.

NORTH PORTER MAKES A SLIGHT WESTWARD SWING AT THIS POINT, THEN CONTINUES ON NORTHWARD (UNDERWOOD SURVEY).

CAMERA FACES NORTHWARD

THAT WESTWARD SWING FOR NORTH PORTER STREET

AUSTIN COLLEGE OWNS PARCELS ON EACH SIDE OF THIS NORTH PORTER FOR THIS SECTOR OF PORTER.

AUSTIN COLLEGE INTRAMURAL FIELD

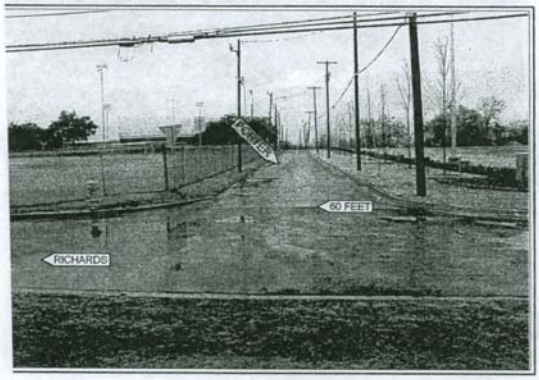
THIS FIELD, DONATED FOR THOMAS WILLIAMS, IS ON THE WEST SIDE OF NORTH PORTER STREET AS WELL AS BEING ON THE SOUTH SIDE OF EAST RICHARDS STREET.

Borrower:	CLIENT IS AUSTIN COLLEGE		File No.:	L AC PORTER ST 2008	
Property Address:	NORTH PORTER STREET (EAST BROCKETT TO EAST RICHARDS)		Case No.:		
City:	SHERMAN	State:	TX	Zip:	75090
Lender:	N/A				

AUSTIN COLLEGE TENNIS COURTS BEING ON THE NORTH SIDE OF

EAST RICHARDS STREET

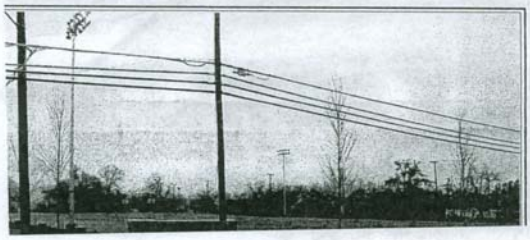
THIS PROPOSED NORTH PORTER STREET BUY TERMINATES ON THE SOUTH SIDE OF EAST RICHARDS STREET (RICHARDS IS OWNED BY AUSTIN COLLEGE FOR THIS SECTOR).



CAMERA FACES SOUTHWARD FROM EAST RICHARDS STREET

THE NORTH BOUNDARY LINE FOR THIS SUBJECT IS 60 FEET WIDE BEING ON THE SOUTH SIDE OF EAST RICHARDS STREET.

AUSTIN COLLEGE OWNS THESE PARCELS BEING ON BOTH THE EAST AND WEST SIDES OF NORTH PORTER AS WELL AS BEING ON THE SOUTH SIDE OF EAST RICHARDS STREET.



SOUTHWESTWARD GLANCE

THAT AUSTIN COLLEGE INTRAMURAL FIELD WHICH IS IN THE INTERSECTION FOR EAST RICHARDS AND NORTH PORTER STREETS.

SUBJECT PROPERTY PHOTO ADDENDUM

orrower:	CLIENT IS AUSTIN COLLEGE		File No.:	L AC PORTER ST 2008	
roperty Address:	NORTH PORTER STREET (Brockett To Richards)		Case No.:		
ity:	SHERMAN	State:	TX	Zip:	75090
ender:	CLIENT IS AUSTIN COLLEGE				

COMPARABLE SALE #1

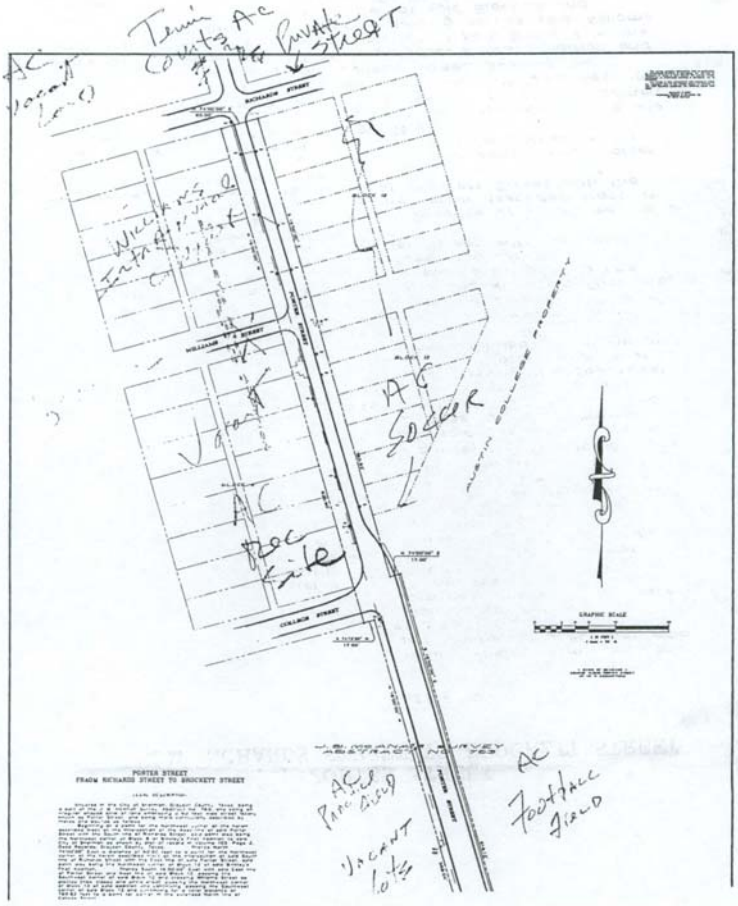
300 BLOCK WEST KING ST
SHERMAN, TEXAS
Sale Date: 10 - 2008
Sale Price: $ 5,750.

COMPARABLE SALE #2

514 SOUTH DEWEY AVENUE
SHERMAN, TEXAS
Sale Date: 8 - 2008
Sale Price: $ 14,000

COMPARABLE SALE #3

900 BLK S MONTGOMERY ST
SHERMAN, TEXAS
Sale Date: 5 - 2008
Sale Price: $ 5,500


Tennis Courts AC
Private Street
AC Vacant Lot
Williams Intermediate Center
Vacant
AC Soccer
AC Rec Site
AUSTIN COLLEGE PROPERTY
GRAPHIC SCALE
AC Football Field
AC Parking Field
Vacant Lots
PORTER STREET
FROM RICHARDS STREET TO BROCKETT STREET

PORTER STREET
FROM RICHARDS STREET TO BROCKETT STREET

LEGAL DESCRIPTION

Situated in the City of Sherman, Grayson County, Texas, being a part of the J. B. McAnair Survey, Abstract No. 763, and being an irregular shaped strip of land embracing a 60 foot wide street locally known as Porter Street, and being more particularly described by metes and bounds as follows:

Beginning at a point for the Northwest corner of the herein described tract at the intersection of the West line of said Porter Street with the South line of Richards Street, said point also being the Northeast corner of Block 8 of Binkley's First Addition to said City of Sherman as shown by plat of record in Volume 105, Page 2, Deed Records, Grayson County, Texas;

Thence North 74°00'00" East a distance of 60.00 feet to a point for the Northeast corner of the herein described tract at the intersection of said South line of Richards Street with the East line of said Porter Street, said point also being the Northwest corner of Block 12 of said Binkley's First Addition;

Thence South 16°00'00" East with said East line of Porter Street and West line of said Block 12, passing the Southwest corner of said Block 12 and crossing Williams Street as platted (now closed and untravelled), passing the Northwest corner of Block 13 of said addition and continuing, passing the Southwest corner of said Block 13 and continuing for a total distance of 760.92 feet to a point for corner in the extended North line of College Street;

Thence North 74°00'00" East with said extended North line of College Street a distance of 17.00 feet to a point for corner;

Thence South 16°00'00" East continuing with said East line of Porter Street a distance of 618.12 feet to a point for the Southeast corner of the herein described tract at the intersection of said East line of Porter Street with the North line of Brockett Street;

Thence South 74°00'00" West a distance of 60.00 feet to a point for the Southwest corner of the herein described tract at the intersection of said North line of Brockett Street with the West line of said Porter Street;

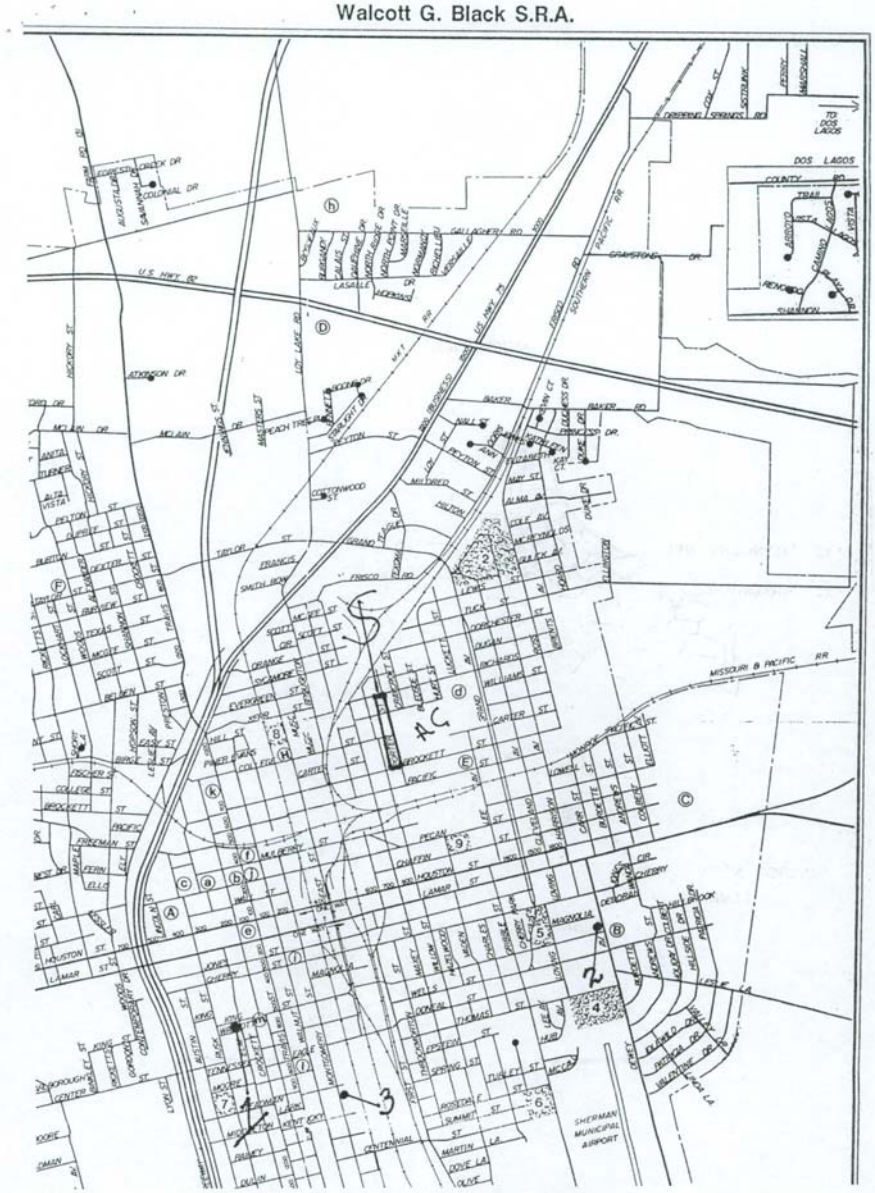
Thence North 16°00'00" West with said West line of Porter Street a distance of 558.04 feet to a point for corner in the extended South line of said College Street;

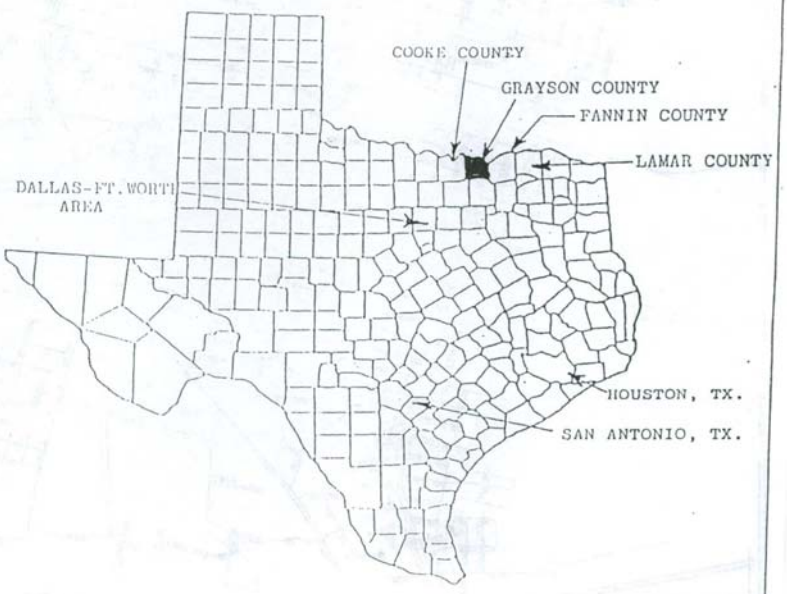
Thence South 74°19'50" West with said extended South line of College Street a distance of 17.00 feet to a point for corner;

Thence North 16°00'00" West continuing with said West line of Porter Street, crossing said College Street, passing the Southeast corner of Block 9 of said Binkley's First Addition and continuing, passing the Northeast corner of said Block 9 in the South line of Williams Street and continuing across said Williams Street, passing the Southeast corner of said Block 8 and continuing for a total distance of 820.80 feet to the Point-of-Beginning and containing 1.92 acres of land.....

I, James R. Moret, Registered Professional Land Surveyor,

Walcott G. Black S.R.A.





KEY TO COUNTIES

City of Sherman, Texas

PORTER ST. CLOSURE AND ABANDONMENT FROM RICHARDS ST. TO BROCKETT ST. - SALE TO AUSTIN COLLEGE

PROJECT LOCATION MAP

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. B.3

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5606
Closing and Abandoning a 15-foot Alley in Block Four (4) of the W.P. Carter's Addition to the City of Sherman, Grayson County, Texas, Bounded by Broughton Street, Throckmorton Street, College Street and Carter Street, as Recorded in Volume 25, Page 196 of the Grayson County Deed Records; Conveying the Interest in Said Right-of-Way to the Abutting and Adjacent Property Owner, Lazy L Enterprises

Issue
To consider approving the closure and abandonment of an alley as part of its sale to Lazy L Enterprises

Background
Lazy L Enterprises has made a request to purchase a one-block long, 15-foot alley situated between Broughton Street and Throckmorton Street and bordered on the north by College Street and on the south by Carter Street. Lazy L Enterprises currently owns all of the property along the west side of the alley. Property owners along the east side of the alley have been contacted; and none have objected to the closure, abandonment, and sale of the alley. This ordinance will perform the necessary administrative action to officially close and abandon the alley and prepare it for sale to Lazy L Enterprises.

Origination
Lazy L Enterprises

Financial Consideration
The cost of the required appraisal was covered by Lazy L Enterprises. Based upon the appraised value of this parcel, its sale would yield $1,600.00.

Staff Recommendation
It is recommended that the City Council approve the Ordinance closing and abandoning the alley and permitting its sale to Lazy L Enterprises.

Alternatives
As may be directed by the City Council

Attachments
Ordinance No. 5606; Request from Lazy L Enterprises; Appraisal; Plat (Exhibit A); Location Map

Prepared by:
Jeff Miller, Director of Public Works

Approved by:
George Olson, City Manager

ORDINANCE NO. 5606

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CLOSING AND ABANDONING A 15-FOOT ALLEY IN BLOCK FOUR (4) OF THE W.P. CARTER'S ADDITION TO THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, BOUNDED BY BROUGHTON STREET, THROCKMORTON STREET, COLLEGE STREET AND CARTER STREET, AS RECORDED IN VOLUME 25, PAGE 196 OF THE GRAYSON COUNTY DEED RECORDS; CONVEYING THE INTEREST IN SAID RIGHT-OF-WAY TO THE ABUTTING AND ADJACENT PROPERTY OWNER, LAZY L ENTERPRISES; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the hereinafter described right-of-way, being a 15-foot alley bounded by Broughton Street, Throckmorton Street, College Street and Carter Street in the City of Sherman, Grayson County, Texas, as platted and further described herein and as shown on Exhibit "A" attached hereto, shall be closed and abandoned, save and except there is reserved public easements in the right-of-way described below for any and all existing utilities for the right of ingress and egress to same for purposes of operation, maintenance or removal of such utilities or until such utilities shall be abandoned and relocated:

15-FOOT ALLEY IN BLOCK FOUR (4),
W.P. CARTER'S ADDITION

SITUATED in the County of Grayson, State of Texas, being all of an approximately 15-foot alley in Block Four (4) of the W.P. Carter's Addition to the City of Sherman, Texas as shown by plat of record in Volume 25, Page 196, Deed Records, Grayson County, Texas, and being more particularly described as an alley lying between Lots 1 through 12 and Lots 13 through 21 as shown in Exhibit "A".

SECTION 2. That it is the intent of the City Council that the right and interest in such right-of-way herein closed and vacated shall vest to the abutting property owner by appropriate conveyance of said right-of-way herein described.

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

INTRODUCED on this the _____ day of _____, 2009.

ADOPTED on this the _____ day of _____, 2009.

EFFECTIVE DATE on this _____ day of _____, 2009.

CITY OF SHERMAN, TEXAS

BY: _____
JOE N. SMITH,
DEPUTY MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

March 31, 2009

Mr. George Olson
City Manager
City of Sherman
220 W. Mulberry
Sherman, TX 75092

RE: Alley Abandonment

Dear George,

We are writing to request that the City of Sherman abandon the block-long alley situated between Broughton and Throckmorton and bordered by College Street on the north side and Carter Street to the south. As the owners of the property bordering the west side of the alley, we are ready, willing and able to purchase the alley for the appraised value of $1,600.00.

We have confirmed that the alley contains no underground utilities or easements.

Abandoning the alley will save the City of Sherman thousands of dollars in maintenance expenses while returning the land and improvements to the property tax rolls.

We look forward to your timely action on this request.

Thank you,

Lazy L Enterprises

Enc/10

Client File #:	N/A	Appraisal File #:	Alley - Throckmorton

Appraisal Institute®

AI Reports™ Form AI-200.02*

Restricted Use Appraisal Report • Residential

Appraisal Company: Jacobs Company / Texas
Address: 321 West Houston Street, Sherman, TX 75090-5882
Phone: 903-870-6011 Fax: 815-461-3269 Web: www.jacobs.com

Appraiser: James E. Jacobs
AI Membership: X SRA MAI SRPA Associate Member None
Other Professional Affiliation: IFA-Nat Assn Ind Fee Appraisers
E-mail: jejacobs10@gmail.com

Co-Appraiser:
AI Membership: SRA MAI SRPA Associate Member None
Other Professional Affiliation:
E-mail:

Client: Lazy L Enterprises & the City of Sherman Contact: Bill Magers
Address: 4 Timber Creek, Sherman, Texas 75092
Phone: N/A Fax: N/A E-mail: N/A

REAL ESTATE IDENTIFICATION

Address: See Legal Description
City: Sherman County: Grayson State: TX Zip: 75090
Legal Description:
15' Alley in Block 4, W. P. Carter's Addition (Corrected)
Tax Parcel #: N/A RE Taxes: N/A Tax Year: N/A

SUBJECT PROPERTY HISTORY

Owner of Record: City of Sherman

Description and analysis of sales within 3 years (minimum) prior to effective date of value: None discovered by review of Grayson County Appraisal District records.

Description and analysis of agreements of sale (contracts), listings, and options: N/A

RECONCILIATIONS AND CONCLUSIONS

Indication of Value by Sales Comparison Approach	$ 1,600
Indication of Value by Cost Approach	$ N/A
Indication of Value by Income Approach	$ N/A

Final Reconciliation of the Methods and Approaches to Value: The following types of comparables were identified and analyzed: sales of similar tracts, sales of tracts located within the subject property's market area, and listings located within the subject property's market area.

The comparables were analyzed on a square foot basis and an indication of value was developed. Due to the limited marketability and/or demand for tracts such as the subject property as well as the reliability of the data; the greatest weight was placed on sales of similar tracts.

The sales of similar tracts indicated a value range from $0.15/Sq Ft to $0.44/Sq Ft with the sales of alley ways setting the upper end of the range. Based on my analysis; $0.44/Sq Ft was selected as appropriate with the final indicated value being $0.44/ Sq Ft x 3,600 Sq Ft = $1.584; rounded to $1,600.

Opinion of Value as of: May 14, 2008 $ 1,600

Subject to any hypothetical conditions or extraordinary assumptions stated in the Assignment Parameters section.

* **NOTICE:** The Appraisal Institute publishes this form for use by appraisers where the appraiser deems use of the form appropriate. Depending on the assignment, the appraiser may need to provide additional data, analysis and work product not called for in this form. The Appraisal Institute plays no role in completing the form and disclaims any responsibility for the data analysis or any other work product provided by the individual appraiser(s).

Client:	Lazy L Enterprises & the City of Sherman	Client File #:	N/A
Subject Property:	See Legal Description	Appraisal File #:	Alley - Throckmorton

ASSIGNMENT PARAMETERS

Intended User: Lazy L Enterprises & the City of Sherman

Intended Use: AQssit in property transfer

This report is not intended by the appraiser for any other use or by any other user.

Type of Value: Market Value Effective Date of Value: 05/14/2008

Interest Appraised: [X] Fee Simple [ ] Leasehold [ ] Other:

Hypothetical Conditions: (A hypothetical condition is that which is contrary to what exists, but is asserted by the appraiser for the purpose of analysis. Any hypothetical condition may affect the assignment results.) None.

Extraordinary Assumptions: (An extraordinary assumption is directly related to a specific assignment and presumes uncertain information to be factual. If found to be false this assumption could alter the appraiser's opinions or conclusions. Any extraordinary assumption may affect the assignment results.) Legal description and ownership of the subject property is correct.

In accordance with Standard Rule 2-2(c) of the Uniform Standards of Professional Appraisal Practice (USPAP), this is a restricted use report.

SCOPE OF WORK

Definition: The scope of work is the type and extent of research and analysis in an assignment. Scope of work includes: the extent to which the property is identified; the extent to which tangible property is inspected; the type and extent of data researched; and the type and extent of analysis applied to arrive at opinions or conclusions. The specific scope of work for this assignment is identified below and throughout this report.

Inspection of Subject:

Appraiser:
[ ] None [ ] Interior [X] Exterior
[X] Date of Inspection 05/14/2008

Co-Appraiser:
[ ] None [ ] Interior [ ] Exterior
[ ] Date of Inspection

Living Area Measured:
[ ] Yes [ ] No
[ ] Other: N/A

Data Sources Used:

[X] MLS
[X] Public Records
[X] Office Files
[X] Owner
[ ] Plans & Specifications
[ ] Purchase Agreement
[X] Other: Information provided by the Client

Approaches to Value Developed:

Cost Approach:
[ ] Is necessary and developed in this analysis
[ ] Is applicable but not necessary and omitted in this analysis
[X] Is not applicable or necessary and omitted in this analysis

Sales Comparison Approach:
[X] Is necessary and developed in this analysis
[ ] Is applicable but not necessary and omitted in this analysis
[ ] Is not applicable or necessary and omitted in this analysis

Income Approach:
[ ] Is necessary and developed in this analysis
[ ] Is applicable but not necessary and omitted in this analysis
[X] Is not applicable or necessary and omitted in this analysis

Additional Scope of Work Comments: Steps in the Scope of Work included: 1) Inspecting the subject property; 2) Defining and inspecting the subject property's neighborhood; 3) Researching and confirming comparable sales and listings in the subject property's market area; 4) Analyzing identified comparable sales and listings by common units of comparison; 5) Reconciling indications of value into a single-point opinion of value as of the effective date.

Significant Real Property Appraisal Assistance: [X] None [ ] Disclose Name(s) and contribution:

Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is subject to the following assumptions and limiting conditions:

- This report is prepared using forms developed and copyrighted by the Appraisal Institute. However, the content, analyses, and opinions set forth in this report are the sole product of the appraiser. The Appraisal Institute is not liable for any of the content, analyses, or opinions set forth herein.
- No responsibility is assumed for matters legal in character or nature. No opinion is rendered as to title, which is assumed to be good and the property is marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and appraised as though free and clear, having responsible ownership and competent management.
- I have examined the property described herein exclusively for the purposes of identification and description of the real property. The objective of our data collection is to develop an opinion of the highest and best use of the subject property and make meaningful comparisons in the valuation of the property. The appraiser's observations and reporting of the subject improvements are for the appraisal process and valuation purposes only and should not be considered as a warranty of any component of the property. This appraisal assumes (unless otherwise specifically stated) that the subject is structurally sound and all components are in working condition.
- I will not be required to give testimony or appear in court because of having made an appraisal of the property in question, unless specific arrangements to do so have been made in advance, or as otherwise required by law.
- I have noted in this appraisal report any significant adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) discovered during the data collection process in performing the appraisal. Unless otherwise stated in this appraisal report, I have no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and have assumed that there are no such conditions and make no guarantees or warranties, express or implied. I will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because I am not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable public and/or private sources that I believe to be true and correct.
- I will not disclose the contents of this appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and/or applicable federal, state or local laws.
- The Client is the party or parties who engage an appraiser (by employment or contract) in a specific assignment. A party receiving a copy of this report from the client does not, as a consequence, become a party to the appraiser-client relationship. Any person who receives a copy of this appraisal report as a consequence of disclosure requirements that apply to an appraiser's client, does not become an intended user of this report unless the client specifically identified them at the time of the assignment. The appraisers written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
- A true and complete copy of this report contains 10 pages including exhibits which are considered an integral part of the report. The appraisal report may not be properly understood without access to the entire report.
- If this valuation conclusion is subject to satisfactory completion, repairs, or alterations, it is assumed that the improvements will be completed competently and without significant deviation.

VALUE DEFINITION

[X] **Market Value Definition (below)** [ ] **Alternate Value Definition (attached)**

MARKET VALUE is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: *Appraisal Institute Dictionary of Real Estate Appraisal*

Client:	Lazy L Enterprises & the City of Sherman	Client File #:	N/A
Subject Property:	See Legal Description	Appraisal File #:	Alley - Throckmorton

APPRAISER CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analysis, opinions, and conclusions.
- I have no present (unless specified below) or prospective interest in the property that is the subject of this report, and I have no (unless specified below) personal interest with respect to the parties involved.
- I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon the developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- Individuals who have provided significant real property appraisal assistance are named below. The specific tasks performed by those named are outlined in the Scope of Work section of this report.

[X] None [ ] Name(s) _____

As previously identified in the scope of work section of this report, the signer(s) of this report certify to the inspection of the property that is the subject of this report as:

Appraiser	[ ] None	[ ] Interior	[X] Exterior
Co-Appraiser	[ ] None	[ ] Interior	[ ] Exterior

ADDITIONAL CERTIFICATION FOR APPRAISAL INSTITUTE MEMBERS

Appraisal Institute Member Certifies:

- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Designated Appraisal Institute Member Certifies:	**Designated Appraisal Institute Member Certifies:**
• As of the date of this report, I [X] have / [ ] have not completed the continuing education program of the Appraisal Institute.	• As of the date of this report, I [ ] have / [ ] have not completed the continuing education program of the Appraisal Institute.
APPRAISER:	**CO-APPRAISER:**
Signature JEJacobs	Signature
Name James E. Jacobs Report Date 05/20/2008	Name Report Date
State Certification # G-1321951-TX ST TX	State Certification # ST
or License # ST	or License # ST
Expiration Date 01-31-2010	Expiration Date

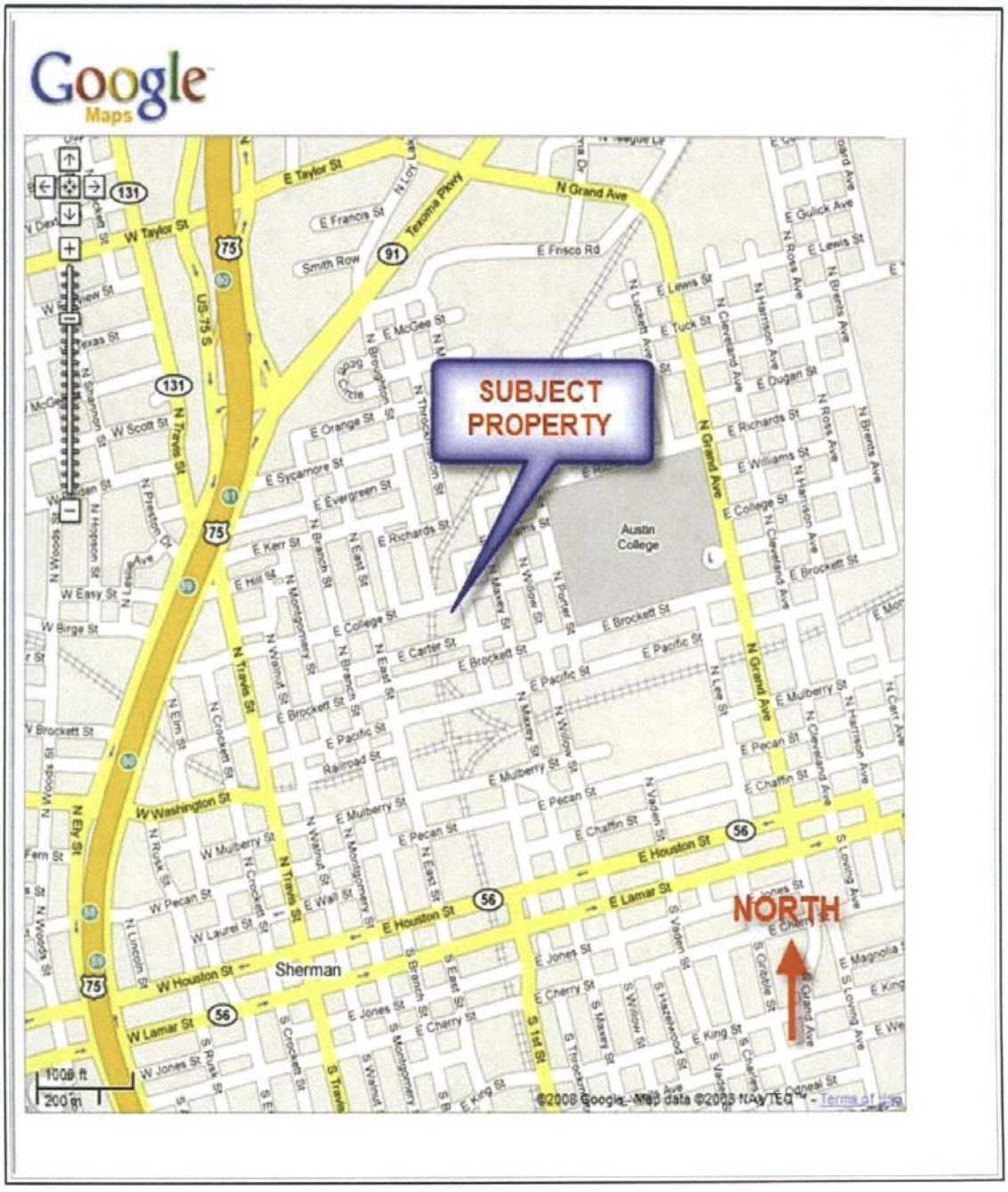
 © Appraisal Institute 2005

AERIAL PHOTOGRAPH

Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton

MAP

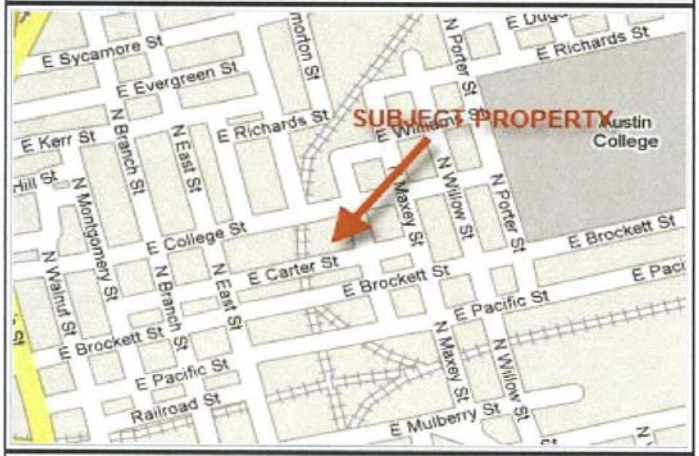
Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton



SUBJECT PHOTO ADDENDUM

Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton

Closeup Aerial



Closeup Map

Owner	% of Alley Frontage		Owner
Austin College	27.84%	8.35%	Progressive Missionary
		6.25%	Barton Capital
		6.25%	Countryside Homes
		4.00%	Laura Ann Amlin
Barton Capital	14.28%	8.35%	Thelma Jo Steveson
		16.80%	Edward Hawkins
Vision Homes	7.88%		

Frontage Percentages by Ownership

Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton

JAMES E. JACOBS QUALIFICATIONS

ACTIVITIES

Real estate appraiser, arbitrator, consultant and instructor located in Sherman, Texas. Certified USPAP instructor / instructor of appraisal courses/seminars throughout the United States.

PROFESSIONAL DESIGNATIONS/LICENSES/CERTIFICATIONS

Certified Real Estate Instructor (CREI): Texas Real Estate Teacher s Association
Certified USPAP Instructor - Appraiser Qualifications Board (2002 – Present)
Continuing Education Certified – Appraisal Institute – (Present-2010)
Designated SRA Appraiser (SRA): Appraisal Institute (1977-Present)
Designated IFA Appraiser (IFA): Nat Assn of Independent Fee Appraisers (2004-Present)
Registered Arbitrator-Texas Comptroller of Public Accounts (2006-Present)
State Certified Texas - General Real Estate Appraiser Certificate – (Expires: 01/31/2011)
Registered Arbitrator – Texas Comptroller of Public Accounts (2006-Present)

MEMBERSHIP

Member – Appraisal Institute (1975-Present)
Member – National Association of Independent Fee Appraisers (2004-Present)
Member – Texas Real Estate Teachers Association (2001-Present)
Member - Greater Texoma Association of Realtors (1988-Present)
Member - Texas Association of Realtors (1988-Present)
Member - National Association of Realtors (1988-Present)

POSITIONS-PRESENT

Approved Instructor – Appraisal Institute (2003-Present)
Certified Instructor – AchieveGlobal (2004-Present)
Expert Witness –Various District Courts-State of Texas (1997-Present)
Vice Chair-City of Sherman Planning and Zoning Board (2005-Present)
Member-Admissions & Designation Qualifications Committee-Appraisal Institute (2005-Present)
Report Grader - Residential Demonstration Appraisal Reports: Appraisal Institute (1992-Present)
President-Elect – North Texas Chapter – Appraisal Institute (2008)
Director of Research – Texas Real Estate Teachers Association (2008)
Member – Education Committee – National Assn of Independent Fee Appraisers (2008-Present)

POSITIONS-PAST

Chair - Appraisal Review Board: Grayson Appraisal District (1992-1997) / Member – (1998)
National Committee Member - Residential Admissions Committee: Appraisal Institute (1995-1998)
Chair - City of Sherman Planning and Zoning Board (1997-2000) / Member – (1991-1997)
Elected Regional Representative (North Texas Chapter) – Region VIII: Appraisal Institute (1997-2002)
President - Greater Texoma Association of Realtors (1998-1999)
Chair - Residential Appraiser Guidance: Appraisal Institute (1998-1999)
Committee Member - Residential Appraiser Guidance: Appraisal Institute (1995-1997) (1999-2001)
Board of Directors Member – North Texas Real Estate Information Services (1999-2000)
Chair – North Texas Real Estate Information Services' User Committee (1999)
National Committee Member - Client Services Committee: Appraisal Institute (1999-2000)
Elected Member (Region VIII) – Residential Appraiser Council (2000-2006)
Vice Chair – Res Demonstration Appraisal Rpt Subcommittee: Appraisal Institute (2003-2004)
Elected Board of Directors Member – North Texas Chapter – Appraisal Institute (2000-2003)

Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton

JAMES E. JACOBS QUALIFICATIONS-CONTINUED

PROFESSIONAL / APPRAISAL EXPERIENCE

1988 to Present – Appraiser/Arbitrator/Consultant/Instructor- Jacobs Company / Texas (Sherman, TX). Performing real estate related consultations and valuations. Instructor with various education providers across the United States.

1983 to 1988 - Vice President for Citicorp Investment Bank (Houston, Miami & New York). Primary responsibilities included the negotiation of mortgage loan purchases, the review of property appraisal reports, the inspection of properties and securitization of non-conforming mortgages.

1983 - Vice President for Commonwealth Mortgage Corporation (Houston). Negotiated the origination and performed the underwriting of multifamily mortgage loans. This process included the review and analysis of all appraisals and property sites.

1982 - National Director of Risk Management for PMI Mortgage Insurance Company (San Francisco, Dallas). Established appraisal/underwriting standards for new products.

1977 to 1982 - Senior Underwriter /New Products Team Leader for the Federal Home Loan Mortgage Corporation (Dallas, Washington, D.C.). Responsible for the underwriting of all multifamily loans (SW Region). Performed review appraisals and inspections / Lead new product team developing purchase program for ARMs.

1975 to 1977 - Assistant Vice President for Panhandle Savings and Loan Association (Amarillo, TX). Responsible for all residential and income property appraisals and secondary mortgage activities.

1972 to 1975 -Appraiser for Charles R. Rhodes and/or L. L. Jacobs (Amarillo, TX), providing both residential and income property appraisals.

EDUCATION

1977-1979 - Studies of Advanced Real Estate Subjects (SOARS), Texas Real Estate Research Center, College Station, TX (Certificate of Completion).
1969-1972 - Bachelor of Science, West Texas State University, Canyon, Texas (Degree).
1968-1969 - University of Oklahoma, Norman, Oklahoma

COURSES COMPLETED (TESTED):

AIREA VI -	Case Studies in Real Estate Valuation - (1978)
AIREA II -	Capitalization Theory and Techniques - (1978)
SREA 202 -	Applied Income Property Valuation (1988)
SREA -	Professional Practice Seminar (1990)
AI 410-	Standards of Professional Practice; Part A & B (1994)
AI 430-	Standards of Professional Practice; Part C (1999-2002-2003)
TAF-	AQB Certified Instructor Seminar (2003)

SEMINARS ATTENDED (ATTENDANCE ONLY):

SREA – Depreciation Analysis (1972)
SREA – Narrative Report Seminar (1974)
SREA – Energy Considerations in Appraising (1979)
AIREA – Condominium Seminar (1979)
SREA – Appraising Condominiums (1979)
SREA – Inner City Neighborhood Analysis & Val (1979)
Boeckh – Building Cost Estimating Seminar (1979)
Marshall – Marshall Valuation Service Seminar (1980)
SREA – Professional Practice Seminar (1988)
SREA – Market Extractions (1988)
SREA – Real Estate Value Using Spreadsheets (1988)
FNMA – Appraisal/Underwriting Seminar (1988 & 1990)
SREA – Effective Report Writing for Appraisers (1990)
AI – Subdivision Analysis (1991)
AI – Understanding the Styles-American Homes (1991)
AI – Supporting Sales Comparison Grid Adj (1999)
AI – The Appraisal of Retail Properties (1999)
AI - The FHA and the Appraisal Process (1999)
TAAD – Appraisal Review Board Seminar (1996)
AI – The High Tech Appraisal Office (1996)
AI – The Internet and the Appraiser (1996)
AI – Resl Demo Report Graders Training Pgm (1996)
AI – The Impact of Mineral Rights and Oil and Gas Activities on Agricultural Land Values (1996)
SLF – Inst of Planning, Zoning & Eminent Domain (1997)
AI – Business Valuation (Parts 1 & 2) (1997)
AI – General Appraiser USPAP Update (1999)
AI – AMC Panel Discussion (1999)
AI – eRelay Electronic Commerce for the Appraiser (1999)
AI – Technology Forum (1999)

Client:	Lazy L Enterprises & the City of Sherman	Client File #:	N/A
Subject Property:	See Legal Description	Appraisal File #:	Alley - Throckmorton

JAMES E. JACOBS QUALIFICATIONS-CONTINUED

PARTIAL LIST OF CLIENTS-VALUATION

Amarillo National Bank, NA
American Bank of Texas, NA
Bank of America-Texas, NA
Citicorp
City of Sherman
Fannie Mae (FNMA)
Federal Deposit Insurance Corp. (FDIC)
Freddie Mac (FHLMC)
Lender's Service, Inc.
Mortgage Securities Advisors, Inc.
Proctor & Gamble
Sherman Independent School District

PARTIAL LIST OF CLIENTS - INSTRUCTION

Grayson County College-Denison, TX
Richland College-Dallas, TX
Northlake College-Irving, TX
Amarillo College-Amarillo, TX
Appraisal Institute-Chicago, IL
National Association of Independent Fee Appraisers-Chicago, IL
Kaplan Professional Schools-Dallas, TX
McKissock-Warren, PA
Continuing Education Institute-Arlington, TX
Grayson Appraisal District-Sherman, TX
Champions School of Real Estate-Dallas, TX

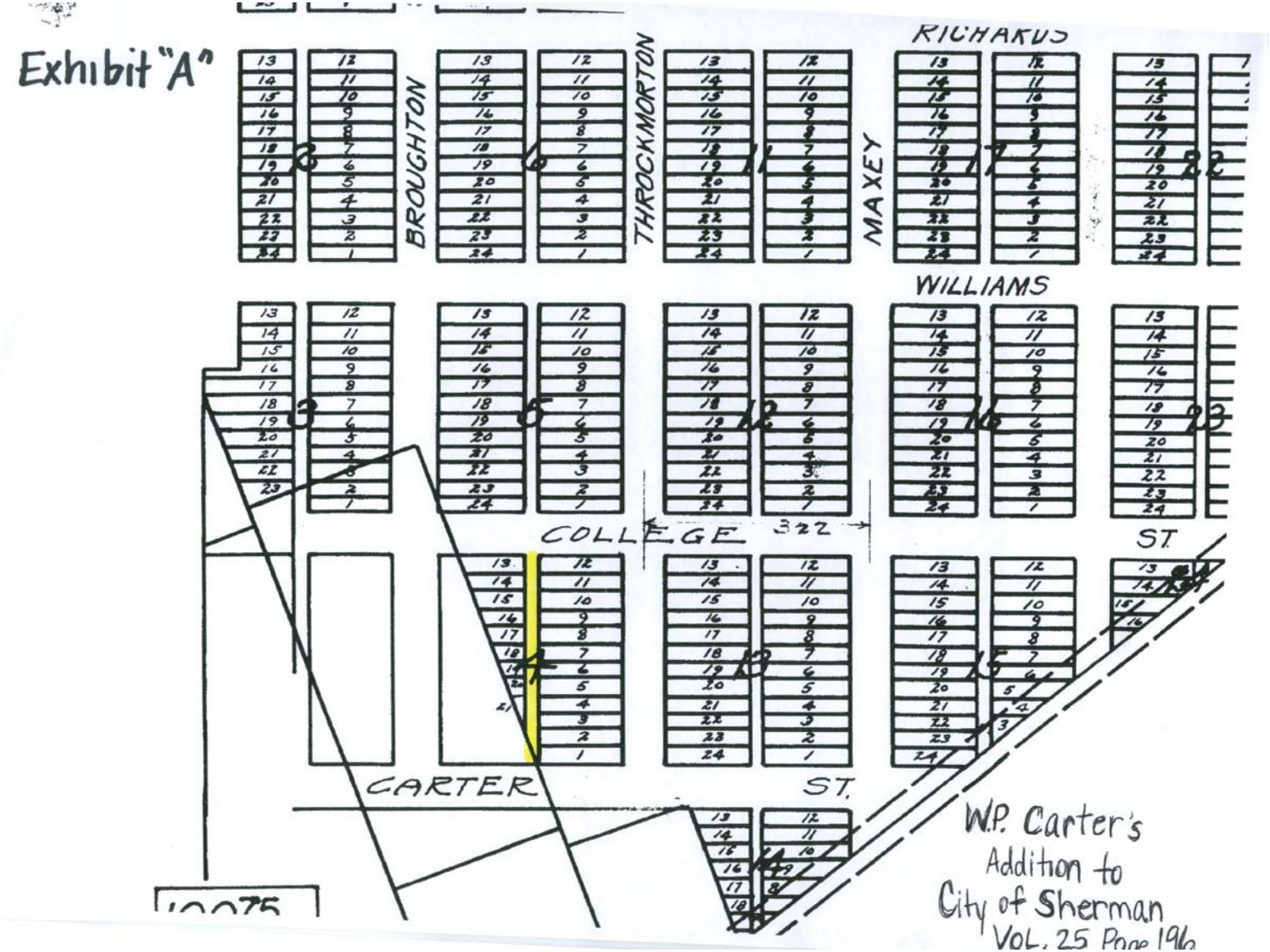
COURSES/SEMINARS TAUGHT (PARTIAL LIST)

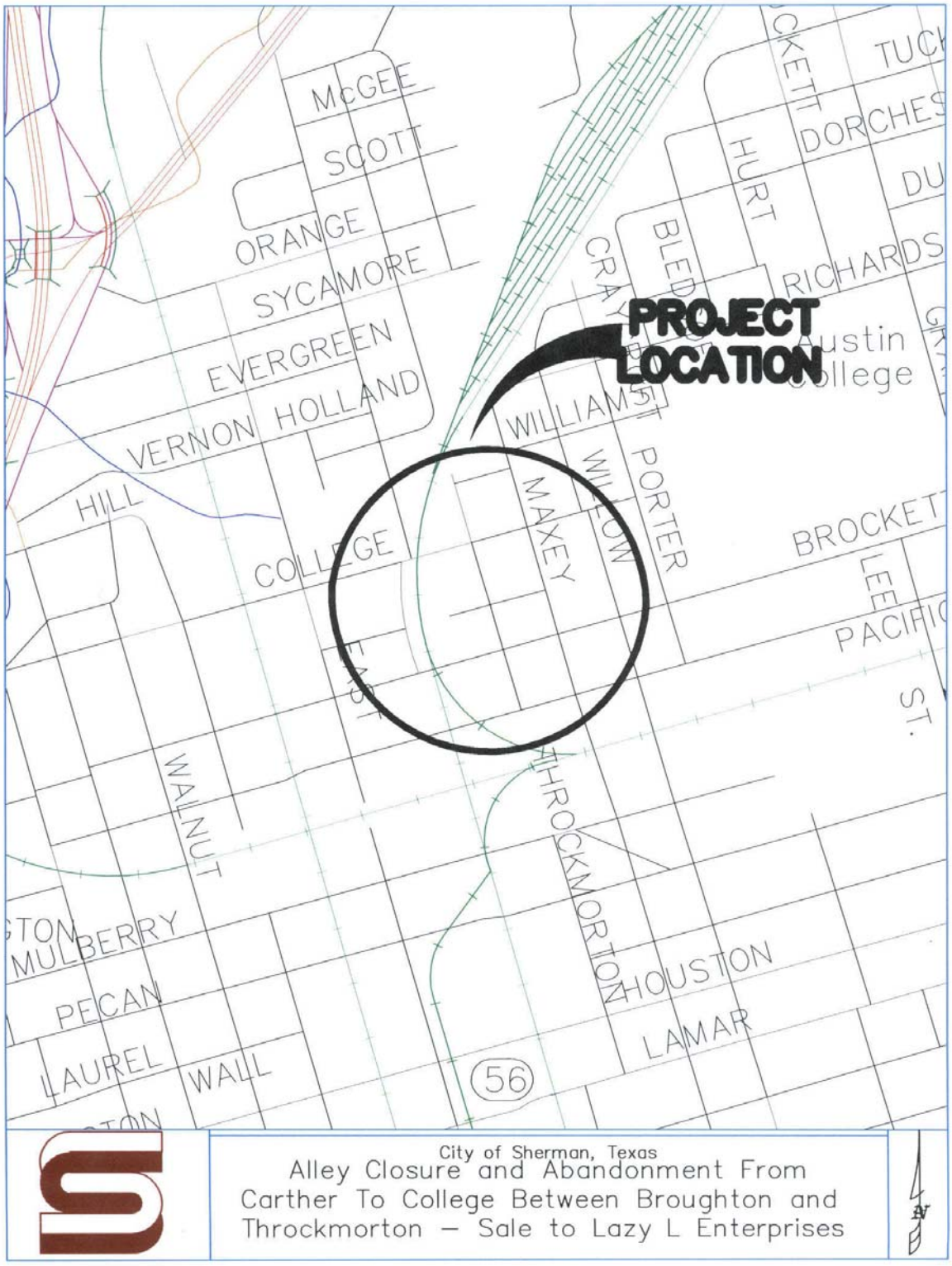
7 Hour USPAP Update
15 Hour USPAP
Scope of Work
2005 Uniform Residential Appraisal Report
Appraising the Tough Ones
Appraisal Examination Preparation
Narrative Report Writing
Appraisal Basics
Appraising Multi-Family Properties
Cost Approach to Value
Uniform Residential Appraisal Report
Appraiser Liability: Protect Yourself
Appraisal Review
Appraising the Oddball: Nonconforming & Difficult Properties
CA Federal & State Laws & Regulations
Appraising High-Value Residential Properties
Disclosures & Disclaimers
Limited Appraisals & The Scope of Work Decision
Made in America, Appraising Factory-Built Housing
Residential Construction
Residential Income Capitalization Approach
Real Estate Principles – Texas (I & II)
Real Estate Contracts – Texas
Real Estate Agency – Texas
Real Estate Appraisal – Texas
Real Estate Finance
Real Estate Math
Real Estate Examination Review
Environmental Red Flags
Fair Housing
Applications of WORD
Applications of Excel
Applications of PowerPoint
Introduction to Computers
Introduction to Email
Introduction to the Internet
Residential Market Analysis & Highest & Best Use
Appraisal Challenges: Declining Markets & Sales Concessions

LICENSES/ARTICLES/AWARDS

Recipient - 1994 & 1999 Greater Texoma Association of Realtor's Realtor of the Year Award
Recipient - 1993 Grayson County Association of Realtors' Special Achievement Award
Former approved appraiser by HUD - Dallas, Texas and Fort Worth, Texas for performing FHA/HUD appraisals
Former Real estate broker - State of Texas, Number 175596-32.
Co-author - Texas Real State Finance, 1987 - John Wiley and Sons, New York, N. Y.
Instructor- Real estate courses for HUD and several Texas community colleges between 1977 and present including: Amarillo College, Amarillo, TX; Richland College, Dallas, TX; Northlake College, Irving, TX, Grayson County College, Denison, TX and Leonard-Hawes RE School.
Instructor – Computer classes – SAVE program - Grayson County College, Denison, TX.
Author - Several real estate articles published in national publications.

Exhibit "A"


BROUGHTON
THROCKMORTON
MAXEY
RICHARDS
WILLIAMS
COLLEGE
322
ST.
CARTER
ST.
W.P. Carter's
Addition to
City of Sherman
Vol. 25 Page 196



City of Sherman, Texas

Alley Closure and Abandonment From Carther To College Between Broughton and Throckmorton – Sale to Lazy L Enterprises

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. B.4

ADOPTION OF ORDINANCES
Consider Adoption of Ordinance Numbers: 5605 and 5606

B.2 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5605
Closing and Abandoning a Portion of North Porter Street from East Brockett Street to East Richards Street in the City of Sherman, Grayson County, Texas; Conveying the Interest in Said Right-of-Way to the Abutting and Adjacent Property Owner, Austin College

B.3 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5606
Closing and Abandoning a 15-foot Alley in Block Four (4) of the W.P. Carter's Addition to the City of Sherman, Grayson County, Texas, Bounded by Broughton Street, Throckmorton Street, College Street and Carter Street, as Recorded in Volume 25, Page 196 of the Grayson County Deed Records; Conveying the Interest in Said Right-of-Way to the Abutting and Adjacent Property Owner, Lazy L Enterprises

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. B.5

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.1 **** RESOLUTION NO. 5363***

Authorizing Publication of the Proposed Final Statement/Action Plan for the Community Development Block Grant for Fiscal Year 2009; Authorizing Submission of the Block Grant Application; Authorizing Execution of Certain Assurances of Compliance in Connection with the Administration and Conduct of the Community Development Program for Fiscal Year 2009

C.4 **** RESOLUTION NO. 5366***

Authorizing Execution of an Employment Contract with Sharon A. Malone, M.D. as Licensed Medical Director for Emergency Medical Services; Providing for a Statement of Medical Direction; Providing for Automatic Renewal

C.5 **** RESOLUTION NO. 5367***

Awarding a Bid to and Authorizing Execution of a Contract with Bound Tree Medical, LLC for EMS Medical and Medicinal Supplies to be Used by the Sherman Fire Department

D.1 **** REQUEST TO ADVERTISE***

Pecan Grove Park Development – Phase II

D.2 **** REQUEST TO ADVERTISE***

Janitorial Cleaning Services

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. C.1

**** RESOLUTION NO. 5363***

Authorizing Publication of the Proposed Final Statement/Action Plan for the Community Development Block Grant for Fiscal Year 2009; Authorizing Submission of the Block Grant Application; Authorizing Execution of Certain Assurances of Compliance in Connection with the Administration and Conduct of the Community Development Program for Fiscal Year 2009

Issue

Approval of the Fiscal Year (FY) 2009 Community Development Block Grant Final Statement/Action Plan

Background

Each year, the City of Sherman receives an entitlement grant (Community Development Block Grant) from the U.S. Department of Housing and Urban Development (HUD). We are required to prepare and submit an annual Action Plan, which is a description of the activities that will be undertaken during the coming year to address the needs of our low to moderate income citizens. This Action Plan is based on a five (5) year Consolidated Plan & Strategy that is established by City staff and approved by the Sherman City Council. It serves as the City's long term planning tool to address the identified needs of affordable housing, public housing, homelessness, and other non-housing community development needs and activities within the City of Sherman. Over the past five (5) years, the City of Sherman's history of allocations for the Community Development Block Grant is as follows: FY 2004 - $391,000; FY 2005 - $370,520; FY 2006 - $333,097; FY 2007 - $332,014; and FY 2008 - $321,189.

Origination

Theresa Caudle, Neighborhood Services Coordinator

Financial Consideration

The City of Sherman has been allocated $324,514 in Community Development Block Grant funds from the U.S. Department of Housing and Urban Development to address our various community development needs for low to moderate income citizens during FY 2009.

Staff Recommendation

It is staff recommendation that the Sherman City Council approve the resolution to adopt the FY 2009 Community Development Block Grant Final Statement/Action Plan as submitted.

Alternatives

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

Attachments

Resolution No. 5363
FY 2009 Final Statement/Action Plan
Memorandum from Theresa Caudle, Neighborhood Services Coordinator

Prepared and Approved by:
George Olson, City Manager

RESOLUTION NO. 5363

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING PUBLICATION OF THE PROPOSED FINAL STATEMENT/ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT FOR FISCAL YEAR 2009; AUTHORIZING SUBMISSION OF THE BLOCK GRANT APPLICATION; AUTHORIZING EXECUTION OF CERTAIN ASSURANCES OF COMPLIANCE IN CONNECTION WITH THE ADMINISTRATION AND CONDUCT OF THE COMMUNITY DEVELOPMENT PROGRAM FOR FISCAL YEAR 2009; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, under the Housing and Community Development Act of 1974, as amended, the City of Sherman is eligible to receive an estimated $324,514.00 for fiscal year 2009, to be expended on eligible activities primarily benefiting low/moderate income families; and

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

WHEREAS, after proper notice was published in the Herald Democrat, a newspaper of general circulation in the City of Sherman, public hearings were held by said Community Development Staff to receive citizen participation and input on March 13, 2009 and March 15, 2009; and

WHEREAS, the City Council, after due consideration of the proposed Community Development Final Statement and of all matters raised at public meetings, is of the opinion that, unless public comment warrants revisions, said final statement should be submitted as the Community Development Application for the City of Sherman for the program year 2009 to the U.S. Department of Housing and Urban Development, in order to secure funding as provided herein;

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

SECTION 1. That the Community Development Final Statement, embodying those projects set forth on Attachment "A", attached hereto and made a part hereof for all purposes, is hereby approved and adopted as the Community Development Plan of the City of Sherman, Texas, for the program year 2009.

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

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

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

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

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

PASSED AND APPROVED on this the _____ day of _____, 2009.

CITY OF SHERMAN, TEXAS

ATTEST: **BY:** _____
BILL MAGERS, MAYOR

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

_____
BRANDON S. SHELBY, CITY ATTORNEY

CITY OF SHERMAN, TEXAS
FINAL STATEMENT/ACTION PLAN OF
COMMUNITY DEVELOPMENT OBJECTIVES
AND PROJECTED USE OF FUNDS FOR PROGRAM YEAR 2009

GRANT NO: B-2009-MC-48-0027

The City of Sherman has received notice from the U.S. Department of Housing and Urban Development (HUD) that its entitlement grant for the Community Development Program (CDBG) for fiscal year 2009 is $324,514.00. These funds will be received on October 1, 2009. Activities that directly benefit low and moderate-income persons will be available citywide. Other activities which have an area benefit will only be available in areas of the city which are populated by a majority of low and moderate-income persons. The City has met citizen participation requirements.

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

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

COMMUNITY DEVELOPMENT PROGRAM ACTION PLAN
PROGRAM YEAR 2009

OWNER-OCCUPIED HOUSING REHABILITATION:.....$194,909
A program of specific housing repairs will be provided to low and moderate income homeowners who reside within the city limits of Sherman, to bring their properties to code requirements. Expenditures will be limited to $5,000 per housing unit under this activity. This activity will cause no displacement of low and moderate income persons.

FIRST-TIME HOMEOWNERSHIP PROGRAM:..... $ 25,000
A program, in cooperation with local lending institutions, to provide technical, educational and financial assistance to low and moderate income first-time homebuyers through a variety of services, including basic closing-cost assistance, at a maximum of $2,000.

DEMOLITION/CLEARANCE PROGRAM:.....$ 10,725
A program to demolish vacant, substandard structures and clear property lots which pose a risk to health/safety of low-moderate income target neighborhoods.

PROGRAM ADMINISTRATION:.....$ 63,000
The City proposes to use the Administration funds for personnel and support for all phases of the application process, environmental reviews, fair labor standard compliance, contract management, fair housing Grantee Performance Report, preparation of annual Action Plan and Performance Report associated with the City of Sherman Five-Year Consolidated Plan and Strategy.

PUBLIC SERVICE ACTIVITIES:

Sherman Housing Authority:.....$ 8,800
A program to address the problems of drug abuse and associated crime in public housing. Activities include increasing law enforcement services to stop the sell of illegal drugs in and around assisted housing, apprehend sellers of such drugs and an overall reduction of crime in the assisted housing area.

Texoma Area Paratransit System, Inc:.....$ 17,600
A program that will provide transportation assistance to low and moderate income individuals who reside within the city limits of Sherman including transportation to and from work, to and from school, and to doctor and grocery trips for the elderly.
Crisis Center:.....$ 3,080
A program of activities that will provide emergency assistance to homeless women and children of domestic violence, who at one time, resided within the city limits of Sherman.
Boys & Girls Club of Sherman, Inc:.....$ 1,400
A program to provide scholarships for the low and moderate income Sherman youth. Scholarship funding will provide the opportunity for low/moderate income youth to participate in organized sports activities that would not otherwise be able to participate.

TOTAL PROGRAM ALLOCATION:.....$324,514

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

CITY OF SHERMAN COMMUNITY DEVELOPMENT OBJECTIVES

9. Encourage citizen participation and input to obtain maximum public involvement in program activities.

10. Promote the rehabilitation and repair of deteriorating housing through the City's rehabilitation program.

11. Promote homeownership opportunities for low-moderate income persons through the City's First-time Homeownership closing cost assistance program.

12. Eliminate slum and blight through the removal of structures that create unsafe, unsanitary and hazardous situations for the public.

13. Promote drug elimination programs for low and moderate income assisted housing families/households.

14. Provide support for transportation assistance to low and moderate income persons.

15. Provide support for provision of emergency shelter/assistance to the homeless.

16. Assist in providing youth activities for children from low and moderate income families.

The Action Plan of Community Development Objectives and Projected Use of Funds for Program Year 2009 are available in the Community Development Office of the City of Sherman. Any citizen or agency interested in commenting on this Final Statement of Objectives is invited to submit written comments c/o Theresa Caudle, CD Coordinator, City of Sherman, P. O. Box 1106 Sherman, TX 75091-1106. Written comments must be received prior to 5:00 p.m. on Monday, July 6, 2009. A summary of comments received will be made a part of the summary of citizen participation of this Plan.

FILE REFERENCE _____

memorandum

DATE: Friday, May 22, 2009

TO: George Olson, City Manager

FROM: Theresa Caudle, CD Coordinator

SUBJECT: **PY 2009 Final Statement/Action Plan**

The City of Sherman's Proposed Final Statement/Action Plan of Community Development Objectives with projected use of the funds for Program Year (PY) 2009 was published in the *Herald Democrat* on April 20, 2009. The required 30-day public comment period has concluded; and there were no public comments received on the Proposed Statement of Objectives.

Therefore, we are now ready to proceed with submitting this to the City Council in the form of a Resolution establishing the City of Sherman's PY 2009 Final Statement/Action Plan.

I am requesting that you set this item for public hearing and present the Resolution for consideration and approval by our City Council at the next regular scheduled meeting of June 1, 2009.

Should you have any questions, please let me know.

Sherman

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. C.2

RESOLUTION NO. 5364

Authorizing Execution of a Deed Without Warranty to Austin College for the Conveyance of a Portion of Right-of-Way being North Porter Street from East Brockett Street to East Richards Street in the City of Sherman, Grayson County, Texas

Issue

To authorize the City Manager to convey a portion of North Porter Street to Austin College at its appraised value

Background

Austin College has requested that the City Council consider selling a portion of North Porter Street, from East Brockett Street to East Richards Street, to provide for the expansion of their campus. Austin College owns all of the land adjacent to this portion of Porter Street. The College has received letters from all of the franchise utilities wherein no concern is expressed for the sale of the street and their utility easement needs are identified. The City's utilities (and others) will be secured by the creation of a 60' utility easement in the old street right-of-way. This Resolution and the Deed Without Warranty will perform the necessary administrative action to officially convey this portion of street right-of-way to Austin College.

Origination

Austin College

Financial Consideration

Austin College has provided an appraisal for the Porter Street segment. Based upon that appraisal, Austin College will pay the City of Sherman $20,908.75 for this property.

Staff Recommendation

It is recommended that the City Council approve the sale of North Porter Street, from East Brockett Street to East Richards Street, to Austin College for the appraised value of $20,908.75, with provisions for the 60' street right-of-way to be maintained as a utility easement.

Alternatives

As may be directed by the City Council

Attachments

Resolution No. 5364; Deed Without Warranty; Austin College Request; Appraisal and Survey; Utility Letters; Location Map

Prepared by:
Jeff Miller, Director of Public Works

Approved by:
George Olson, City Manager

RESOLUTION NO. 5364

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEED WITHOUT WARRANTY TO AUSTIN COLLEGE FOR THE CONVEYANCE OF A PORTION OF RIGHT-OF-WAY BEING NORTH PORTER STREET FROM EAST BROCKETT STREET TO EAST RICHARDS STREET IN THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all documents being properly completed and approved as to form by the City Attorney, to execute a Deed Without Warranty to Austin College for the conveyance of property, being a portion of right-of-way being North Porter Street from East Brockett Street to East Richards Street in the City of Sherman, Grayson County, Texas, for the consideration of Twenty Thousand Nine Hundred Eight Dollars and Seventy-Five Cents ($20,908.75) in accordance with the documents attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED on this the _____ day of _____, 2009.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
BILL MAGERS, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

DEED WITHOUT WARRANTY

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

That the **CITY OF SHERMAN**, a municipal corporation of the State of Texas, hereinafter called "Grantor", acting by and through its City Council, for and in consideration of the sum of Twenty Thousand Nine Hundred Eight Dollars and Seventy-Five Cents ($20,908.75) by **AUSTIN COLLEGE**, hereinafter called "Grantee", the receipt of which is hereby acknowledged, hereunto duly authorized by City Council Resolution, hereby grants, sells, releases, and forever conveys unto **AUSTIN COLLEGE** all of Grantor's right, title and interest in and to the following real property, to wit:

NORTH PORTER STREET
FROM EAST BROCKETT STREET TO EAST RICHARDS STREET

SITUATED in the County of Grayson, State of Texas, being a part of the J.B. McAnair Survey, Abstract No. 763, and being an irregular shaped strip of land embracing a 60 foot wide street locally known as Porter Street, and being more particularly described by metes and bounds as follows.

BEGINNING at a point for the Northwest corner of the herein described tract at the intersection of the West line of said Porter Street with the South line of Richards Street, said point also being the Northeast corner of Block 8 of Binkley's First Addition to said City of Sherman as shown by plat of record in Volume 105, Page 2, Deed Records, Grayson County, Texas:

THENCE North 74º00'00" East a distance of 60.00 feet to a point for the Northeast corner of the herein described tract at the intersection of said South line of Richards Street with the East line of said Porter Street, said point also being the Northwest corner of Block 12 of said Binkley's First Addition;

THENCE South 16º00'00" East with said East line of Porter Street and West line of said Block 12, passing the Southwest corner of said Block 12 and crossing Williams Street as platted (now closed and untraveled), passing the Northwest corner of Block 13 of said addition and continuing, passing the Southwest corner of said Block 13 and continuing for a total distance of 760.82 feet to a point for corner in the extended North line of College Street;

THENCE North 74º00'00" East with said extended North line of college Street a distance of 17.00 feet to a point for corner;

THENCE South 16º00'00" East continuing with said East line of Porter Street a distance of 618.12 feet to a point for the Southeast corner of the herein described

tract at the intersection of said East line of Porter Street with the North line of Brockett Street;

THENCE South 74º00'00" West a distance of 60.00 feet to a point for the Southwest corner of the herein described tract of the intersection of said North line of Brockett Street with the West line of said Porter Street;

THENCE North 16º00'00" West with said West line of Porter Street a distance of 558.04 feet to a point for corner in the extended South line of said College Street;

THENCE South 74º19'50" West with said extended South line of college Street a distance of 17.00 feet to a point for corner;

THENCE North 16º00'00" West continuing with said West line of Porter Street, crossing said College Street, passing the Southeast corner of Block 9 of said Binkley's First Addition and continuing, passing the Northeast corner of said Block 9 in the South line of Williams Street and continuing across said Williams Street, passing the Southeast corner of said Block 8 and continuing for a total distance of 820.80 feet to the Point-of-Beginning and containing 1.92 acres of land.

TO HAVE AND TO HOLD all of Grantor's right, title and interest in and to the above described property and premises unto the said Grantee, its legal representatives, successors and assigns forever, without express or implied warranty, so that neither Grantor nor Grantor's successors, legal representatives or assigns shall have claim or demand any right or title to the aforesaid property, premises or appurtenances or any part thereof, **SAVE AND EXCEPT** that these properties are to be reserved as easements for any and all existing utilities as may be now located in said above described property, with the right of ingress and egress to same for the purpose of operation, construction, repair, reconstruction, improvement maintenance, or removal of such utilities until such shall be abandoned or relocated. All warranties that might arise by common law as well as the warranties in Section 5.023 of the Texas Property Code (or its successor) are excluded.

This conveyance is made and accepted subject to and all conditions and restrictions, if any, relating to the here above described property, shown of record in the office of the County Clerk of Grayson County, Texas.

Release. In accepting the conveyance of this property, Grantee expressly accepts the property in its "as is" condition, with all of its faults and encumbrances, if any. GRANTEE RELEASES AND FOREVER DISCHARGES THE GRANTOR, ITS OFFICERS, AGENTS AND EMPLOYEES FROM ALL RIGHTS, CLAIMS, DEMANDS, OR CAUSES OF ACTION, AT LAW OR IN EQUITY, GRANTEES PRESENTLY HAVE, OR EVEN CAN, SHALL, OR MAY HAVE IN THE FUTURE IN CONNECTION WITH THIS TRANSACTION, INCLUDING HAZARDOUS MATERIALS OR ENVIRONMENTAL ISSUES IN, ON OR UPON THE PROPERTY, IF ANY. GRANTEE STATES THAT IT IS NOT RELYING UPON

ANY REPRESENTATIONS OR DISCLOSURES BY THE GRANTOR AND NONE HAVE BEEN MADE IN CONNECTION WITH THE ACQUISITION OF THIS PROPERTY. THIS RELEASE SHALL BE BINDING UPON GRANTEE'S LEGAL REPRESENTATIVES, ASSIGNS AND SUCCESSORS IN INTEREST.

TO HAVE AND TO HOLD all of its right, title and interest in and to the above described property and premises subject to the aforesaid, unto the said Grantee, its legal representatives, successors and assigns forever, so that the Grantor, its legal representatives, successors and assigns shall not have, claim or demand any right, title or interest to the aforesaid property, premises or appurtenances of any part thereof.

Grantor acknowledges and confesses that this conveyance is made pursuant to the authority of the Resolution No.5364 of the City of Sherman, Texas passed and approved on the 1st day of June, 2009.

IN WITNESS WHEREOF, the City of Sherman, Texas, a municipal corporation of Grayson County, Texas, has caused this instrument to be executed by its City Manager, on the this _____ day of _____, 2009.

CITY OF SHERMAN, TEXAS

BY: _____
GEORGE OLSON,
CITY MANAGER

ACKNOWLEDGEMENT

STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, in and for the State of Texas, on this day personally appeared George Olson, City Manager, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said City of Sherman, a municipal corporation of the State of Texas, and that he executed the same as the act of such corporation for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this_____ day of _____, 2009, by George Olson, City Manager of the City of Sherman.

_____
Notary Public, State of Texas
Commission Expires: _____

Austin College
1849

January 21, 2009

Mr. Jeff Miller
Director of Public Works
P.O. Box 1106
Sherman, TX 75091-1106

Dear Mr. Miller:

Several weeks ago, I spoke to you regarding Austin College purchasing three blocks of Porter Street from Richards St. (to the north) to Brockett St. (to the south). The college owns all the adjacent property to this street.

A survey has now been completed by Underwood Drafting in Denison. The survey is included in the appraisal by Walcott Black & Associates; and a copy of each is being provided to you. Austin College is willing to pay the appraised value.

Please contact me if you or the Council needs any further information. Thank you for your consideration.

Regards,

Heidi B. Ellis

Heidi Ellis
Vice President for Business Affairs
Austin College

APPRAISAL OF

NORTH PORTER STREET GOING NORTH FROM EAST BROCKETT STREET & TERMINATING ON EAST RICHARDS STREET

LOCATED AT:

NORTH PORTER STREET (EAST BROCKETT TO EAST RICHARDS STREETS)
SHERMAN, TEXAS 75090

FOR:

CLIENT IS AUSTIN COLLEGE
900 NORTH GRAND AVENUE
SHERMAN, TEXAS 75090

BORROWER:

CLIENT IS AUSTIN COLLEGE

AS OF:

JANUARY 5, 2009

BY:

WALCOTT G. BLACK, SRA
WALCOTT G. BLACK, SRA & ASSOCIATES (903-893-7998)

WALCOTT G. BLACK, SRA & ASSOCIATES

LAND APPRAISAL REPORT

File No. L AC PORTER ST 2008

operty Address	NORTH PORTER STREET (Brockett To Richards)	Census Tract	0014.00	LENDER DISCRETIONARY USE	
ty	SHERMAN	County GRAYSON	State TX Zip Code 75090	Sale Price	$ MARKET VALUE
gal Description	PLEASE REFER TO THE ATTACHED SURVEY WITH FIELD NOTES			Date	N/A
wner/Occupant	CITY OF SHERMAN TO AUSTIN COLLEGE		Map Reference 63	Mortgage Amount	$ N/A
ale Price $	MARKET VALUE Date of Sale UNKNOWN		Property Rights Appraised	Mortgage Type	N/A
an charges/concessions to be paid by seller $	UNKNOWN		[X] Fee Simple	Discount Points and Other Concessions	
E. Taxes $	N/A Tax Year N/A HOA $/Mo. N/A		[ ] Leashold	Paid by Seller	$ N/A
nder/Client	CLIENT IS AUSTIN COLLEGE		[ ] Condominium (HUD/VA)		PURCHASE CITY STREET
	900 NORTH GRAND AVENUE SHERMAN, TEXAS 75090		[ ] PUD	Source	AUSTIN COLLEGE

					NEIGHBORHOOD ANALYSIS	Good	Avg	Fair	Poor
OCATION	[X] Urban	[ ] Suburban	[ ] Rural		Employment Stability	[ ]	[X]	[ ]	[ ]
UILT UP	[X] Over 75%	[ ] 25-75%	[ ] Under 25%		Convenience to Employment	[ ]	[X]	[ ]	[ ]
ROWTH RATE	[ ] Rapid	[X] Stable	[ ] Slow		Convenience to Shopping	[ ]	[X]	[ ]	[ ]
ROPERTY VALUES	[ ] Increasing	[X] Stable	[ ] Declining		Convenience to Schools	[X]	[ ]	[ ]	[ ]
EMAND/SUPPLY	[ ] Shortage	[X] In Balance	[ ] Over Supply		Adequacy of Public Transportation	[ ]	[X]	[ ]	[ ]
ARKETING TIME	[ ] Under 3 Mos.	[ ] 3-6 Mos.	[X] Over 6 Mos.		Recreation Facilities	[ ]	[X]	[ ]	[ ]
RESENT LAND USE %	LAND USE CHANGE	PREDOMINANT OCCUPANCY	SINGLE FAMILY HOUSING		Adequacy of Facilities	[ ]	[X]	[ ]	[ ]
ingle Family 75%	Not Likely [X]	Owner [X]	PRICE $(000)	AGE (yrs)	Property Compatibility	[ ]	[X]	[ ]	[ ]
4 Family	Likely [ ]	Tenant [ ]	25,000	Low 10YRS	Protection from Detrimental Cond.	[ ]	[X]	[ ]	[ ]
ulti-Family	In process [ ]	Vacant (0-5%) [X]	75,000	High 90YRS	Police & Fire Protection	[ ]	[X]	[ ]	[ ]
ommercial	To: SEE HIGHEST	Vacant (over 5%) [ ]	Predominant		General Appearance of Properties	[ ]	[X]	[ ]	[ ]
ndustrial	AND BEST USE		35,000 -	60YRS	Appeal to Market	[ ]	[X]	[ ]	[ ]
acant 25%	ANALYSIS.								

ote: Race or the racial composition of the neighborhood are not considered reliable appraisal factors. COMMENTS: The neighborhood is northeast of the owntown square being very near Austin College. Boundaries are North: Lewis Street, East: Grand Avenue, South: East Brockett Street, nd West: North Branch Street. Improvements are somewhat compatible in this specific neighborhood and protection from detrimental onditions is average. The general appearance of properties within this neighborhood is fair to average excepting Austin College which is ery well maintained. Marketability here for the single family dwelling will be maybe average as of the property visit date.

imensions	60 X 558.04 X 17 X 820.80 X 60 X 760.82 X 17 X 618.12 - SURVEY			Topography	FAIRLY LEVEL
ite Area	ABOUT 83,635 SQUARE FEET	Corner Lot	"ONE CITY STREET"	Size	APPX 83,635 SQ FT +/-
oning Classification	RESIDENTIAL	Zoning Compliance	YES	Shape	MOST RECTANGULAR
IGHEST & BEST USE: Present Use	CITY STREET	Other Use	N/A	Drainage	GRADED TO LOT LINE

ITILITIES	Public	Other	SITE IMPROVEMENTS Type		Public	Private		
lectricity	[X]	T X U	Street	ASPHALT	[X]	[ ]	Landscaping	NONE
as	[X]	T X U	Curb/Gutter	YES - CONCRETE	[X]	[ ]	Driveway	NONE
ater	[X]	CITY	Sidewalk	NONE	[X]	[ ]	Apparent Easements	REFER TO NEW SURVEY
anitary Sewer	[X]	CITY	Street Lights	YES - ELECTRIC	[X]	[ ]	FEMA Flood Hazard	Yes* ____ No X
torm Sewer	[ ]	NONE	Alley	NONE	[ ]	[ ]	FEMA* Map/Zone	48181CO145 E

Comments (Apparent adverse easements, encroachments, special assessments, slide areas, etc.): SEE ATTACHED

he undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar djustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior o, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to, r less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
ddress	North Porter ST SHERMAN, TEX	300 BLOCK WEST KING ST SHERMAN, TEXAS		514 SOUTH DEWEY AVENUE SHERMAN, TEXAS		900 BLK S MONTGOMERY ST SHERMAN, TEXAS	
roximity to Subject		Across Town Southwestward		Across Town Southward		Across Town Southwestward	
ales Price	$ MARKET VAL	$ 5,750.		$ 14,000		$ 5,500	
rice/	$ N/A ⍉	$ 00.78 ⍉		$ 00.93 ⍉		$ 00.79 ⍉	
ata Source	SITE VISIT	SHER-DEN REALTY - MLS		THOMAS REALTY - MLS		EBBY HALLIDAY - MLS	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)$ Adjustment	DESCRIPTION	+(-)$ Adjustment	DESCRIPTION	+(-)$ Adjustment
Sales or Financing Concessions		CASH SALE NO SELLER PTS		CASH SALE NO SELLER PTS		CASH SALE NO SELLER PTS	
Date of Sale/Time	MKT VALUE	10 - 2008		8 - 2008		5 - 2008	
Location	AVERAGE	AVERAGE		SUPERIOR	-20/SQ FT	AVERAGE	
Site/View	83,635 SQ FT	7,405 SQ FT	-60/SQ FT	14,980 SQ FT	-40/SQ FT	7,000 SQ FT	-60/SQ FT
TOPOGRAPHY	MOST LEVEL	MOST LEVEL		MOST LEVEL		MOST LEVEL	
CONFIGURATION	MOST RECT	MOST RECT		MOST RECT		MOST RECT	
IMPROVEMENTS	NONE	NONE		NONE		NONE	
Net Adj. (total)		[ ] + [X] -	$ 60	[ ] + [X] -	$ 60	[ ] + [X] -	$ 60
Indicated Value of Subject		Gross: 7692.3 Net: -7692.3	$ 00.18 / SQ FT	Gross: 6451.6 Net: -6451.6	$ 00.33 / SQ FT	Gross: 7594.9 Net: -7594.9	$ 00.19 / SQ FT

Comments of Sales Comparison: THE COMPARABLES ARE ALL CLOSED TRANSACTIONS AND OFFER A VALUE RANGE PER SQUARE FOOT (AFTER ADJUSTMENT) FOR THIS SUBJECT OF $00.18 TO $00.33. THE SUBJECT AND COMPARABLE VISITS PLUS MARKET ANALYSIS INDICATES A VALUE PER SQUARE FOOT FOR THE PARCEL OF $00.25. THEN, THE SUBJECT'S 83,635

ADDENDUM

Borrower:	CLIENT IS AUSTIN COLLEGE	File No.:	L AC PORTER ST 2008
Property Address:	NORTH PORTER STREET (Brockett To Richards)	Case No.:	
City:	SHERMAN	State: TX	Zip: 75090
Lender:	CLIENT IS AUSTIN COLLEGE		

SITE COMMENTS

HIGHEST & BEST USE ANALYSIS:

A portion of North Porter Street (consists of 83,635 square feet) beginning on the north right-of-way line for East Brockett Street and directioned northward while terminating on the south right-of-way line for East Richards Street was analyzed AS IS. The present use as a city street is probable, is legal, is physically possible, can be appropriately supported, and is financially feasible. The highest and best use of the subject is continued use as a city street.

However, Austin College desires to purchase this sector of North Porter Street, so there is planned by "THE COLLEGE" a possible change-in-use for this street. And, for purposes of this appraisal, the subject is really being considered as a mostly rectangular, excessive (83,635 sq ft) single family lot within a neighborhood where marketing is not good.

The asphalt street topping with concrete curb and gutter was not considered herein as the City of Sherman will analyze any contribution to value from the asphalt with concrete curb / gutter. The reported value herein pertains to "dirt" only.

THE SITE:

This subject site is a portion of North Porter Street containing about 83,635 square feet (Underwood survey). This sector of North Porter begins on the north right-of-way line for East Brockett Street and continues northward for about 1,379 feet thus terminating on the south right-of-way line for East Richards Street.

The property visit revealed a city street running near north - south and having a fairly level topography. North Porter is improved with the asphalt topping lined with concrete curbs and gutters. The Underwood survey shows a width or right-of-way of 60 feet for the subject.

The site dimensions are as follows: 60 feet for the south boundary line along the north side of East Brockett Street; about 1,378.84 feet for the west boundary line; 60 feet for the north boundary line along the south side of East Richards Street; and about 1,379.54 feet for the east boundary line. There is a 17 foot off-set for both the east and west sides of this Porter as the subject is not a perfect rectangle. The Underwood survey sums the square footage within this property as 83,636 square feet or 1.92 acres.

There is no planned residential development for this immediate neighborhood to my knowledge. This subject is not in a major growth pattern for the City of Sherman. However, Austin College is advancing toward this immediate neighborhood while expanding their learning and sporting facilities.

Finally, marketing for this subject will be only fair presently. A holding term for the property will be in excess of six months.

The subject has been utilized as a Sherman city street for many years. This property has not sold in the past three years. There is no listing for this subject. Austin college has applied with the City of Sherman to purchase this property.

ENVIRONMENTAL ADDENDUM

APPARENT* HAZARDOUS SUBSTANCES AND / OR DETRIMENTAL ENVIRONMENTAL CONDITIONS

WALCOTT G. BLACK, SRA & ASSOCIATES Case No. File No. L AC PORTER ST 2008

Borrower/ Client	CLIENT IS AUSTIN COLLEGE				
Address:	PART OF PORTER STREET (EAST BROCKETT TO EAST RICHARDS STREETS)				
City:	SHERMAN	County GRAYSON	State: TX	Zip code:	75090
Lender	CLIENT IS AUSTIN COLLEGE				

***Apparent is defined as that which is visible, obvious, evident or manifest to the appraiser.**

This universal Environmental Addendum is for use with any real estate appraisal. Only the statements which have been checked by the appraiser apply to the property being appraised.

This addendum reports the results of the appraiser's routine inspection of and inquiries about the subject property and its surrounding area. It also states what assumptions were made about the existence (or nonexistence) of any hazardous substances and/or detrimental environmental conditions. **The appraiser is not an expert environmental inspector** and therefore might be unaware of existing hazardous substances and/or detrimental environmental conditions which may have a negative effect on the safety and value of the property. It is possible that tests and inspections made by a qualified environmental inspector would reveal the existence of hazardous materials and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

DRINKING WATER

- ☐ Drinking Water is supplied to the subject from a municipal water supply which is considered safe. However the only way to be absolutely certain that the water meets published standards is to have it tested at all discharge points.
- ☐ Drinking Water is supplied by a well or other non-municipal source. It is recommended that tests be made to be certain that the property is supplied with adequate pure water.
- ☐ Lead can get into drinking water from its source, the pipes, at all discharge points, plumbing fixtures and/or appliances. The only way to be certain that water does not contain an unacceptable lead level is to have it tested at all discharge points.
- ☒ **The value estimated in this appraisal is based an the assumption that there is an adequate supply of safe, lead-free Drinking Water.**

Comments _____

SANITARY WASTE DISPOSAL

- ☐ Sanitary Waste is removed from the property by a municipal sewer system.
- ☐ Sanitary Waste is disposed of by a septic system or other sanitary on site waste disposal system. The only way to determine that the disposal system is adequate and in good working condition is to have it inspected by a qualified inspector.
- ☒ **The value estimated in this appraisal is based on the assumption that the Sanitary Waste is disposed of by a municipal sewer or an adequate properly permitted alternate treatment system in good condition.**

Comments _____

SOIL CONTAMINANTS

- ☐ There are no **apparent** signs of Soil Contaminants on or near the subject property (except as reported in Comments below). It is possible that research, inspection and testing by a qualified environmental inspector would reveal existing and/or potential hazardous substances and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.
- ☒ **The value estimated in this appraisal is based on the assumption that the subject property is free of Soil Contaminants.**

Comments _____

ASBESTOS

- ☐ All or part of the improvements were constructed before 1979 when Asbestos was a common building material. The only way to be certain that the property is free of friable and non-friable Asbestos is to have it inspected and tested by a qualified asbestos inspector.
- ☐ The improvements were constructed after 1979. No **apparent** friable Asbestos was observed (except as reported in Comments below).
- ☒ **The value estimated in this appraisal is based on the assumption that there is no uncontained friable Asbestos or other hazardous material on the property.**

Comments _____

PCBs (POLYCHLORINATED BIPHENYLS)

- ☐ There were no **apparent** leaking fluorescent light ballasts, capacitors or transformers anywhere on or nearby the property (except as reported in Comments below).
- ☐ There was no **apparent** visible or documented evidence known to the appraiser of soil or groundwater contamination from PCBs anywhere on the property (except as reported in Comments below).
- ☒ **The value estimated in this appraisal is based on the assumption that there are no uncontained PCBs on or nearby the property.**

Comments _____

RADON

- ☐

Case No.
File No. L AC PORTER ST 2008

USTs (UNDERGROUND STORAGE TANKS)

☐ There is no **apparent** visible or documented evidence known to the appraiser of any USTs on the property nor any known historical use of the property that would likely have had USTS.
☐ There are no **apparent** petroleum storage and/or delivery facilities (including gasoline stations or chemical manufacturing plants) located on adjacent properties (except as reported in Comments below).
☐ There are **apparent** signs of USTs existing now or in the past on the subject property. It is recommended that an inspection by a qualified UST inspector be obtained to determine the location of any USTs together with their condition and proper registration if they are active; and if they are inactive, to determine whether they were deactivated in accordance with sound industry practices.
☒ **The value estimated in this appraisal is based on the assumption that any functioning USTs are not leaking and are properly registered and that any abandoned USTs are free from contamination and were properly drained, filled and sealed.**

Comments _____

NEARBY HAZARDOUS WASTE SITES

☐ There are no **apparent** Hazardous Waste Sites on the subject property or nearby the subject property (except as reported in Comments below). Hazardous Waste Site search by a trained environmental engineer may determine that there is one or more Hazardous Waste Sites on or in the area of the subject property.
☒ **The value estimated in this appraisal is based on the assumption that there are no Hazardous Waste Sites on or nearby the subject property that negatively affect the value or safety of the property.**

Comments _____

UREA FORMALDEHYDE (UFFI) INSULATION

☐ All or part of the improvements were constructed before 1982 when UREA foam insulation was a common building material. The only way to be certain that the property is free of UREA formaldehyde is to have it inspected by a qualified UREA formaldehyde inspector.
☐ The improvements were constructed after 1982. No **apparent** UREA formaldehyde materials were observed (except as reported in Comments below).
☒ **The value estimated in this appraisal is based on the assumption that there is no significant UFFI insulation or other UREA formaldehyde material on the property.**

Comments _____

LEAD PAINT

☐ All or part of the improvements were constructed before 1980 when Lead Paint was a common building material. There is no **apparent** visible or known documented evidence of peeling or flaking Lead Paint on the floors, walls or ceilings (except as reported in Comments below). The only way to be certain that the property is free of surface or subsurface Lead Paint is to have it inspected by a qualified inspector.
☐ The improvements were constructed after 1980. No **apparent** Lead Paint was observed (except as reported in Comments below).
☒ **The value estimated in this appraisal is based on the assumption that there is no flaking or peeling Lead Paint on the property.**

Comments _____

AIR POLLUTION

☐ There are no **apparent** signs of Air Pollution at the time of the inspection nor were any reported (except as reported in Comments below). The only way to be certain that the air is free of pollution is to have it tested.
☒ **The value estimated in this appraisal is based on the assumption that the property is free of Air Pollution.**

Comments _____

WETLANDS/FLOODPLAINS

☐ The site does not contain any **apparent** Wetands/Flood Plains (except as reported in Comments below). The only way to be certain that the site is free of Wetlands/Flood Plains is to have it inspected by a qualified environmental professional.
☒ **The value estimated in this appraisal is based on the assumption that there are no Wetlands/Flood Plains on the property (except as reported in Comments below).**

Comments _____

MISCELLANEOUS ENVIRONMENTAL HAZARDS

☐ There are no other **apparent** miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:

☒ Excess Noise at certain times resulting from ROO sporting events.
☐ Radiation + Electromagnetic Radiation _____
☒ Light Pollution at certain times resulting from ROO sporting events on the AC intramural field / tennis courts.
☐ Waste Heat _____
☐ Acid Mine Drainage _____
☐ Agricultural Pollution

WALCOTT G. BLACK, SRA & ASSOCIATES

USPAP COMPLIANCE ADDENDUM

File No. L AC PORTER ST 20

Borrower CLIENT IS AUSTIN COLLEGE Order #

Property Address NORTH PORTER STREET (Brockett To Richards)

City SHERMAN County GRAYSON State TX Zip Code 75090

Lender/Client CLIENT IS AUSTIN COLLEGE Client Reference #

Only those items checked [X] below apply to this report.

PURPOSE, FUNCTION AND INTENDED USE OF THE APPRAISAL

[ ] The purpose of the appraisal is to provide an opinion of market value of the subject property as defined in this report, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of the report. The *only* function of the appraisal is to assist the client mentioned in this report in evaluating the subject property for lending purposes. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited.

[ ] The purpose of the appraisal is to provide an opinion of market value of the subject property, as defined in this report, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of this report. The *only* function of the appraisal is to assist the client mentioned in this report in evaluating the subject property Real Estate Owned (REO) purposes. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited.

[X] The purpose of this appraisal is to offer value opinion, on behalf of the appraisal company facilitating the assignment for the referenced client as the intended user of this report. The only function of the appraisal is to assist the client mentioned in this report in evaluating the subject property for a street purchase by client. The use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use is prohibited.

The intended user is AUSTIN COLLEGE & the intended use is for a value opinion so that AUSTIN COLLEGE may buy Porter.

TYPE OF APPRAISAL AND APPRAISAL REPORT

[ ] This is a _____ Appraisal written in a _____ Report format and the USPAP Departure Rule has *not* been invoked.

[ ] This is a Limited Appraisal written in a _____ Report format and the USPAP Departure Rule *has* been invoked as disclosed in the body or addenda of the report. The client has agreed that a Limited Appraisal is sufficient for its purposes.

SCOPE (EXTENT) OF REPORT

[X] The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales, listings, and/or rentals within the subject market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion. The extent of analysis applied to this assignment may be further imparted within the report, the Appraiser's Certification below and/or any other Statement of Limiting Conditions and Appraiser's Certification such as may be utilized within the Freddie Mac form 439 or Fannie Mae form 1004b (dated 6/93), when applicable.

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

[ ] A reasonable marketing time for the subject property is 9MO - 1YR day(s) utilizing market conditions pertinent to the appraisal assignment.

[ ] A reasonable exposure time for the subject property is _____ day(s).

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved, unless otherwise stated within the report.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have [X] or have not [ ] made a personal inspection of the property that is the subject of this report. (If more than one person signs this report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraisal property.)
- No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant professional assistance must be stated.)

NOTE: In the case of any conflict with a client provided certification (i.e., Fannie Mae or Freddie Mac), this revised certification shall take precedence.

- **Supervisory Appraiser's Certification:** If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 2-7 and 9 on the second page of Freddie Mac Form 439 6-93/Fannie Mae Form 1004B 6-93, or the third page of Form 2055, and am taking full responsibility for the appraisal report.

APPRAISER'S AND SUPERVISORY APPRAISER'S SIGNATURE

APPRAISER: SUPERVISORY APPRAISER (only if required):

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the Appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.

2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.

5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.

6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.

7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.

8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.

9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.

10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional

File No. L AC PORTER ST 20

APPRAISERS CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to , or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.

2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.

3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and Limiting Conditions specified in this form.

4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.

5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.

6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.

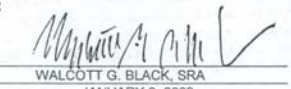
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.

8. I have personally inspected the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.

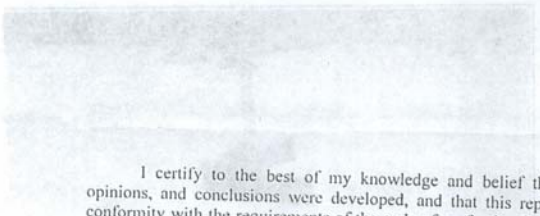
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: PORTER STREET (EAST BROCKETT TO EAST RICHARDS STREETS), SHER

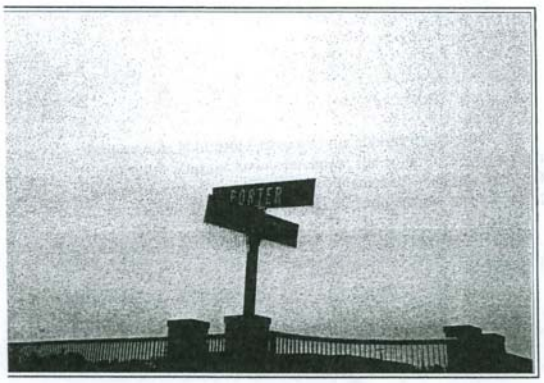
APPRAISER:	**SUPERVISORY APPRAISER (only if required)**
Signature: 	Signature:
Name: WALCOTT G. BLACK, SRA	Name:
Date Signed: JANUARY 9, 2020	Date Signed:

APPRAISER'S CERTIFICATION
(Continued)



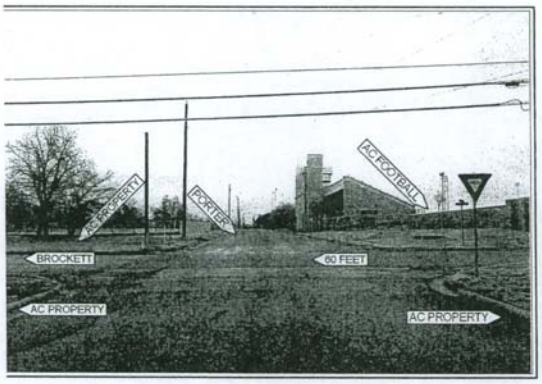
I certify to the best of my knowledge and belief that the reported analysis, opinions, and conclusions were developed, and that this report has been prepared in conformity with the requirements of the code of professional ethics and the standards of professional appraisal practice of the appraisal institute.

Borrower:	CLIENT IS AUSTIN COLLEGE		File No.:	L AC PORTER ST 2008	
Property Address:	NORTH PORTER STREET (EAST BROCKETT TO EAST RICHARDS)		Case No.:		
City:	SHERMAN	State:	TX	Zip:	75090
Lender:	N/A				



NORTH PORTER STREET AT
EAST BROCKETT STREET

PROPOSED IS THE PURCHASE FOR NORTH PORTER STREET BEGINNING ON THE NORTH SIDE OF EAST BROCKETT STREET, THEN GOING NORTH FOR A DISTANCE OF ABOUT 1,378 FEET THUS TERMINATING ON THE SOUTH SIDE OF EAST RICHARDS STREET.



AUSTIN COLLEGE BEING ON EACH SIDE OF NORTH PORTER STREET

THAT PROPOSED PURCHASE OF THIS NORTH PORTER STREET AS SEEN FROM THE SOUTH SIDE OF EAST BROCKETT STREET

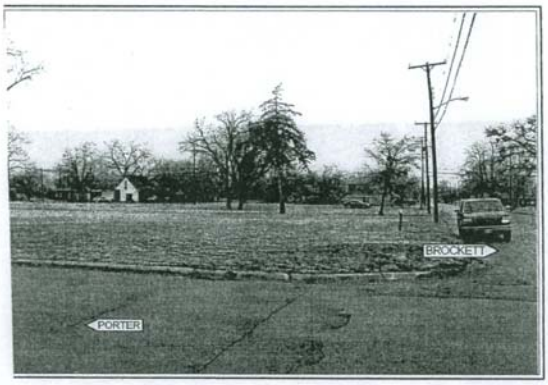
THE WIDTH FOR NORTH PORTER IS 60 FEET AT EAST BROCKETT STREET.

AUSTIN COLLEGE OWNS THIS TRACT WHICH IS IN THE SOUTHEAST

INTERSECTION FOR EAST BROCKETT AND NORTH PORTER STREETS.

CAMERA FACES EASTWARD

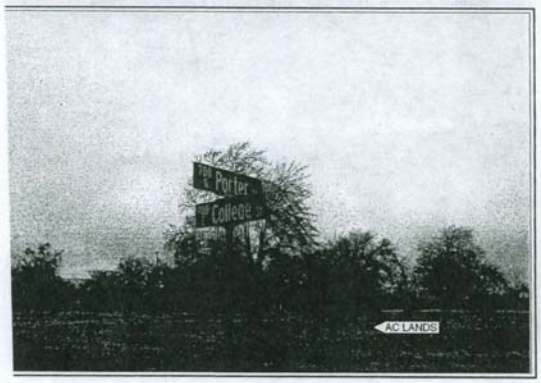
Borrower:	CLIENT IS AUSTIN COLLEGE		File No.:	L AC PORTER ST 2008	
Property Address:	NORTH PORTER STREET (EAST BROCKETT TO EAST RICHARDS)		Case No.:		
City:	SHERMAN	State:	TX	Zip:	75090
Lender:	N/A				



A WESTWARD GLIMPSE OF EAST BROCKETT STREET AS IT

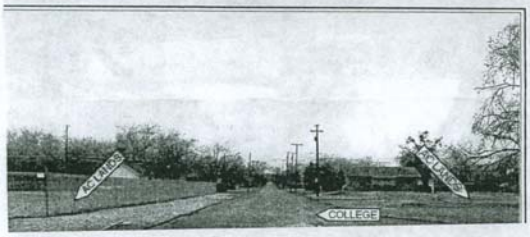
INTERSECTS NORTH PORTER STREET

AUSTIN COLLEGE OWNS THIS PARCEL WHICH IS IN THE SOUTH - WEST CORNER FOR THAT INTERSECTION OF EAST BROCKETT AND NORTH PORTER STREETS.



CAMERA FACES NORTHWESTWARD

THE PROPOSED PURCHASE OF NORTH PORTER STREET EXTENDS NORTHWARD FROM THIS INTER - SECTION OF PORTER WITH EAST COLLEGE STREET.



A WESTWARD VIEWING OF EAST COLLEGE STREET AS IT

INTERSECTS WITH NORTH PORTER STREET

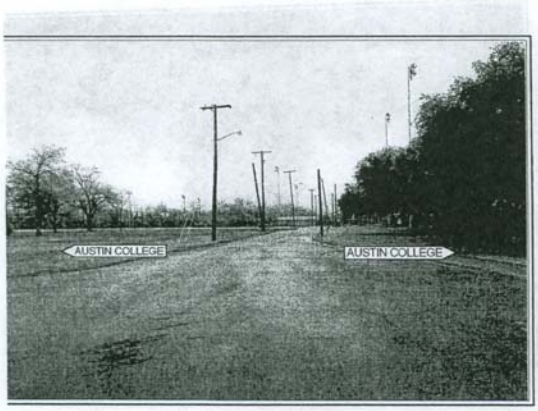
AUSTIN COLLEGE OWNS THE LANDS ON BOTH THE NORTH AND SOUTH SIDES OF EAST COLLEGE STREET.

orrower:	CLIENT IS AUSTIN COLLEGE		File No.:	L AC PORTER ST 2008	
roperty Address:	NORTH PORTER STREET (EAST BROCKETT TO EAST RICHARDS)		Case No.:		
ity:	SHERMAN	State:	TX	Zip:	75090
ender:	N/A				

THE PROPOSED NORTH PORTER STREET BUY CONTINUES NORTH

HERE. THIS PORTER FORMS THE WEST BOUNDARY FOR THE AUSTIN COLLEGE ROO FOOTBALL FIELD.

NORTH PORTER MAKES A SLIGHT WESTWARD SWING AT THIS POINT, THEN CONTINUES ON NORTHWARD (UNDERWOOD SURVEY).



CAMERA FACES NORTHWARD

THAT WESTWARD SWING FOR NORTH PORTER STREET

AUSTIN COLLEGE OWNS PARCELS ON EACH SIDE OF THIS NORTH PORTER FOR THIS SECTOR OF PORTER.

AUSTIN COLLEGE INTRAMURAL FIELD

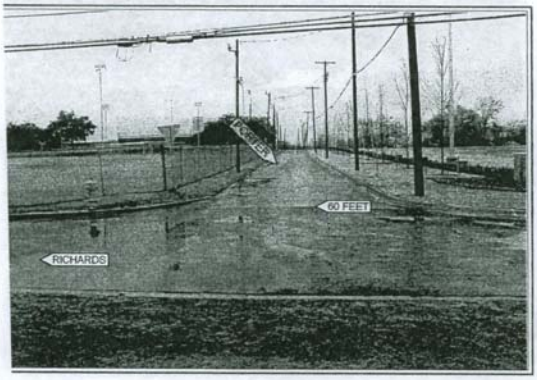
THIS FIELD, DONATED FOR THOMAS WILLIAMS, IS ON THE WEST SIDE OF NORTH PORTER STREET AS WELL AS BEING ON THE SOUTH SIDE OF EAST RICHARDS STREET.

Borrower:	CLIENT IS AUSTIN COLLEGE		File No.:	L AC PORTER ST 2008	
Property Address:	NORTH PORTER STREET (EAST BROCKETT TO EAST RICHARDS)		Case No.:		
City:	SHERMAN	State:	TX	Zip:	75090
Lender:	N/A				

AUSTIN COLLEGE TENNIS COURTS BEING ON THE NORTH SIDE OF

EAST RICHARDS STREET

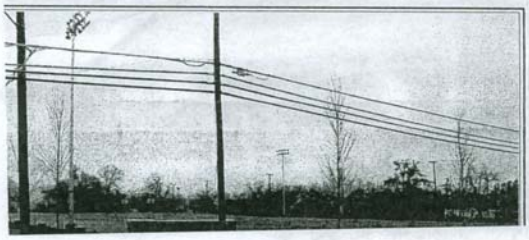
THIS PROPOSED NORTH PORTER STREET BUY TERMINATES ON THE SOUTH SIDE OF EAST RICHARDS STREET (RICHARDS IS OWNED BY AUSTIN COLLEGE FOR THIS SECTOR).



CAMERA FACES SOUTHWARD FROM EAST RICHARDS STREET

THE NORTH BOUNDARY LINE FOR THIS SUBJECT IS 60 FEET WIDE BEING ON THE SOUTH SIDE OF EAST RICHARDS STREET.

AUSTIN COLLEGE OWNS THESE PARCELS BEING ON BOTH THE EAST AND WEST SIDES OF NORTH PORTER AS WELL AS BEING ON THE SOUTH SIDE OF EAST RICHARDS STREET.



SOUTHWESTWARD GLANCE

THAT AUSTIN COLLEGE INTRAMURAL FIELD WHICH IS IN THE INTERSECTION FOR EAST RICHARDS AND NORTH PORTER STREETS.

SUBJECT PROPERTY PHOTO ADDENDUM

orrower::	CLIENT IS AUSTIN COLLEGE		File No.:	L AC PORTER ST 2008	
roperty Address:	NORTH PORTER STREET (Brockett To Richards)		Case No.:		
ity:	SHERMAN	State:	TX	Zip:	75090
ender:	CLIENT IS AUSTIN COLLEGE				

COMPARABLE SALE #1

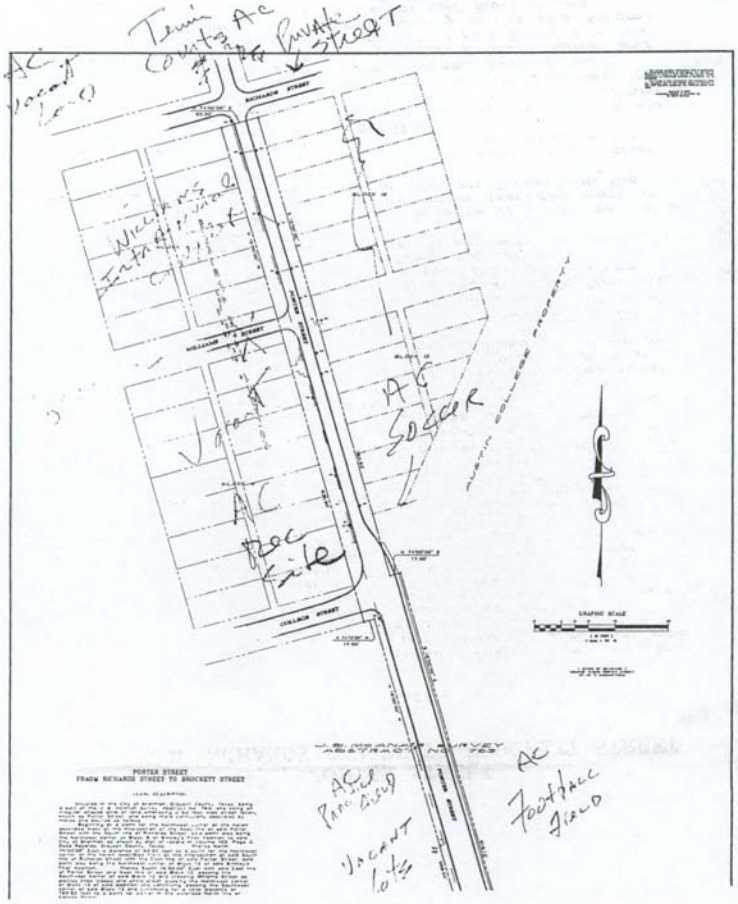
300 BLOCK WEST KING ST
SHERMAN, TEXAS
Sale Date: 10 - 2008
Sale Price: $ 5,750.

COMPARABLE SALE #2

514 SOUTH DEWEY AVENUE
SHERMAN, TEXAS
Sale Date: 8 - 2008
Sale Price: $ 14,000

COMPARABLE SALE #3

900 BLK S MONTGOMERY ST
SHERMAN, TEXAS
Sale Date: 5 - 2008
Sale Price: $ 5,500


Tennis Courts AC
Private Street
AC Vacant Lot
RICHARDS STREET
Williams Intermediate Center
Vacant
AC Soccer
AC Rec Site
AUSTIN COLLEGE PROPERTY
GRAPHIC SCALE
PORTER STREET
FROM RICHARDS STREET TO BROCKETT STREET
AC Parking Field
Vacant Lots
AC Football Field

PORTER STREET
FROM RICHARDS STREET TO BROCKETT STREET

LEGAL DESCRIPTION

Situated in the City of Sherman, Grayson County, Texas, being a part of the J. B. McAnair Survey, Abstract No. 763, and being an irregular shaped strip of land embracing a 60 foot wide street locally known as Porter Street, and being more particularly described by metes and bounds as follows:

Beginning at a point for the Northwest corner of the herein described tract at the intersection of the West line of said Porter Street with the South line of Richards Street, said point also being the Northeast corner of Block 8 of Binkley's First Addition to said City of Sherman as shown by plat of record in Volume 105, Page 2, Deed Records, Grayson County, Texas;

Thence North 74°00'00" East a distance of 60.00 feet to a point for the Northeast corner of the herein described tract at the intersection of said South line of Richards Street with the East line of said Porter Street, said point also being the Northwest corner of Block 12 of said Binkley's First Addition;

Thence South 16°00'00" East with said East line of Porter Street and West line of said Block 12, passing the Southwest corner of said Block 12 and crossing Williams Street as platted (now closed and untravelled), passing the Northwest corner of Block 13 of said addition and continuing, passing the Southwest corner of said Block 13 and continuing for a total distance of 760.92 feet to a point for corner in the extended North line of College Street;

Thence North 74°00'00" East with said extended North line of College Street a distance of 17.00 feet to a point for corner;

Thence South 16°00'00" East continuing with said East line of Porter Street a distance of 618.12 feet to a point for the Southeast corner of the herein described tract at the intersection of said East line of Porter Street with the North line of Brockett Street;

Thence South 74°00'00" West a distance of 60.00 feet to a point for the Southwest corner of the herein described tract at the intersection of said North line of Brockett Street with the West line of said Porter Street;

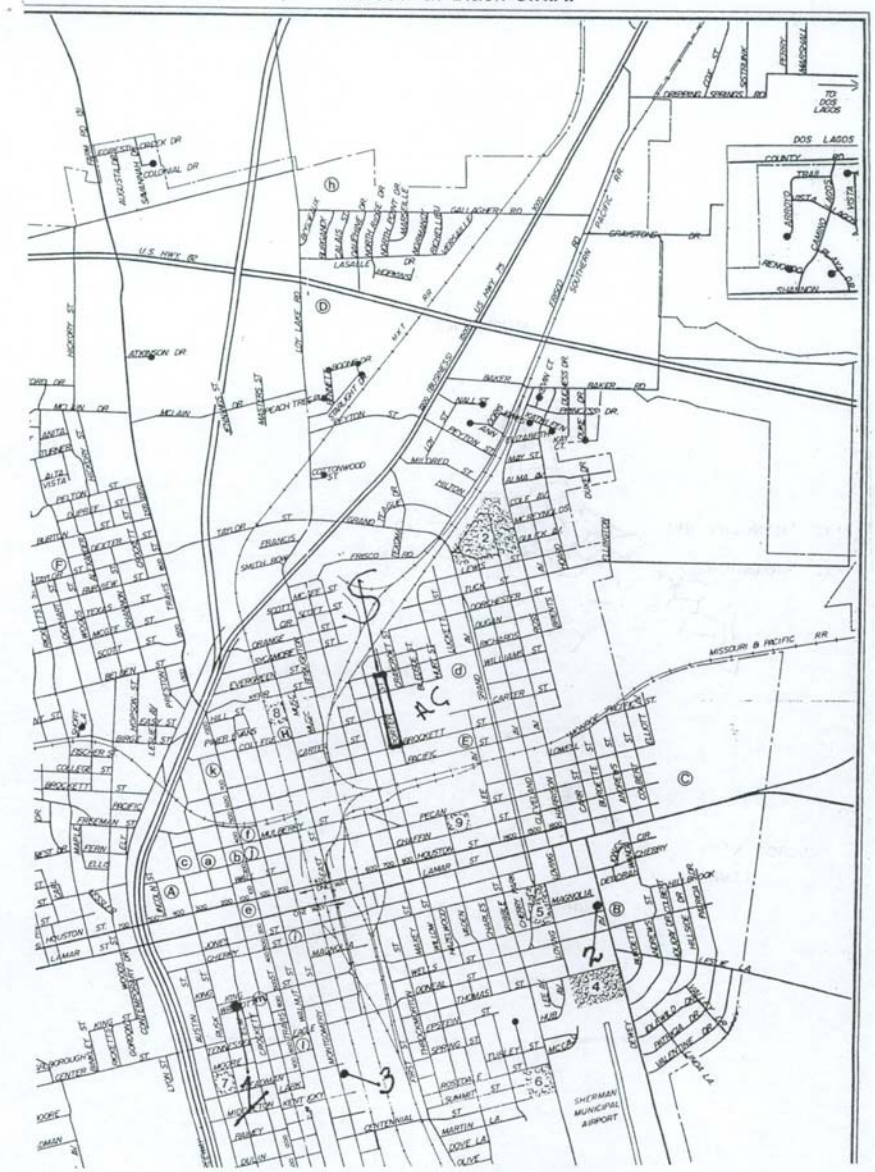
Thence North 16°00'00" West with said West line of Porter Street a distance of 558.04 feet to a point for corner in the extended South line of said College Street;

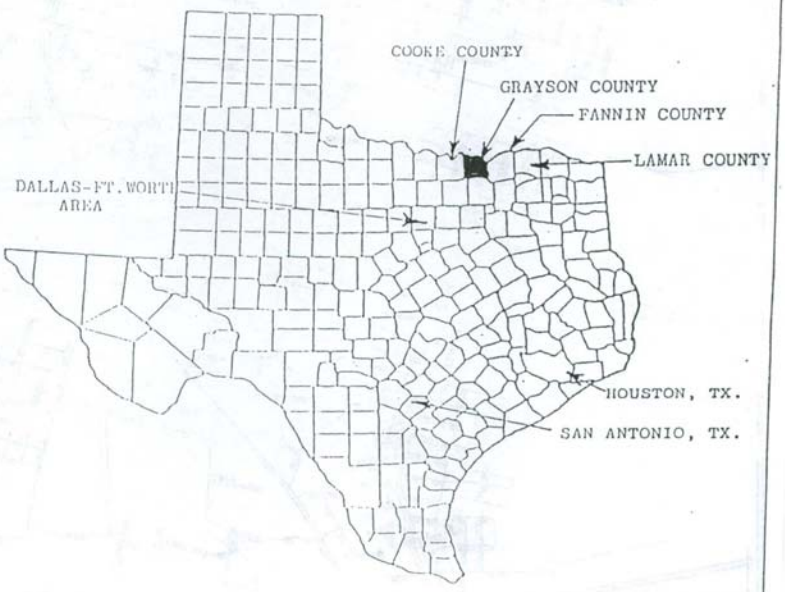
Thence South 74°19'50" West with said extended South line of College Street a distance of 17.00 feet to a point for corner;

Thence North 16°00'00" West continuing with said West line of Porter Street, crossing said College Street, passing the Southeast corner of Block 9 of said Binkley's First Addition and continuing, passing the Northeast corner of said Block 9 in the South line of Williams Street and continuing across said Williams Street, passing the Southeast corner of said Block 8 and continuing for a total distance of 820.80 feet to the Point-of-Beginning and containing 1.92 acres of land.....

I, James R. Maret, Registered Professional Land Surveyor,

Walcott G. Black S.R.A.





KEY TO COUNTIES

Stephen Meek
Sr. Utility Designer

ONCOR Electric Delivery
Distribution Division
2201 Woodlake Rd
Denison, Texas 75020

Tel: 903 868 8287

03-16-09
John Jennings
Austin College
900 N. Grand
Sherman, Texas 75090-4400

Re: Proposed Street Abandonment

ONCOR has existing facilities that serve multiple customers in the Porter Street ROW that has been requested to be abandoned. ONCOR would require easements for this proposed abandonment.

ONCOR Electric Delivery has existing Facilities on Porter Street between Brockett St. and Richards St. that would require easements for existing facilities on Porter Street between Brockett street and College street on the west side of Porter. College Street to Willow Street on the West side of Porter St. and from Williams St. to Richards St. on the East and West side of Porter St.

Sincerely,

Stephen Meek

ATMOS energy

March 24, 2009

Mr. John Jennings
Director of Physical Plant
Austin College
900 N. Grand Avenue 6M
Sherman, Texas 75090

Re: Sherman Distribution
Proposed Abandonment - N. Porter Street (from Brockett St. to Richards St.)
Sherman, Grayson County, Texas

Dear Mr. Jennings

This letter is in reply to your request on behalf of the City of Sherman, Texas, regarding the proposed abandonment of N. Porter Street (from Brockett St. to Richards St) in the City of Sherman.

Please be informed that Atmos Energy Corporation ("Atmos") has existing facilities located within the referenced street, and therefore, Atmos requires a 15 foot wide replacement easement to be executed by the landowner on behalf of Atmos prior to said abandonment.

Attached you will find a copy of Atmos' Easement form for your reference.

If you need additional information, please give me a call at 214.206.2941.

Sincerely,

LJ Robinson
Right of Way Agent

Attachment

Atmos Energy Corporation
5420 LBJ FRWY Dallas TX 75240

verizon

March 16, 2009

TO: John Jennings
Austin College
900 North Grand, Suite 6M
Sherman, Texas 75090

SUBJECT: Porter Street from Brockett Street to Richards Street; City to release street to Austin College.

Attn: Mr. Jennings

This letter is to inform you that Verizon Telephone Company has no objection to the release of Porter Street from Brockett to Richards. However Austin College will need to provide Verizon with proper easements along Porter Street from Brockett to Richards for Verizon to be able to access and maintain there existing facilities within that area before the City approves the release and Porter Street is closed down.

Please contact me when the City gives there approval so I can inform you as to were Verizon will require easements along Porter Street. These facilities are the T-1 facilities that are working at Austin College. Also I am looking at the removal of the aerial facilities that are along Porter from College Street to Richards. The removal of these facilities will require Austin College to pay for the removal. I will get a cost estimate to you as soon as possible. I can be reached at:

Verizon
2303 S. Hwy 1417
Sherman, Texas 75092
Attn: Bob Holland
903-870-5294

Sincerely,

Robert (Bob) Holland
Engineer Supervisor OSP
Sherman, Texas

CABLEONE™

3720 Texoma Parkway
P.O. Box 1223
Sherman, TX 75090
Tel 903•893•6548
Fax 903•868•2754

March 25, 2009

Austin College

900 North Grand

Sherman, Texas 75090

ATTN: John Jennings

RE: Abandonment of Porter Street from Brockett Street to Richards Street:

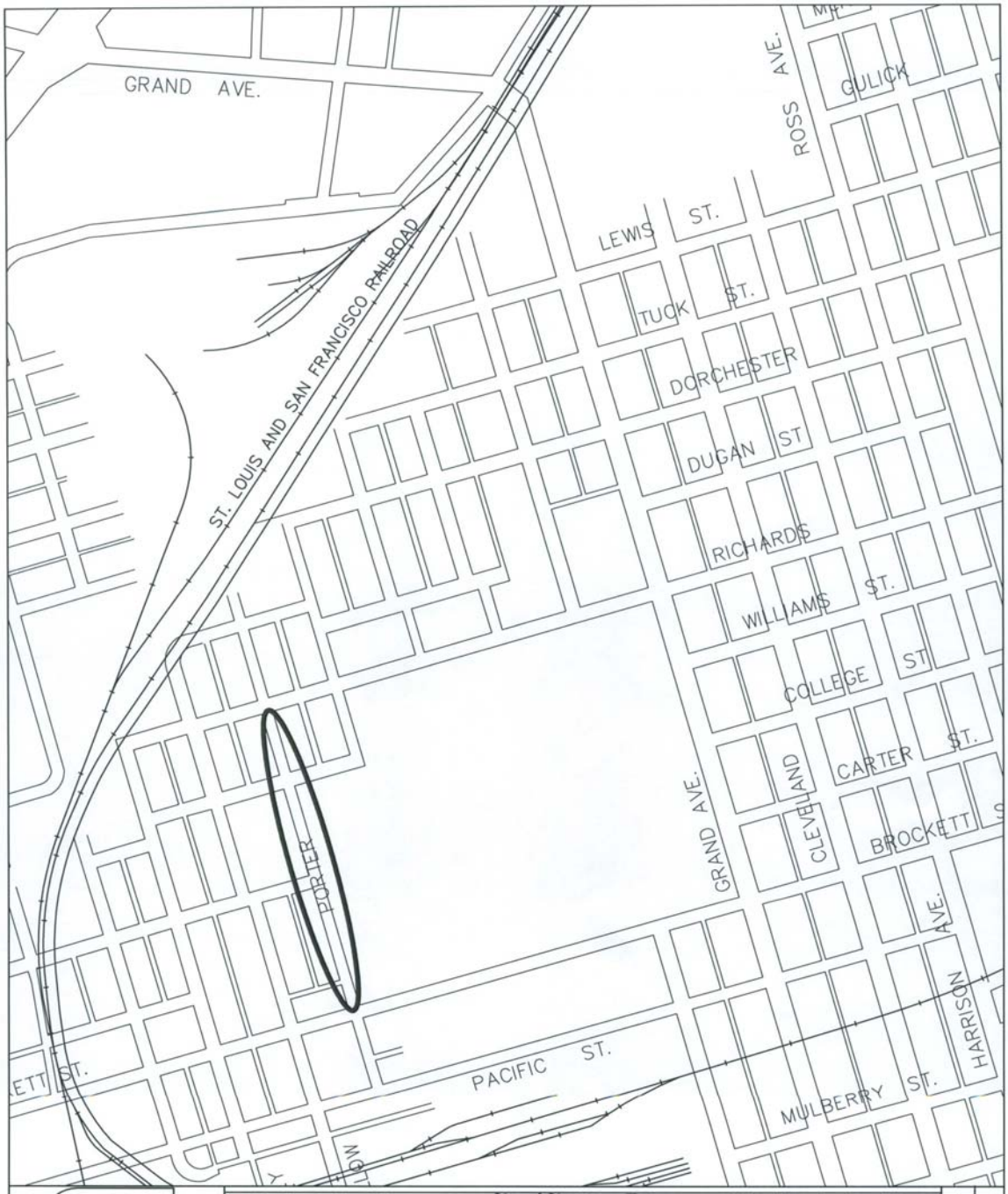
Dear Mr. Jennings,

Although Cableone has existing facilities on Porter Street that include fiber optic cable, we have no objection to the abandonment of the above mentioned section of Porter Street as long as a utility easement is left in place.

Sincerely,

Rod Ralls

Technical Operations Manager



City of Sherman, Texas

PORTER ST. CLOSURE AND ABANDONMENT FROM RICHARDS ST. TO BROCKETT ST. - SALE TO AUSTIN COLLEGE

PROJECT LOCATION MAP

N

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. C.3

RESOLUTION NO. 5365

Authorizing Execution of a Deed Without Warranty to Lazy L Enterprises for the Conveyance of a 15-foot Alley in Block Four (4) of the W. P. Carter's Addition to the City of Sherman, Texas, Bounded by Broughton Street, Throckmorton Street, College Street and Carter Street, said Property to be Maintained as a Utility Easement

Issue

To authorize the City Manager to convey a 15-foot alley to Lazy L Enterprises at its appraised value, reserving the same alley as a utility easement

Background

Lazy L Enterprises has submitted a request to purchase a 15-foot alley in Block Four (4) of the W.P. Carter's Addition, situated between Broughton Street and Throckmorton Street and bordered by College Street on the north side and Carter Street to the south. Lazy L Enterprises currently owns all property along the west side of the alley. Property owners on the east side of the alley have been contacted; and no one has expressed an interest in purchasing a portion of the alley. Under this conveyance, the entire width of the alley shall be retained as an easement to provide for existing utilities.

Origination

Lazy L Enterprises

Financial Consideration

Lazy L Enterprises has provided an appraisal for the alley valued at $1,600.00.

Staff Recommendation

It is recommended that the alley be sold to Lazy L Enterprises at the appraised value and that an easement be reserved for the existing utilities.

Alternatives

The City Council could reject the request and retain the property.

Attachments

Resolution No. 5365; Deed Without Warranty; Request from Lazy L Enterprises; Property Appraisal; Copy of W.P. Carter's Addition (Exhibit "A"); Location Map

Prepared by:
Jeff Miller, Public Works Director

Approved by:
George Olson, City Manager

RESOLUTION NO. 5365

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEED WITHOUT WARRANTY TO LAZY L ENTERPRISES FOR THE CONVEYANCE OF A 15-FOOT ALLEY IN BLOCK FOUR (4) OF THE W. P. CARTER'S ADDITION TO THE CITY OF SHERMAN, TEXAS, BOUNDED BY BROUGHTON STREET, THROCKMORTON STREET, COLLEGE STREET AND CARTER STREET, SAID PROPERTY TO BE MAINTAINED AS A UTILITY EASEMENT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all documents being properly completed and approved as to form by the City Attorney, to execute a Deed Without Warranty to Lazy L Enterprises for the conveyance of property, being a 15-foot alley in Block Four (4) of the W. P. Carter's Addition situated between Broughton Street and Throckmorton Street and bordered by College Street on the north side and Carter Street to the south, within the City of Sherman, Grayson County, Texas, for the consideration of One Thousand Six Hundred Dollars and No Cents ($1,600.00) in accordance with the documents attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED on this the _____ day of _____, 2009.

CITY OF SHERMAN

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
JOE N. SMITH,
DEPUTY MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

DEED WITHOUT WARRANTY

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

That the **CITY OF SHERMAN**, a municipal corporation of the State of Texas, hereinafter called "Grantor", acting by and through its City Council, for and in consideration of the sum of One Thousand Six Hundred Dollars and No Cents ($1,600.00) by **LAZY L ENTERPRISES**, hereinafter called "Grantee", the receipt of which is hereby acknowledged, hereunto duly authorized by City Council Resolution, hereby grants, sells, releases, and forever conveys unto **LAZY L ENTERPRISES** all of Grantor's right, title and interest in and to the following real property, to wit:

15-FOOT ALLEY IN BLOCK FOUR (4)
W.P. CARTER'S ADDITION

SITUATED in the County of Grayson, State of Texas, being all of an approximately fifteen (15) foot alley in Block Four (4) of the W.P. Carter's Addition to the City of Sherman, Texas as shown by plat of record in Volume 25, Page 196, Deed Records, Grayson County, Texas, and being more particularly described as an alley lying between Lots 1 through 12 and Lots 13 through 21 as shown in Exhibit "A".

TO HAVE AND TO HOLD all of Grantor's right, title and interest in and to the above described property and premises unto the said Grantee, its legal representatives, successors and assigns forever, without express or implied warranty, so that neither Grantor nor Grantor's successors, legal representatives or assigns shall have claim or demand any right or title to the aforesaid property, premises or appurtenances or any part thereof, **SAVE AND EXCEPT** that these properties are to be reserved as easements for any and all existing utilities as may be now located in said above described property, with the right of ingress and egress to same for the purpose of operation, construction, repair, reconstruction, improvement maintenance, or removal of such utilities until such shall be abandoned or relocated. All warranties that might arise by common law as well as the warranties in Section 5.023 of the Texas Property Code (or its successor) are excluded.

This conveyance is made and accepted subject to and all conditions and restrictions, if any, relating to the here above described property, shown of record in the office of the County Clerk of Grayson County, Texas.

Release. In accepting the conveyance of this property, Grantee expressly accepts the property in its "as is" condition, with all of its faults and encumbrances, if any. GRANTEE RELEASES AND FOREVER DISCHARGES THE GRANTOR, ITS OFFICERS, AGENTS AND EMPLOYEES FROM ALL RIGHTS, CLAIMS, DEMANDS, OR CAUSES OF ACTION, AT LAW OR IN EQUITY, GRANTEE PRESENTLY HAS, OR EVEN CAN, SHALL, OR MAY HAVE IN THE FUTURE IN CONNECTION WITH THIS TRANSACTION, INCLUDING HAZARDOUS MATERIALS OR ENVIRONMENTAL ISSUES IN, ON OR

UPON THE PROPERTY, IF ANY. GRANTEE STATES THAT IT IS NOT RELYING UPON ANY REPRESENTATIONS OR DISCLOSURES BY THE GRANTOR AND NONE HAVE BEEN MADE IN CONNECTION WITH THE ACQUISITION OF THIS PROPERTY. THIS RELEASE SHALL BE BINDING UPON GRANTEE'S LEGAL REPRESENTATIVES, ASSIGNS AND SUCCESSORS IN INTEREST.

TO HAVE AND TO HOLD all of Grantor's right, title and interest in and to the above described property and premises subject to the aforesaid, unto the said Grantee, its legal representatives, successors and assigns forever, so that the Grantor, its legal representatives, successors and assigns shall not have, claim or demand any right, title or interest to the aforesaid property, premises or appurtenances of any part thereof.

Grantor acknowledges and confesses that this conveyance is made pursuant to the authority of the Resolution No.5365 of the City of Sherman, Texas passed and approved on the 1st day of June, 2009.

IN WITNESS WHEREOF, the City of Sherman, Texas, a municipal corporation of Grayson County, Texas, has caused this instrument to be executed by its City Manager on this the _____ day of _____, 2009.

CITY OF SHERMAN, TEXAS

BY: _____
GEORGE OLSON,
CITY MANAGER

ACKNOWLEDGEMENT

STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, in and for the State of Texas, on this day personally appeared George Olson, City Manager, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said City of Sherman, a municipal corporation of the State of Texas, and that he executed the same as the act of such corporation for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____ day of _____, 2009, by George Olson, City Manager of the City of Sherman.

_____
Notary Public, State of Texas
Commission Expires: _____

March 31, 2009

Mr. George Olson
City Manager
City of Sherman
220 W. Mulberry
Sherman, TX 75092

RE: Alley Abandonment

Dear George,

We are writing to request that the City of Sherman abandon the block-long alley situated between Broughton and Throckmorton and bordered by College Street on the north side and Carter Street to the south. As the owners of the property bordering the west side of the alley, we are ready, willing and able to purchase the alley for the appraised value of $1,600.00.

We have confirmed that the alley contains no underground utilities or easements.

Abandoning the alley will save the City of Sherman thousands of dollars in maintenance expenses while returning the land and improvements to the property tax rolls.

We look forward to your timely action on this request.

Thank you,

Lazy L Enterprises

Enc/10

Client File #:	N/A	Appraisal File #:	Alley - Throckmorton

Appraisal Institute®

AI Reports™ Form AI-200.02*

Restricted Use Appraisal Report • Residential

Appraisal Company: Jacobs Company / Texas
Address: 321 West Houston Street, Sherman, TX 75090-5882
Phone: 903-870-6011 Fax: 815-461-3269 Web: www.jacobs.com

Appraiser: James E. Jacobs
AI Membership: X SRA MAI SRPA Associate Member None
Other Professional Affiliation: IFA-Nat Assn Ind Fee Appraisers
E-mail: jejacobs10@gmail.com

Co-Appraiser:
AI Membership: SRA MAI SRPA Associate Member None
Other Professional Affiliation:
E-mail:

Client: Lazy L Enterprises & the City of Sherman Contact: Bill Magers
Address: 4 Timber Creek, Sherman, Texas 75092
Phone: N/A Fax: N/A E-mail: N/A

REAL ESTATE IDENTIFICATION

Address: See Legal Description
City: Sherman County: Grayson State: TX Zip: 75090
Legal Description:
15' Alley in Block 4, W. P. Carter's Addition (Corrected)
Tax Parcel #: N/A RE Taxes: N/A Tax Year: N/A

SUBJECT PROPERTY HISTORY

Owner of Record: City of Sherman

Description and analysis of sales within 3 years (minimum) prior to effective date of value: None discovered by review of Grayson County Appraisal District records.

Description and analysis of agreements of sale (contracts), listings, and options: N/A

RECONCILIATIONS AND CONCLUSIONS

Indication of Value by Sales Comparison Approach	$ 1,600
Indication of Value by Cost Approach	$ N/A
Indication of Value by Income Approach	$ N/A

Final Reconciliation of the Methods and Approaches to Value: The following types of comparables were identified and analyzed: sales of similar tracts, sales of tracts located within the subject property's market area, and listings located within the subject property's market area.

The comparables were analyzed on a square foot basis and an indication of value was developed. Due to the limited marketability and/or demand for tracts such as the subject property as well as the reliability of the data; the greatest weight was placed on sales of similar tracts.

The sales of similar tracts indicated a value range from $0.15/Sq Ft to $0.44/Sq Ft with the sales of alley ways setting the upper end of the range. Based on my analysis; $0.44/Sq Ft was selected as appropriate with the final indicated value being $0.44/ Sq Ft x 3,600 Sq Ft = $1.584; rounded to $1,600.

Opinion of Value as of: May 14, 2008 $ 1,600

Subject to any hypothetical conditions or extraordinary assumptions stated in the Assignment Parameters section.

* **NOTICE:** The Appraisal Institute publishes this form for use by appraisers where the appraiser deems use of the form appropriate. Depending on the assignment, the appraiser may need to provide additional data, analysis and work product not called for in this form. The Appraisal Institute plays no role in completing the form and disclaims any responsibility for the data analysis or any other work product provided by the individual appraiser(s).

Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton

ASSIGNMENT PARAMETERS

Intended User: Lazy L Enterprises & the City of Sherman

Intended Use: AQssit in property transfer

This report is not intended by the appraiser for any other use or by any other user.

Type of Value: Market Value Effective Date of Value: 05/14/2008

Interest Appraised: [X] Fee Simple [ ] Leasehold [ ] Other:

Hypothetical Conditions: (A hypothetical condition is that which is contrary to what exists, but is asserted by the appraiser for the purpose of analysis. Any hypothetical condition may affect the assignment results.) None.

Extraordinary Assumptions: (An extraordinary assumption is directly related to a specific assignment and presumes uncertain information to be factual. If found to be false this assumption could alter the appraiser's opinions or conclusions. Any extraordinary assumption may affect the assignment results.) Legal description and ownership of the subject property is correct.

In accordance with Standard Rule 2-2(c) of the Uniform Standards of Professional Appraisal Practice (USPAP), this is a restricted use report.

SCOPE OF WORK

Definition: The scope of work is the type and extent of research and analysis in an assignment. Scope of work includes: the extent to which the property is identified; the extent to which tangible property is inspected; the type and extent of data researched; and the type and extent of analysis applied to arrive at opinions or conclusions. The specific scope of work for this assignment is identified below and throughout this report.

Inspection of Subject:

Appraiser:
[ ] None [ ] Interior [X] Exterior
[X] Date of Inspection 05/14/2008

Co-Appraiser:
[ ] None [ ] Interior [ ] Exterior
[ ] Date of Inspection

Living Area Measured:
[ ] Yes [ ] No
[ ] Other: N/A

Data Sources Used:

[X] MLS
[X] Public Records
[X] Office Files
[X] Owner
[ ] Plans & Specifications
[ ] Purchase Agreement
[X] Other: Information provided by the Client

Approaches to Value Developed:

Cost Approach:
[ ] Is necessary and developed in this analysis
[ ] Is applicable but not necessary and omitted in this analysis
[X] Is not applicable or necessary and omitted in this analysis

Sales Comparison Approach:
[X] Is necessary and developed in this analysis
[ ] Is applicable but not necessary and omitted in this analysis
[ ] Is not applicable or necessary and omitted in this analysis

Income Approach:
[ ] Is necessary and developed in this analysis
[ ] Is applicable but not necessary and omitted in this analysis
[X] Is not applicable or necessary and omitted in this analysis

Additional Scope of Work Comments: Steps in the Scope of Work included: 1) Inspecting the subject property; 2) Defining and inspecting the subject property's neighborhood; 3) Researching and confirming comparable sales and listings in the subject property's market area; 4) Analyzing identified comparable sales and listings by common units of comparison; 5) Reconciling indications of value into a single-point opinion of value as of the effective date.

Significant Real Property Appraisal Assistance: [X] None [ ] Disclose Name(s) and contribution:

Client:	Lazy L Enterprises & the City of Sherman	Client File #:	N/A
Subject Property:	See Legal Description	Appraisal File #:	Alley - Throckmorton

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is subject to the following assumptions and limiting conditions:

- This report is prepared using forms developed and copyrighted by the Appraisal Institute. However, the content, analyses, and opinions set forth in this report are the sole product of the appraiser. The Appraisal Institute is not liable for any of the content, analyses, or opinions set forth herein.
- No responsibility is assumed for matters legal in character or nature. No opinion is rendered as to title, which is assumed to be good and the property is marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and appraised as though free and clear, having responsible ownership and competent management.
- I have examined the property described herein exclusively for the purposes of identification and description of the real property. The objective of our data collection is to develop an opinion of the highest and best use of the subject property and make meaningful comparisons in the valuation of the property. The appraiser's observations and reporting of the subject improvements are for the appraisal process and valuation purposes only and should not be considered as a warranty of any component of the property. This appraisal assumes (unless otherwise specifically stated) that the subject is structurally sound and all components are in working condition.
- I will not be required to give testimony or appear in court because of having made an appraisal of the property in question, unless specific arrangements to do so have been made in advance, or as otherwise required by law.
- I have noted in this appraisal report any significant adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) discovered during the data collection process in performing the appraisal. Unless otherwise stated in this appraisal report, I have no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and have assumed that there are no such conditions and make no guarantees or warranties, express or implied. I will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because I am not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable public and/or private sources that I believe to be true and correct.
- I will not disclose the contents of this appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and/or applicable federal, state or local laws.
- The Client is the party or parties who engage an appraiser (by employment or contract) in a specific assignment. A party receiving a copy of this report from the client does not, as a consequence, become a party to the appraiser-client relationship. Any person who receives a copy of this appraisal report as a consequence of disclosure requirements that apply to an appraiser's client, does not become an intended user of this report unless the client specifically identified them at the time of the assignment. The appraisers written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
- A true and complete copy of this report contains 10 pages including exhibits which are considered an integral part of the report. The appraisal report may not be properly understood without access to the entire report.
- If this valuation conclusion is subject to satisfactory completion, repairs, or alterations, it is assumed that the improvements will be completed competently and without significant deviation.

VALUE DEFINITION

[X] **Market Value Definition (below)** [ ] **Alternate Value Definition (attached)**

MARKET VALUE is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: *Appraisal Institute Dictionary of Real Estate Appraisal*

Client:	Lazy L Enterprises & the City of Sherman	Client File #:	N/A
Subject Property:	See Legal Description	Appraisal File #:	Alley - Throckmorton

APPRAISER CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analysis, opinions, and conclusions.
- I have no present (unless specified below) or prospective interest in the property that is the subject of this report, and I have no (unless specified below) personal interest with respect to the parties involved.
- I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon the developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- Individuals who have provided significant real property appraisal assistance are named below. The specific tasks performed by those named are outlined in the Scope of Work section of this report.

[X] None [ ] Name(s) _____

As previously identified in the scope of work section of this report, the signer(s) of this report certify to the inspection of the property that is the subject of this report as:

Appraiser	[ ] None	[ ] Interior	[X] Exterior
Co-Appraiser	[ ] None	[ ] Interior	[ ] Exterior

ADDITIONAL CERTIFICATION FOR APPRAISAL INSTITUTE MEMBERS

Appraisal Institute Member Certifies:

- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

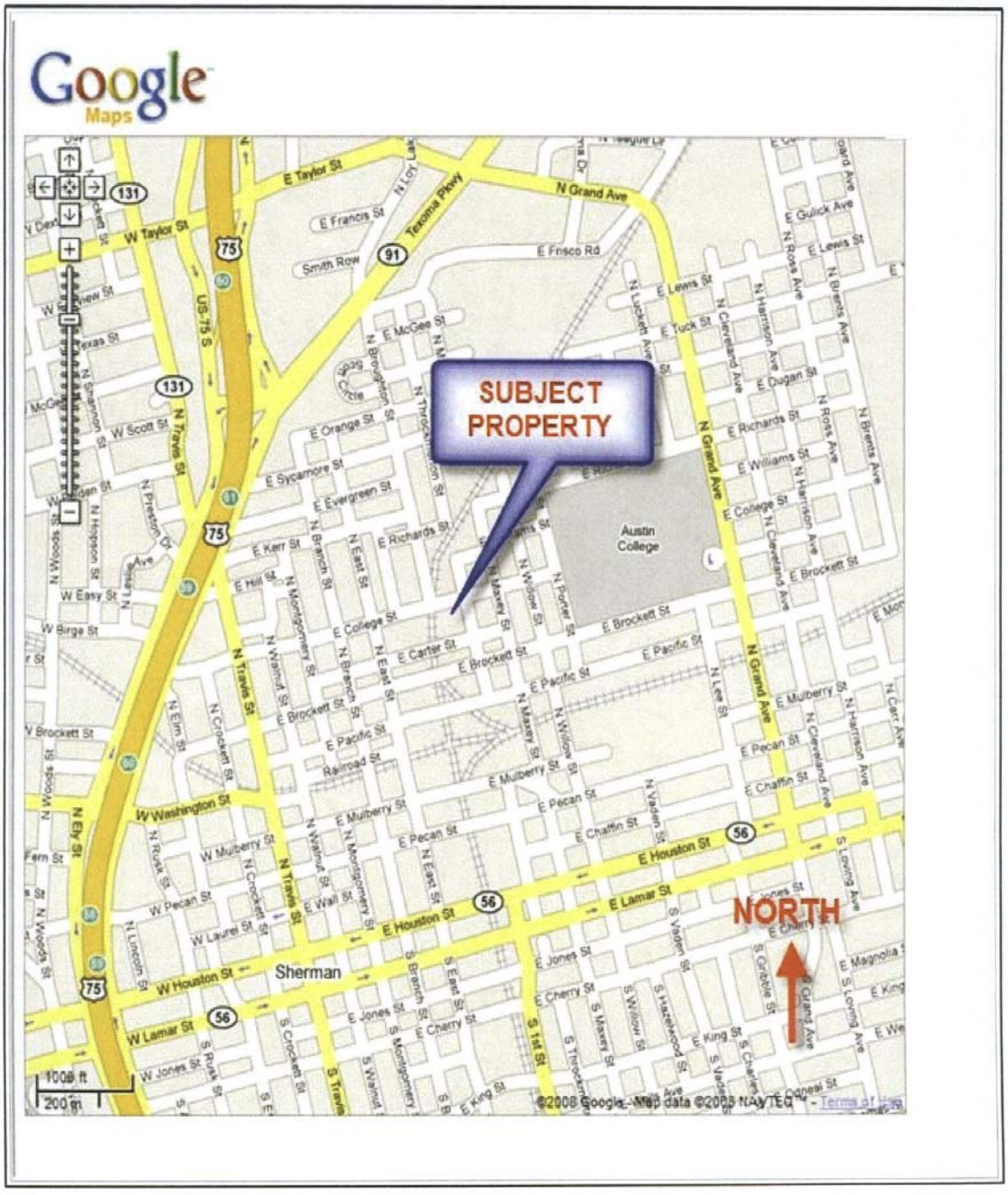
Designated Appraisal Institute Member Certifies:	**Designated Appraisal Institute Member Certifies:**
• As of the date of this report, I [X] have / [ ] have not completed the continuing education program of the Appraisal Institute.	• As of the date of this report, I [ ] have / [ ] have not completed the continuing education program of the Appraisal Institute.
APPRAISER:	**CO-APPRAISER:**
Signature JEJacobs	Signature
Name James E. Jacobs Report Date 05/20/2008	Name Report Date
State Certification # G-1321951-TX ST TX	State Certification # ST
or License # ST	or License # ST
Expiration Date 01-31-2010	Expiration Date

AERIAL PHOTOGRAPH

Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton

MAP

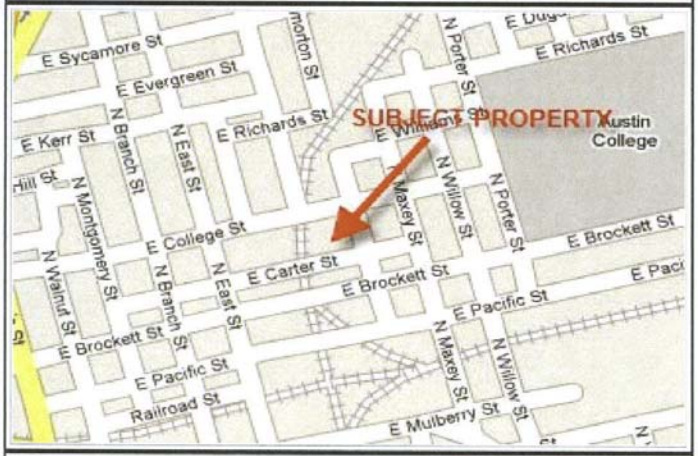
Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton



SUBJECT PHOTO ADDENDUM

Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton

Closeup Aerial



Closeup Map

Owner	% of Alley Frontage		Owner
Austin College	27.84%	8.35%	Progressive Missionary
		6.25%	Barton Capital
		6.25%	Countryside Homes
		4.00%	Laura Ann Amlin
Barton Capital	14.28%	8.35%	Thelma Jo Steveson
		16.80%	Edward Hawkins
Vision Homes	7.88%		

Frontage Percentages by Ownership

Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton

JAMES E. JACOBS QUALIFICATIONS

ACTIVITIES

Real estate appraiser, arbitrator, consultant and instructor located in Sherman, Texas. Certified USPAP instructor / instructor of appraisal courses/seminars throughout the United States.

PROFESSIONAL DESIGNATIONS/LICENSES/CERTIFICATIONS

Certified Real Estate Instructor (CREI): Texas Real Estate Teacher s Association
Certified USPAP Instructor - Appraiser Qualifications Board (2002 – Present)
Continuing Education Certified – Appraisal Institute – (Present-2010)
Designated SRA Appraiser (SRA): Appraisal Institute (1977-Present)
Designated IFA Appraiser (IFA): Nat Assn of Independent Fee Appraisers (2004-Present)
Registered Arbitrator-Texas Comptroller of Public Accounts (2006-Present)
State Certified Texas - General Real Estate Appraiser Certificate – (Expires: 01/31/2011)
Registered Arbitrator – Texas Comptroller of Public Accounts (2006-Present)

MEMBERSHIP

Member – Appraisal Institute (1975-Present)
Member – National Association of Independent Fee Appraisers (2004-Present)
Member – Texas Real Estate Teachers Association (2001-Present)
Member - Greater Texoma Association of Realtors (1988-Present)
Member - Texas Association of Realtors (1988-Present)
Member - National Association of Realtors (1988-Present)

POSITIONS-PRESENT

Approved Instructor – Appraisal Institute (2003-Present)
Certified Instructor – AchieveGlobal (2004-Present)
Expert Witness –Various District Courts-State of Texas (1997-Present)
Vice Chair-City of Sherman Planning and Zoning Board (2005-Present)
Member-Admissions & Designation Qualifications Committee-Appraisal Institute (2005-Present)
Report Grader - Residential Demonstration Appraisal Reports: Appraisal Institute (1992-Present)
President-Elect – North Texas Chapter – Appraisal Institute (2008)
Director of Research – Texas Real Estate Teachers Association (2008)
Member – Education Committee – National Assn of Independent Fee Appraisers (2008-Present)

POSITIONS-PAST

Chair - Appraisal Review Board: Grayson Appraisal District (1992-1997) / Member – (1998)
National Committee Member - Residential Admissions Committee: Appraisal Institute (1995-1998)
Chair - City of Sherman Planning and Zoning Board (1997-2000) / Member – (1991-1997)
Elected Regional Representative (North Texas Chapter) – Region VIII: Appraisal Institute (1997-2002)
President - Greater Texoma Association of Realtors (1998-1999)
Chair - Residential Appraiser Guidance: Appraisal Institute (1998-1999)
Committee Member - Residential Appraiser Guidance: Appraisal Institute (1995-1997) (1999-2001)
Board of Directors Member – North Texas Real Estate Information Services (1999-2000)
Chair – North Texas Real Estate Information Services' User Committee (1999)
National Committee Member - Client Services Committee: Appraisal Institute (1999-2000)
Elected Member (Region VIII) – Residential Appraiser Council (2000-2006)
Vice Chair – Res Demonstration Appraisal Rpt Subcommittee: Appraisal Institute (2003-2004)
Elected Board of Directors Member – North Texas Chapter – Appraisal Institute (2000-2003)

Client:	Lazy L Enterprises & the City of Sherman	**Client File #:**	N/A
Subject Property:	See Legal Description	**Appraisal File #:**	Alley - Throckmorton

JAMES E. JACOBS QUALIFICATIONS-CONTINUED

PROFESSIONAL / APPRAISAL EXPERIENCE

1988 to Present – Appraiser/Arbitrator/Consultant/Instructor- Jacobs Company / Texas (Sherman, TX). Performing real estate related consultations and valuations. Instructor with various education providers across the United States.

1983 to 1988 - Vice President for Citicorp Investment Bank (Houston, Miami & New York). Primary responsibilities included the negotiation of mortgage loan purchases, the review of property appraisal reports, the inspection of properties and securitization of non-conforming mortgages.

1983 - Vice President for Commonwealth Mortgage Corporation (Houston). Negotiated the origination and performed the underwriting of multifamily mortgage loans. This process included the review and analysis of all appraisals and property sites.

1982 - National Director of Risk Management for PMI Mortgage Insurance Company (San Francisco, Dallas). Established appraisal/underwriting standards for new products.

1977 to 1982 - Senior Underwriter /New Products Team Leader for the Federal Home Loan Mortgage Corporation (Dallas, Washington, D.C.). Responsible for the underwriting of all multifamily loans (SW Region). Performed review appraisals and inspections / Lead new product team developing purchase program for ARMs.

1975 to 1977 - Assistant Vice President for Panhandle Savings and Loan Association (Amarillo, TX). Responsible for all residential and income property appraisals and secondary mortgage activities.

1972 to 1975 -Appraiser for Charles R. Rhodes and/or L. L. Jacobs (Amarillo, TX), providing both residential and income property appraisals.

EDUCATION

1977-1979 - Studies of Advanced Real Estate Subjects (SOARS), Texas Real Estate Research Center, College Station, TX (Certificate of Completion).
1969-1972 - Bachelor of Science, West Texas State University, Canyon, Texas (Degree).
1968-1969 - University of Oklahoma, Norman, Oklahoma

COURSES COMPLETED (TESTED):

AIREA VI -	Case Studies in Real Estate Valuation - (1978)
AIREA II -	Capitalization Theory and Techniques - (1978)
SREA 202 -	Applied Income Property Valuation (1988)
SREA -	Professional Practice Seminar (1990)
AI 410-	Standards of Professional Practice; Part A & B (1994)
AI 430-	Standards of Professional Practice; Part C (1999-2002-2003)
TAF-	AQB Certified Instructor Seminar (2003)

SEMINARS ATTENDED (ATTENDANCE ONLY):

SREA – Depreciation Analysis (1972)
SREA – Narrative Report Seminar (1974)
SREA – Energy Considerations in Appraising (1979)
AIREA – Condominium Seminar (1979)
SREA – Appraising Condominiums (1979)
SREA – Inner City Neighborhood Analysis & Val (1979)
Boeckh – Building Cost Estimating Seminar (1979)
Marshall – Marshall Valuation Service Seminar (1980)
SREA – Professional Practice Seminar (1988)
SREA – Market Extractions (1988)
SREA – Real Estate Value Using Spreadsheets (1988)
FNMA – Appraisal/Underwriting Seminar (1988 & 1990)
SREA – Effective Report Writing for Appraisers (1990)
AI – Subdivision Analysis (1991)
AI – Understanding the Styles-American Homes (1991)
AI – Supporting Sales Comparison Grid Adj (1999)
AI – The Appraisal of Retail Properties (1999)
AI - The FHA and the Appraisal Process (1999)
TAAD – Appraisal Review Board Seminar (1996)
AI – The High Tech Appraisal Office (1996)
AI – The Internet and the Appraiser (1996)
AI – Resl Demo Report Graders Training Pgm (1996)
AI – The Impact of Mineral Rights and Oil and Gas Activities on Agricultural Land Values (1996)
SLF – Inst of Planning, Zoning & Eminent Domain (1997)
AI – Business Valuation (Parts 1 & 2) (1997)
AI – General Appraiser USPAP Update (1999)
AI – AMC Panel Discussion (1999)
AI – eRelay Electronic Commerce for the Appraiser (1999)
AI – Technology Forum (1999)

Client:	Lazy L Enterprises & the City of Sherman	Client File #:	N/A
Subject Property:	See Legal Description	Appraisal File #:	Alley - Throckmorton

JAMES E. JACOBS QUALIFICATIONS-CONTINUED

PARTIAL LIST OF CLIENTS-VALUATION

Amarillo National Bank, NA
American Bank of Texas, NA
Bank of America-Texas, NA
Citicorp
City of Sherman
Fannie Mae (FNMA)
Federal Deposit Insurance Corp. (FDIC)
Freddie Mac (FHLMC)
Lender's Service, Inc.
Mortgage Securities Advisors, Inc.
Proctor & Gamble
Sherman Independent School District

PARTIAL LIST OF CLIENTS - INSTRUCTION

Grayson County College-Denison, TX
Richland College-Dallas, TX
Northlake College-Irving, TX
Amarillo College-Amarillo, TX
Appraisal Institute-Chicago, IL
National Association of Independent Fee Appraisers-Chicago, IL
Kaplan Professional Schools-Dallas, TX
McKissock-Warren, PA
Continuing Education Institute-Arlington, TX
Grayson Appraisal District-Sherman, TX
Champions School of Real Estate-Dallas, TX

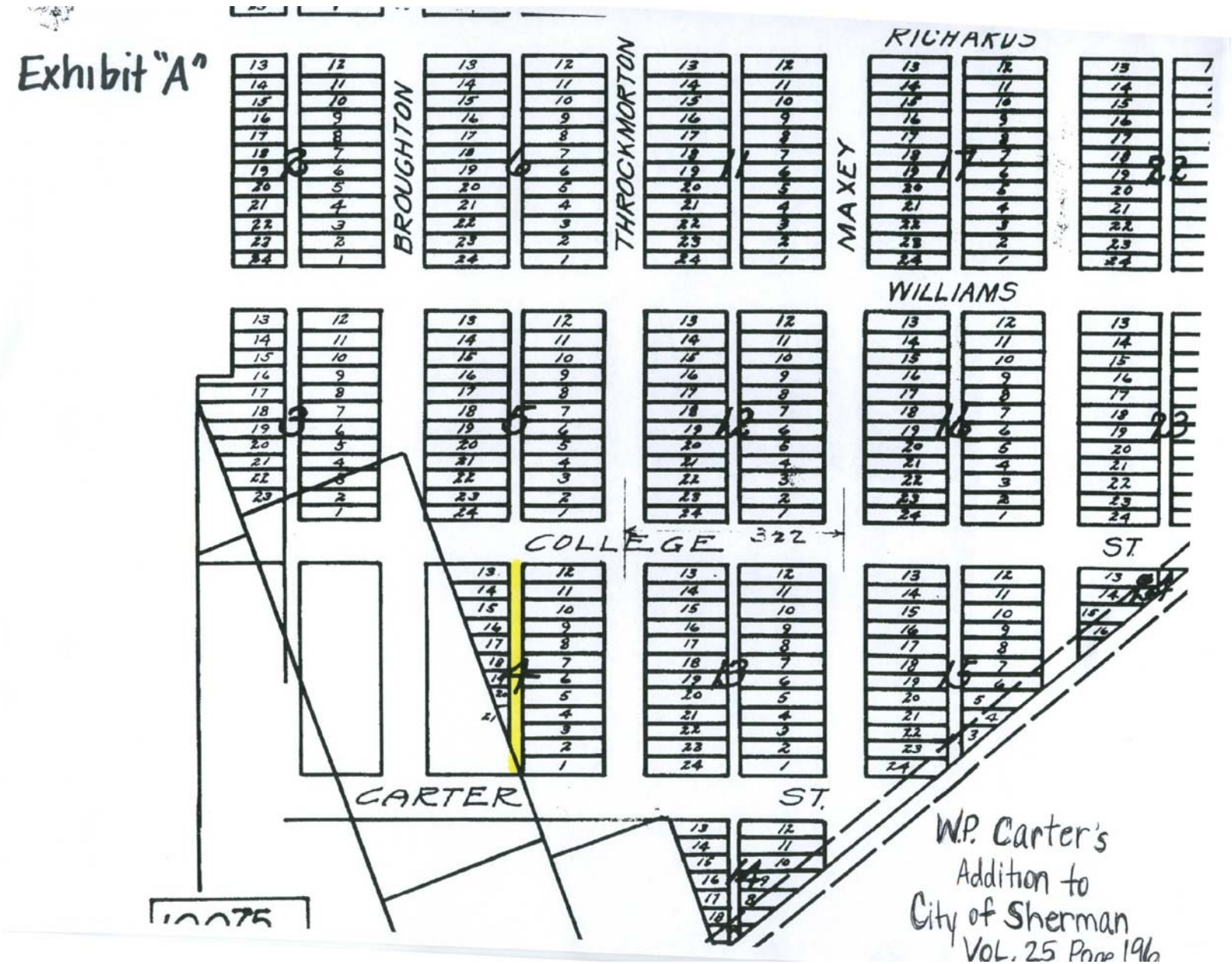
COURSES/SEMINARS TAUGHT (PARTIAL LIST)

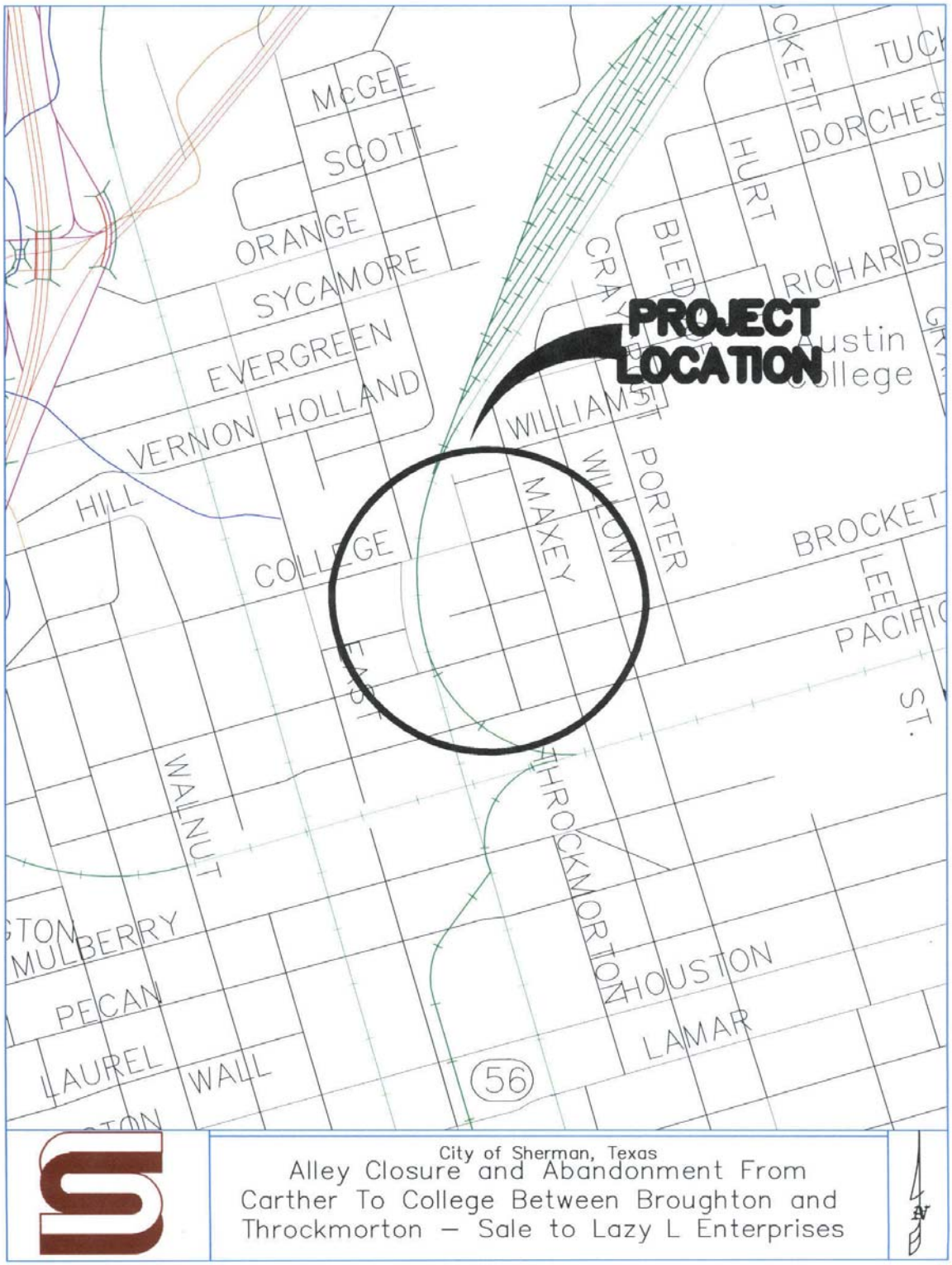
7 Hour USPAP Update
15 Hour USPAP
Scope of Work
2005 Uniform Residential Appraisal Report
Appraising the Tough Ones
Appraisal Examination Preparation
Narrative Report Writing
Appraisal Basics
Appraising Multi-Family Properties
Cost Approach to Value
Uniform Residential Appraisal Report
Appraiser Liability: Protect Yourself
Appraisal Review
Appraising the Oddball: Nonconforming & Difficult Properties
CA Federal & State Laws & Regulations
Appraising High-Value Residential Properties
Disclosures & Disclaimers
Limited Appraisals & The Scope of Work Decision
Made in America, Appraising Factory-Built Housing
Residential Construction
Residential Income Capitalization Approach
Real Estate Principles – Texas (I & II)
Real Estate Contracts – Texas
Real Estate Agency – Texas
Real Estate Appraisal – Texas
Real Estate Finance
Real Estate Math
Real Estate Examination Review
Environmental Red Flags
Fair Housing
Applications of WORD
Applications of Excel
Applications of PowerPoint
Introduction to Computers
Introduction to Email
Introduction to the Internet
Residential Market Analysis & Highest & Best Use
Appraisal Challenges: Declining Markets & Sales Concessions

LICENSES/ARTICLES/AWARDS

Recipient - 1994 & 1999 Greater Texoma Association of Realtor's Realtor of the Year Award
Recipient - 1993 Grayson County Association of Realtors' Special Achievement Award
Former approved appraiser by HUD - Dallas, Texas and Fort Worth, Texas for performing FHA/HUD appraisals
Former Real estate broker - State of Texas, Number 175596-32.
Co-author - Texas Real State Finance, 1987 - John Wiley and Sons, New York, N. Y.
Instructor- Real estate courses for HUD and several Texas community colleges between 1977 and present including: Amarillo College, Amarillo, TX; Richland College, Dallas, TX; Northlake College, Irving, TX, Grayson County College, Denison, TX and Leonard-Hawes RE School.
Instructor – Computer classes – SAVE program - Grayson County College, Denison, TX.
Author - Several real estate articles published in national publications.

Exhibit "A"


RICHARDS
BROUGHTON
THROCKMORTON
MAXEY
WILLIAMS
COLLEGE
322
ST.
CARTER
ST.
W.P. Carter's
Addition to
City of Sherman
Vol. 25 Page 196



City of Sherman, Texas

Alley Closure and Abandonment From Carther To College Between Broughton and Throckmorton – Sale to Lazy L Enterprises

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. C.4

**** RESOLUTION NO. 5366***

Authorizing Execution of an Employment Contract with Sharon A. Malone, M.D. as Licensed Medical Director for Emergency Medical Services; Providing for a Statement of Medical Direction; Providing for Automatic Renewal

Issue

To consider renewing the contract with Sharon A. Malone, M.D., acting as Medical Director and providing medical direction, continuing education material and training for Sherman Fire Department personnel

Background

In July 2007, the City of Sherman entered into an agreement with Sharon A. Malone, M.D. of Van Alstyne, Texas, to provide medical direction, continuing education material and training to Sherman Fire Department EMS personnel. Dr. Malone will reduce continuing education and training from eight (8) months per year to four (4) months per year.

Origination

J. J. Jones, Fire Chief

Financial Consideration

There are no additional savings for renewing a contract with Dr. Sharon Malone. Her fee is $19,200.00 per year. Funds for these services are available in the current budget.

Staff Recommendation

It is recommended that the City Council approve the contract with Dr. Sharon Malone for the specified services.

Alternatives

Medical director services could be sought from other physicians.

Attachments

Resolution No. 5366
Medical Director Contract

Prepared by:
Jeffrey J. Jones, Fire Chief

Approved by:
George Olson, City Manager

RESOLUTION NO. 5366

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN EMPLOYMENT CONTRACT WITH SHARON A. MALONE, M.D. AS LICENSED MEDICAL DIRECTOR FOR EMERGENCY MEDICAL SERVICES; PROVIDING FOR A STATEMENT OF MEDICAL DIRECTION; PROVIDING FOR AUTOMATIC RENEWAL; 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 enter into an employment contract with Sharon A. Malone, M.D. of Van Alstyne, Texas, such contract terms being first approved by the City Attorney and being the same or substantially the same as contained in the agreement attached hereto as Exhibit "A" 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 _____, 2009.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

MEDICAL DIRECTOR CONTRACT

THIS CONTRACT is entered into effective as of the _____ of _____, 2009, by and between the **CITY OF SHERMAN** ("City") and **SHARON A. MALONE, M.D.**, 636 Eagle Point Road, Van Alstyne, Texas 75495 ("Malone").

1. Appointment. City hereby appoints Malone as Medical Director.

2. Term & Renewal. Except as otherwise set forth in this Contract, the services of Malone hereunder shall commence on the execution of this Contract, and shall be renewable annually on June 30 for successive one year terms until final termination on June 30, 2013 unless either party gives written notice of its intention not to renew ninety (90) days before expiration of the current term.

3. Renewal. This agreement shall be renewable at the end of the current term for a successive one year term unless either party gives written notice of its intention not to renew ninety (90) days before expiration of the current term.

4. Compensation. City agrees to pay Malone the amount of NlNETEEN THOUSAND TWO HUNDRED DOLLARS AND NO CENTS ($19,200.00) PER YEAR for services rendered during the term of this contract.

5. Service of Malone. Malone shall perform and provide to the City those services as described below:

(a) approve the level of pre-hospital care and provide medical direction for the EMS personnel under her supervision;

(b) establish and monitor compliance with field performance guidelines for EMS personnel;

(c) establish and monitor compliance with training guidelines which meet or exceed Texas Department of Health EMS certification regulations;

(d) develop, implement, and revise protocols and/or standing delegation orders if appropriate, governing pre-hospital care and medical aspects of patient triage, transport, transfer, dispatch, extrication, rescue, and radio-telephone-telemetry communication by the EMS;

(e) direct an effective system audit and quality assurance program;

(f) make formal recommendations on medically related aspects of EMS operations;

(g) function as the primary liaison between the EMS administration and the local medical community;

(h) recommend appropriate remedial or corrective measures for EMS personnel;

(i) provide annual check-off skills for each EMS personnel;

(j) recommend suspension of a certified EMS individual from medical care duties for due causes;

(k) establish the circumstances under which a patient might not be transported or may be transported against his or her will;

(l) establish criteria for selection of a patient's destination;

(m) develop and implement a comprehensive mechanism for management of patient care including patient complaints, allegations of substandard care, and deviations from established protocols and patient care standards;

(n) promptly respond to requests for information by the City relating to the subject matter items of this section as well as patient care issues; and

(o) provide timely review and consultation with regard to medical records in a prompt, efficient and professional manner.

Malone agrees to devote such time and effort as may be necessary and/or desirable for Malone to perform her duties and obligations

6. Affirmation. Malone affirms that (1) she is a physician licensed to practice medicine in the State of Texas; (2) familiar with the operation of EMS systems; (3) experienced in pre-hospital emergency care of acutely ill or injured patients; (4) actively involved in the emergency management of acutely ill and/or injured patients, in the training and/or continuing education of the EMS personnel under my supervision at their level of certification, in the medical audit, review, and critique of the EMS personnel performance, and in the administrative processes affecting the delivery of emergency pre-hospital care; (5) knowledgeable about local multi-casualty plans; (6) familiar with dispatch and communications operations of pre-hospital emergency units; and (7) knowledgeable about laws and regulations affecting local, regional, and state operations.

7. Training.

(a) Malone, as part of her responsibilities as Medical Director, agrees to provide Continuing Education ("CE") material for education and training for four (4) months a year. Each training session shall consist of six (6) classes over a period of three (3) days at the Sherman Central Fire Station, or other acceptable location. All course materials shall conform to state directives and requirements and will be validated by Grayson County College with a direct report to the State of Texas of each CE obtained by each person.

(b) The City will provide training aids and space for Malone, including a meeting room, overhead projector, mannequins, and training materials. To the extent permitted by law, training materials developed by Malone may not be copied or distributed without her written permission. Malone understands, however, that the City may not be able to honor this request due to the Texas Public Information Act requirements imposed on the City, or other legal requests for information.

8. Insurance. The City's obligation to provide general liability insurance shall be limited to the medical and administrative services provided by the Medical Director exclusively for the City. The Medical Director agrees and understands that the determination of coverage for the Medical Director is solely a determination made by the City's Insurance Carrier, the Texas Municipal League Intergovernmental Risk Pool ("City's Insurance Carrier") and not by the City. The Medical Director also understands and agrees that the City is under no obligation to provide any additional coverage or indemnification not provided for by the City's Insurance Carrier.

9. Termination. The City may terminate this Contract at any time upon ninety (90) days written notice from the City to Malone, with or without cause. Malone reserves the right to resign from this appointment upon not less than ninety (90) days prior written notice to the City. In such event, Malone agrees to cooperate with the City and the successor Malone to minimize disruption in the performance of the duties and responsibilities of Malone as set forth herein. In the event of such termination provided for in this paragraph, City agrees to pay Malone compensation as herein provided through the date of cessation of services by Malone.

10. Independent Contractor. Nothing contained herein shall be construed to create an employer/employee relationship between City and Malone. The parties intend that an independent contract and not an employer/employee relationship be created by this agreement. The City is interested only in the results to be achieved and the control of the Malone services shall lie solely with the Malone. The Malone is not considered to be an agent or employee of the City for any purpose, but rather is an appointed official whose capacity as an appointed Malone may be revoked by the Sherman City Council at any time. It is understood that the Malone is in no way vicariously liable for the conduct of the City's employees. It is understood that the City is in no way vicariously liable for the conduct of the Malone. It is understood that the City may use other medical advisors from time to time. It is further understood that the Malone is free to contract for similar services to be formed for other ambulance services while under contract with the City.

11. No Assignment. City is relying upon the expertise and abilities of Malone, and it is expressly provided that Malone may not assign, in whole or in part, the performance of any of her duties and obligations hereunder.

12. Replacement of Prior Agreement. This Contract represents the entire Contract between the City and the Medical Director and supersedes all prior negotiations, representations, or contracts, either written or oral. This Contract may be amended only by written instrument signed by both parties.

13. Law Governing and Venue. This Contract is governed by the law of the State of Texas and a lawsuit may only be prosecuted on this Contract in a court of competent jurisdiction located in or having jurisdiction in Grayson County, Texas.

EXECUTED AND DELIVERED effective as of the _____ day of _____, 2009.

CITY OF SHERMAN, TEXAS

BY: _____
NAME: **George Olson**
TITLE: **City Manager**
ADDRESS: **220 West Mulberry Street**
Sherman, Texas 75090
PHONE: **(903) 892-7200**

ATTEST:

BY: _____
Linda Ashby, City Clerk

SHARON A. MALONE, M.D.

BY: _____
ADDRESS: _____
_____
_____
PHONE: _____

ATTEST:

BY: _____
NAME: _____
TITLE: _____

APPROVED AS TO FORM AND CONTENT:

BY: _____
Brandon S. Shelby, City Attorney

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. C.5

**** RESOLUTION NO. 5367***

Awarding a Bid to and Authorizing Execution of a Contract with Bound Tree Medical, LLC for EMS Medical and Medicinal Supplies to be Used by the Sherman Fire Department

Issue

To consider an award of bid for the provision of EMS medical and medicinal supplies

Background

This is a contract for the purchase of medical supplies and drugs for use by the Sherman Fire Department Ambulance Service. The existing EMS medicine and supply contract with Bound Tree Medical, LLC, which merged with Tri-Anim Health Services, Inc., expired on March 31, 2009. Request to advertise for medical supplies and drugs was approved by the City Council on January 19, 2009.

Origination

Jeffrey J. Jones, Fire Chief

Financial Consideration

Low bid for the majority of medical supplies and drugs was submitted by Bound Tree Medical, LLC of Dublin, Ohio. A comparison was made for the items that all of the vendors could supply, using a sample quantity. Although Midwest Medical was slightly lower on some items, this company could only supply 183 of the 206 required items. Bound Tree Medical bid on all 206 of the items submitted for bid. Bound Tree is the current vendor and has demonstrated quality service and delivery of all products required. Funds are available in the current budget for the purchase of these supplies.

Staff Recommendation

Award the bid for medical supplies and drugs as submitted by Bound Tree Medical, LLC.

Alternatives

None recommended

Attachments

Resolution No 5367; Contract of Sale; Bid Tabulation; Exhibit "A" (Supply List) and Exhibit "B" (Bound Tree Medical, LLC Bid Response)

Prepared by:
Jeffrey J. Jones, Fire Chief

Approved by:
George Olson, City Manager

RESOLUTION NO. 5367

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH BOUND TREE MEDICAL, LLC FOR EMS MEDICAL AND MEDICINAL SUPPLIES TO BE USED BY THE SHERMAN FIRE 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 Bound Tree Medical, LLC of Dublin, Ohio, is hereby awarded the bid and that the City Manager is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a contract with Bound Tree Medical, LLC for the purchase of EMS Medical and Medicinal Supplies for use by the Sherman Fire Department, in accordance with the conditions 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 _____, 2009.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

CONTRACT OF SALE

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

THIS AGREEMENT, made and entered into by and between the **CITY OF SHERMAN**, a municipal corporation of Grayson County, Texas, hereinafter called "BUYER", and **BOUND TREE MEDICAL, LLC,** a limited liability corporation of the State of Ohio, hereinafter called "SELLER",

WITNESSETH:

SELLER agrees to sell and will deliver to BUYER, and BUYER agrees to purchase from SELLER, on an as-needed basis, medical and medicinal supplies ("supplies") as specified in Exhibit "A", attached hereto and incorporated herein for all purposes, for use by the Sherman Fire Department, and as described and priced in the bid proposal and specifications attached hereto and incorporated herein for all purposes. SELLER agrees to sell such supplies at the prices specified therein during the contract period, which will be for the period of May 1, 2009, through April 30, 2010. BUYER reserves the option, upon mutual written consent of both parties, to renew this contract annually upon the same prices, terms and conditions, not to exceed four (4) renewals.

Reference is hereby made to the specifications and requirements of contract documents prepared by BUYER and the Bid Proposal submitted by SELLER on May 4, 2009, in answer to BUYER's Advertisement for Bids. All of the specifications and requirements of BUYER's contract documents and SELLER's Bid Proposal, identified as Exhibit "B", are incorporated herein by reference and made a part of this contract for all purposes.

BUYER reserves the right to add or delete quantities of supplies, as necessary, during the contract period.

SELLER hereby agrees to deliver supplies to BUYER at specified delivery locations during normal working hours, Monday through Friday, 8:00 a.m. to 5:00 p.m., within ninety-six (96) hours from the date of initial order placement. BUYER will pay SELLER for supplies delivered within thirty (30) days from date of receipt of invoice.

BUYER retains the right to reject all or any supplies delivered by SELLER that do not comply with the specifications as set forth in the Invitation for Bids and the Bid Proposal submitted by SELLER. Should any supplies be rejected because of failure "TO MEET ACCEPTABLE STANDARDS OF CARE", and SELLER not supply conforming supplies within ninety-six (96) hours of date of rejection, then BUYER may purchase such supplies from the next lowest, qualified bidder willing to honor its bid, and SELLER agrees to pay to BUYER the cash difference in the Bid Proposals.

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

This agreement may not be changed, revised or altered, except by an instrument in writing duly executed on behalf of BUYER and by SELLER. This agreement shall be construed in accordance with the laws of the State of Texas and shall be deemed performable and enforceable in the State of Texas, with venue in Grayson County, Texas.

IN TESTIMONY WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of SELLER and on behalf of the BUYER, City of Sherman, by its City

Manager and attested by its City Clerk, effective the _____ day of _____,

2009.

BOUND TREE MEDICAL, LLC

BY: _____
NAME: _____
TITLE: _____
ADDRESS: 5000 TUTTLE CROSSING BLVD
DUBLIN, OH 43016
PHONE: (800) 533-0523

ATTEST:

BY: _____
NAME: _____
TITLE: _____

CITY OF SHERMAN, TEXAS

BY: _____
GEORGE OLSON
CITY MANAGER
220 W. MULBERRY STREET
SHERMAN, TX 75090
(903) 892-7200

ATTEST:

BY: _____
LINDA ASHBY
CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY
CITY ATTORNEY

Bid Tabulation

Sherman Fire Department EMS Supplies		BoundTree		Midwest		QuadMed		Southwestern Emergency equipment	
10 Drop Set Box 50 count	50	$ 1.79	$ 89.50	$ 1.92	$ 96.00	$ 1.43	$ 71.50	$ 2.50	$ 125.00
4 X 4 Bandages	100	$ 1.55	$ 155.00	$ 2.20	$ 220.00	$ 1.38	$ 138.00	$ 4.35	$ 435.00
5 X 9 Bandages	400	$ 3.01	$ 1,204.00	$ 2.10	$ 840.00	$ 1.45	$ 580.00	$ 1.70	$ 680.00
60 Drop Set 50 per box	15	$ 1.76	$ 26.40	$ 1.59	$ 23.85	$ 1.69	$ 25.35	$ 3.70	$ 55.50
Alcohol Wipe (bx)	20	$ 2.12	$ 42.40	$ 1.77	$ 35.40	$ 1.79	$ 35.80	$ 1.60	$ 32.00
Ammonia Caps	20	$ 1.35	$ 27.00	$ 1.77	$ 35.40	$ 1.54	$ 30.80	$ 1.55	$ 31.00
Bed Pan	15	$ 1.09	$ 16.35	$ 1.21	$ 18.15	$ 0.89	$ 13.35	$ 1.08	$ 16.20
Bio Bag (large)	2000	$ 0.18	$ 360.00	$ 0.13	$ 260.00	$ 0.35	$ 696.00	$ 0.18	$ 360.00
Bio Bag (medium)	1000	$ 0.14	$ 140.00	$ 0.11	$ 110.00	$ 0.25	$ 248.00	$ 0.10	$ 100.00
Bio Bags Small	1000	$ 0.10	$ 100.00	$ 0.19	$ 190.00	$ 0.10	$ 99.00	$ 0.07	$ 70.00
Blood Draw Tube G.	1	$ 0.28	$ 0.28	$ 0.36	$ 0.36	$ 0.18	$ 0.18	$ 0.22	$ 0.22
Blood Draw Tube R.	1	$ 0.13	$ 0.13	$ 0.18	$ 0.18	$ 0.12	$ 0.12	$ 0.10	$ 0.10
Body Bags	1	$ 7.01	$ 7.01	$ 10.15	$ 10.15	$ 9.50	$ 9.50	$ 10.50	$ 10.50
Bulb Syringe	5	$ 0.63	$ 3.15	$ 0.95	$ 4.75	$ 0.75	$ 3.75	$ 0.97	$ 4.85
Butterfly 23g	40	$ 0.22	$ 8.80	$ 0.22	$ 8.80	$ 0.40	$ 16.00	$ 0.21	$ 8.40
BVM Adult	30	$ 8.76	$ 262.80	$ 8.56	$ 256.80	$ 8.95	$ 268.50	$ 8.75	$ 262.50
BVM Child	25	$ 10.01	$ 250.25	$ 8.56	$ 214.00	$ 10.20	$ 255.00	$ 8.75	$ 218.75
BVM Infant	25	$ 10.01	$ 250.25	$ 10.00	$ 250.00	$ 10.20	$ 255.00	$ 8.75	$ 218.75
C-Collar Adult	450	$ 5.31	$ 2,389.50	$ 5.38	$ 2,421.00	$ 6.40	$ 2,880.00	$ 5.40	$ 2,430.00
C-Collar Pedi	120	$ 5.31	$ 637.20	$ 5.38	$ 645.60	$ 6.40	$ 768.00	$ 5.40	$ 648.00
Cold Pack(case of 24)	220	$ 9.43	$ 2,074.60	$ 8.14	$ 1,790.80	$ 11.52	$ 2,534.40	$ 8.88	$ 1,953.60
Combitube Large	50	$ 45.61	$ 2,280.50	$ 40.10	$ 2,005.00	$ 39.45	$ 1,972.50	$ 40.75	$ 2,037.50
Combitube SA	16	$ 45.61	$ 729.76	$ 40.10	$ 641.60	$ 39.45	$ 631.20	$ 40.75	$ 652.00
Disinfectant Wipes	30	$ 4.97	$ 149.10	$ 4.69	$ 140.70	$ 5.95	$ 178.50	$ 5.50	$ 165.00
Dust Mask	20	$ 1.36	$ 27.20	$ 1.98	$ 39.60	$ 2.10	$ 42.00	$ 2.02	$ 40.40
EID	35	$ 1.96	$ 68.60	$ 2.21	$ 77.35	$ 3.25	$ 113.75	$ 2.30	$ 80.50
ET Tube 2.5	20	$ 0.70	$ 14.00	$ 0.72	$ 14.40	$ 0.95	$ 19.00	$ 1.10	$ 22.00
ET Tube 3	20	$ 0.70	$ 14.00	$ 0.72	$ 14.40	$ 0.95	$ 19.00	$ 1.10	$ 22.00
ET Tube 3.5	20	$ 0.70	$ 14.00	$ 0.72	$ 14.40	$ 0.95	$ 19.00	$ 1.10	$ 22.00
ET Tube 4	20	$ 0.70	$ 14.00	$ 0.72	$ 14.40	$ 0.95	$ 19.00	$ 1.10	$ 22.00
ET Tube 4.5	20	$ 0.70	$ 14.00	$ 0.72	$ 14.40	$ 0.95	$ 19.00	$ 1.10	$ 22.00
ET Tube 5	20	$ 0.70	$ 14.00	$ 0.72	$ 14.40	$ 0.95	$ 19.00	$ 1.20	$ 24.00
ET Tube 5.5	20	$ 1.00	$ 20.00	$ 0.72	$ 14.40	$ 0.95	$ 19.00	$ 1.10	$ 22.00

Sherman Fire Department EMS Supplies		BoundTree		Midwest		QuadMed		Southwestern Emergency equipment	
ET Tube 6	20	$ 1.00	$ 20.00	$ 0.96	$ 19.20	$ 1.05	$ 21.00	$ 1.20	$ 24.00
ET Tube 6.5	60	$ 1.00	$ 60.00	$ 0.96	$ 57.60	$ 1.05	$ 63.00	$ 1.20	$ 72.00
ET Tube 7	60	$ 1.00	$ 60.00	$ 0.96	$ 57.60	$ 1.05	$ 63.00	$ 1.20	$ 72.00
ET Tube 7.5	60	$ 1.00	$ 60.00	$ 0.96	$ 57.60	$ 1.05	$ 63.00	$ 1.20	$ 72.00
ET Tube 8	60	$ 1.00	$ 60.00	$ 0.96	$ 57.60	$ 1.05	$ 63.00	$ 1.20	$ 72.00
ET Tube 8.5	40	$ 1.00	$ 40.00	$ 0.96	$ 38.40	$ 1.05	$ 42.00	$ 1.20	$ 48.00
ET Tube 9	20	$ 1.00	$ 20.00	$ 0.96	$ 19.20	$ 1.05	$ 21.00	$ 1.20	$ 24.00
ET Tube 9.5	20	$ 1.00	$ 20.00	$ 0.96	$ 19.20	$ 1.05	$ 21.00	$ 1.20	$ 24.00
ET Tube Introducer	15	$ 5.45	$ 81.75	$ 3.37	$ 50.55	$ 6.25	$ 93.75	$ 4.95	$ 74.25
Eye Guard	1	$ 1.01	$ 1.01	$ 1.39	$ 1.39	$ 0.82	$ 0.82	$ 0.76	$ 0.76
Face Shield 50 count box	1	$ 23.30	$ 23.30	$ 20.92	$ 20.92	$ 19.95	$ 19.95	$ 21.50	$ 21.50
First Responder Blanket	1	$ 0.79	$ 0.79	$ 1.75	$ 1.75	$ 1.75	$ 1.75	$ 1.55	$ 1.55
Forcep	1	$ 3.67	$ 3.67	$ 3.87	$ 3.87	$ 3.25	$ 3.25	$ 3.65	$ 3.65
French Cath 14	30	$ 0.21	$ 6.30	$ 0.20	$ 6.00	$ 0.38	$ 11.40	$ 0.21	$ 6.30
French Cath 18	30	$ 0.21	$ 6.30	$ 0.22	$ 6.60	$ 0.38	$ 11.40	$ 0.21	$ 6.30
French Cath 8	30	$ 0.21	$ 6.30	$ 0.20	$ 6.00	$ 0.38	$ 11.40	$ 0.21	$ 6.30
Glucose Test Strips	45	$ 21.25	$ 956.25	$ 23.80	$ 1,071.00	$ 23.85	$ 1,073.25	$ 21.95	$ 987.75
Head Block	550	$ 4.13	$ 2,271.50	$ 4.61	$ 2,535.50	$ 5.50	$ 3,025.00	$ 3.83	$ 2,106.50
Hot Pack each	160	$ 1.23	$ 196.80	$ 0.56	$ 89.60	$ 0.68	$ 108.80	$ 0.51	$ 81.60
Humidified O2	10	$ 1.26	$ 12.60	$ 1.40	$ 14.00	$ 1.49	$ 14.90	$ 2.40	$ 24.00
Lancets box of 100	20	$ 5.08	$ 101.60	$ 11.39	$ 227.80	$ 2.45	$ 49.00	$ 1.82	$ 36.40
Laryngo Bulb large	1	$ 1.20	$ 1.20	$ 1.11	$ 1.11	$ 1.05	$ 1.05	$ 1.25	$ 1.25
Morgan Lense	1	$ 18.79	$ 18.79	$ 17.59	$ 17.59	$ 19.08	$ 19.08	$ 19.25	$ 19.25
N.C. Adult	860	$ 0.31	$ 266.60	$ 0.29	$ 249.40	$ 0.40	$ 344.00	$ 0.25	$ 215.00
N.C. Pedi	40	$ 0.57	$ 22.80	$ 0.35	$ 14.00	$ 0.48	$ 19.20	$ 0.95	$ 38.00
Nail Polish Remover bx	15	$ 3.21	$ 48.15	$ 2.25	$ 33.75	$ 3.49	$ 52.35	$ 3.05	$ 45.75
Nebulizer Adult	160	$ 1.00	$ 160.00	$ 0.63	$ 100.80	$ 0.83	$ 132.80	$ 0.80	$ 128.00
Nebulizer Pedi	125	$ 1.03	$ 128.75	$ 1.04	$ 130.00	$ 1.34	$ 167.50	$ 1.50	$ 187.50
NPA 20	30	$ 1.95	$ 58.50	$ 2.06	$ 61.80	$ 2.25	$ 67.50	$ 2.48	$ 74.40
NPA 24	30	$ 1.95	$ 58.50	$ 2.06	$ 61.80	$ 2.25	$ 67.50	$ 2.48	$ 74.40
NPA 26	30	$ 1.95	$ 58.50	$ 2.06	$ 61.80	$ 2.25	$ 67.50	$ 2.48	$ 74.40
NPA 28	15	$ 1.95	$ 29.25	$ 2.06	$ 30.90	$ 2.25	$ 33.75	$ 2.48	$ 37.20
NPA 32	15	$ 1.95	$ 29.25	$ 2.06	$ 30.90	$ 2.25	$ 33.75	$ 2.48	$ 37.20

Sherman Fire Department EMS Supplies		BoundTree		Midwest		QuadMed		Southwestern Emergency equipment	
NPA 36	15	$ 1.95	$ 29.25	$ 2.06	$ 30.90	$ 2.25	$ 33.75	$ 2.48	$ 37.20
NRB Adult	2700	$ 0.76	$ 2,052.00	$ 0.65	$ 1,755.00	$ 0.95	$ 2,565.00	$ 0.80	$ 2,160.00
NRB Infant	20	$ 1.34	$ 26.80	$ 0.97	$ 19.40	$ 1.75	$ 35.00	$ 4.15	$ 83.00
NRB Pedi	75	$ 0.76	$ 57.00	$ 0.72	$ 54.00	$ 0.88	$ 66.00	$ 1.00	$ 75.00
Numerical Tags	730	$ 5.70	$ 4,161.00	$ 7.50	$ 5,475.00	$ 8.42	$ 6,146.60	$ 10.13	$ 7,394.90
O2 Key	1	$ 0.34	$ 0.34	$ 0.71	$ 0.71	$ 0.62	$ 0.62	$ 1.15	$ 1.15
OB Kit	25	$ 4.55	$ 113.75	$ 5.78	$ 144.50	$ 5.25	$ 131.25	$ 4.15	$ 103.75
Occlusive Dressing	25	$ 0.69	$ 17.25	$ 0.57	$ 14.25	$ 0.66	$ 16.50	$ 0.58	$ 14.50
OPA 100	25	$ 0.14	$ 3.50	$ 0.14	$ 3.50	$ 0.18	$ 4.50	$ 0.15	$ 3.75
OPA 40	25	$ 0.14	$ 3.50	$ 0.14	$ 3.50	$ 0.18	$ 4.50	$ 0.15	$ 3.75
OPA 50	25	$ 0.14	$ 3.50	$ 0.14	$ 3.50	$ 0.18	$ 4.50	$ 0.15	$ 3.75
OPA 60	25	$ 0.14	$ 3.50	$ 0.14	$ 3.50	$ 0.18	$ 4.50	$ 0.15	$ 3.75
OPA 80	25	$ 0.14	$ 3.50	$ 0.14	$ 3.50	$ 0.18	$ 4.50	$ 0.15	$ 3.75
OPA 90	25	$ 0.14	$ 3.50	$ 0.14	$ 3.50	$ 0.18	$ 4.50	$ 0.15	$ 3.75
Oral Glucose 15g	100	$ 3.65	$ 365.00	$ 4.14	$ 414.00	$ 3.40	$ 340.00	$ 2.85	$ 285.00
Oral Thermometer	5	$ 1.16	$ 5.80	$ 3.32	$ 16.60	$ 3.50	$ 17.50	$ 0.75	$ 3.75
Povidine Iodine	100	$ 4.61	$ 461.00	$ 4.37	$ 437.00	$ 4.75	$ 475.00	$ 4.35	$ 435.00
PPE Kit	50	$ 12.08	$ 604.00	$ 3.49	$ 174.50	$ 6.25	$ 312.50	$ 6.50	$ 325.00
Quick Trach 2mm	1	$ 125.00	$ 125.00	$ 125.00	$ 125.00	$ 155.75	$ 155.75	$ 135.00	$ 135.00
Quick Trach 4mm	1	$ 125.00	$ 125.00	$ 125.00	$ 125.00	$ 155.75	$ 155.75	$ 135.00	$ 135.00
Razors	100	$ 0.37	$ 37.00	$ 0.34	$ 34.00	$ 0.19	$ 19.00	$ 0.35	$ 35.00
Ring Cutter	1	$ 5.76	$ 5.76	$ 6.84	$ 6.84	$ 4.85	$ 4.85	$ 4.35	$ 4.35
Saline Lock	50	$ 3.10	$ 155.00	$ 1.23	$ 61.50	$ 1.04	$ 52.00	$ 0.30	$ 15.00
Sam Splint	75	$ 5.61	$ 420.75	$ 5.39	$ 404.25	$ 5.35	$ 401.25	$ 8.95	$ 671.25
Scissors	75	$ 1.00	$ 75.00	$ 1.01	$ 75.75	$ 0.98	$ 73.50	$ 1.15	$ 86.25
Sharps Shuttle	60	$ 1.65	$ 99.00	$ 1.55	$ 93.00	$ 1.65	$ 99.00	$ 1.50	$ 90.00
Sphygmomanometer	40	$ 6.91	$ 276.40	$ 6.78	$ 271.20	$ 6.45	$ 258.00	$ 5.75	$ 230.00
Splint 18"	40	$ 2.25	$ 90.00	$ 3.17	$ 126.80	$ 3.50	$ 140.00	$ 3.08	$ 123.20
Splint 36"	40	$ 3.98	$ 159.20	$ 3.67	$ 146.80	$ 3.95	$ 158.00	$ 3.35	$ 134.00
Splint 54"	40	$ 5.72	$ 228.80	$ 5.52	$ 220.80	$ 5.45	$ 218.00	$ 4.75	$ 190.00
Start Kit (bx)	40	$ 105.00	$ 4,200.00	$ 106.19	$ 4,247.60	$ 107.00	$ 4,280.00	$ 118.00	$ 4,720.00
Sterile Burn Sheet	25	$ 2.93	$ 73.25	$ 3.03	$ 75.75	$ 2.85	$ 71.25	$ 2.65	$ 66.25
Stethoscope	40	$ 5.79	$ 231.60	$ 6.32	$ 252.80	$ 5.85	$ 234.00	$ 4.50	$ 180.00

Sherman Fire Department EMS Supplies		BoundTree		Midwest		QuadMed		Southwestern Emergency equipment	
Stylette Adult	100	$ 1.79	$ 179.00	$ 1.77	$ 177.00	$ 1.92	$ 192.00	$ 2.73	$ 273.00
Stylette Pedi	10	$ 1.79	$ 17.90	$ 1.77	$ 17.70	$ 1.92	$ 19.20	$ 2.73	$ 27.30
Suction Can 800cc	80	$ 1.92	$ 153.60	$ 1.98	$ 158.40	$ 2.45	$ 196.00	$ 2.00	$ 160.00
Syringe 10cc	250	$ 0.11	$ 27.50	$ 0.10	$ 25.00	$ 0.12	$ 30.00	$ 0.10	$ 25.00
Syringe 35cc	125	$ 0.37	$ 46.25	$ 0.35	$ 43.75	$ 0.53	$ 66.25	$ 0.35	$ 43.75
Syringe 3cc	300	$ 0.06	$ 18.00	$ 0.06	$ 18.00	$ 0.12	$ 36.00	$ 0.05	$ 15.00
Syringe 60cc	30	$ 0.56	$ 16.80	$ 0.40	$ 12.00	$ 0.54	$ 16.20	$ 0.41	$ 12.30
Tape 1"	240	$ 0.69	$ 165.60	$ 0.61	$ 146.40	$ 0.52	$ 124.80	$ 0.85	$ 204.00
Tape 1/2"	75	$ 0.34	$ 25.50	$ 0.30	$ 22.50	$ 3.13	$ 234.75	$ 1.54	$ 115.50
Tape 3"	50	$ 2.08	$ 104.00	$ 1.84	$ 92.00	$ 1.88	$ 94.00	$ 4.35	$ 217.50
Triage Tags (pack 25)	10	$ 10.98	$ 109.80	$ 21.56	$ 215.60	$ 21.50	$ 215.00	$ 40.95	$ 409.50
Triangular Bandage	600	$ 0.20	$ 120.00	$ 0.24	$ 144.00	$ 0.21	$ 126.00	$ 0.21	$ 126.00
Tube Tamus Adult	160	$ 2.90	$ 464.00	$ 2.69	$ 430.40	$ 3.20	$ 512.00	$ 2.50	$ 400.00
Urinals 1000cc	40	$ 0.48	$ 19.20	$ 0.47	$ 18.80	$ 0.54	$ 21.60	$ 0.50	$ 20.00
		206	$ 31,975.34		$ 31,937.02		$ 36,157.72		$35,293.88
Number of NO BID Items				23		56		77	
Percentage of NO BID Items				11%		27%		37%	
					$ (38.32)				

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Exhibit "A" – Supply List

Medical Supply Inventory

Sherman Fire Department EMS Supplies	A more detailed product description	Approximate Quantity Used Per Year
10 Drop Set Box 50 count	Needleless IV Admin.Set 89 inches long	50
4 / 12 Lead Cable Combo	Zoll M series and E series monitors.	PRN
4 X 4 Bandages	100 individually wrapped count box	100 Boxes of 50
5 X 9 Bandages	25 count Box individually wrapped	400 25 count boxes
60 Drop Set 50 per box	Needleless IV Admin.Set	15 Boxes of 50
Absorbent Pads	underpad 23x24 inch	PRN
Adenocard	ADENOCARD 6MG/2ML ANSYR SYRINGE	84 Ansyr Syringes
Albuterol 2.5mg/3ml	ALBUTEROL 0.083% 2.5MG 3ML VIAL 25/BX	10 Boxes of 25
Alcohol Wipe (bx)	ALCOHOL PREP PADS LARGE 1 3/4 X 3 1/4 100/BX	20 boxes of 100
Ammonia Caps	AMMONIA INHALANTS	20 boxes of 100
ASA 81mg	ASPIRIN CHILDREN'S CHEWABLE 81MG	20 individual bottles
Atomizers	MUCOSAL ATOMIZATION DEVICE/3 ML Syringe	50 individual devices
Atropine 1mg/10ml	ATROPINE 1MG 10ML LUER JET/Needleless	120 individual Ansyr syringes
Band Aids	VARIOUS SIZES	PRN
Bed Pan	BEDPAN STANDARD (PONTOON)	15
Bio Bag (large)	Plastic BioHazzard Bags	2000 individual bags
Bio Bag (medium)	Plastic BioHazzard Bags	1000 individual bags per year
Bio Bags Small	Plastic BioHazzard Bags	1000 individual bags per year
Blood Draw Needle 21g		PRN
Blood Draw Syringe		PRN
Blood Draw Tube G.		PRN
Blood Draw Tube R.		PRN
Body Bags	BODY BAG BASIC VINYL	PRN
Braslows Tape		PRN
Bulb Syringe	BULB SYRINGE STERILE 3 OZ	5
Buretrol Set		PRN
Butterfly 23g	IV Cath	40
BVM Adult	RESUSCITATOR COMPACT MANUAL ADULT	300
BVM Child	RESUSCITATOR COMPACT MANUAL CHILD	25
BVM Infant	RESUSCITATOR COMPACT MANUAL INFANT	25
Carpuject	CARPUJECT HOLDER	PRN
Cath 14g (box of 50)	Jelco Safety and Non Safety	10 boxes of 25
Cath 16g (box of 50)	Jelco Safety and Non Safety	10 Boxes of 25
Cath 18g (box of 50)	Jelco Safety and Non Safety	30 boxes of 25
Cath 20g (box of 50)	Jelco Safety and Non Safety	80 boxes of 25
Cath 22g	Jelco Safety and Non Safety	10 Boxes of 25
Cath 24g	Jelco Safety and Non Safety	10 boxes of 25
C-Collar Adult	EXTRICATION COLLAR ADJUSTABLE STIFNECK	450 individual C-Collars
C-Collar Pedi	EXTRICATION COLLAR ADJUSTABLE STIFNECK	120 Individual C-Collars

Medical Supply
Inventory

Sherman Fire Department EMS Supplies	A more detailed product description	Approximate Quantity Used Per Year
Charcoal 50g/240ml	ACTIVATED CHARCOAL ACTIDOSE 50GM/240ML	24 individual 240 ml doses
Chest Decomp. 14g	Chest Decompression Kit 14 guage cath	PRN
Cold Pack(case of 24)	COLD PACK INSTANT 5.5 IN X 8	220 Individual Cold Packs
Combitube Large	COMBITUBE AIRWAY EMERGENCY INTUBATION IN ROLLUP PACKAGE	50 Large
Combitube SA	COMBITUBE AIRWAY EMERGENCY INTUBATION IN ROLLUP PACKAGE	16 small
Cot Belts	EMSAR COMPANY	PRN
Cot Catch All	EMSAR COMPANY	PRN
D-50 25g/50ml	DEXTROSE 50% 25GM 50ML LUER JET/Needleless	140 individual ansyr prefilled syringes
Deodorant		PRN
Diphenhydramine 50mg/ml	Either in a vial or prefilled needleless syringe	80 vials or prefilled ansyr syringes
Disinfectant Wipes	Large Dispensers	30 large dispensers
Dopamine 1600mcg (250ml)	medication drip	30
Dust Mask	3 M Masks	20 boxes of 10
EID	esophageal indicator device/Squeeze bulb	35
Electrodes Adult (100 per Box)	Zoll M series and E series monitors.	100 Boxes of 100
Epi 1:10,000 1mg/10ml	EPINEPHRINE 1:10000 LUER JET/Needleless	215
Epi 1:1000 1ml	Ampule	72
Epi Pen Adult 0.3mg	Auto Injector	12
Epi Pen Jr. 0.15 mg	Auto Injector	8
ET Tube 2.5		20
ET Tube 3		20
ET Tube 3.5		20
ET Tube 4		20
ET Tube 4.5		20
ET Tube 5		20
ET Tube 5.5		20
ET Tube 6		20
ET Tube 6.5		60
ET Tube 7		60
ET Tube 7.5		60
ET Tube 8		60
ET Tube 8.5		40
ET Tube 9		20
ET Tube 9.5		20
ET Tube Introducer	ENDOTRACHEAL TUBE INTRODUCER FLEX-GUIDE -LATEX FREE	15
Eye Guard	Personal Protective Equipment	
Face Shield 50 count box	Personal Protective Equipment	
Fast One	INTRAOSSEOUS (IO) INFUSION SYSTEM ADULT	
First Responder Blanket		

Medical Supply
Inventory

Sherman Fire Department EMS Supplies	A more detailed product description	Approximate Quantity Used Per Year
Forcep	Magill Forceps	
French Cath 14	Suction Caths	30 individual caths per year
French Cath 18	Suction Caths	30 individual caths per year
French Cath 8	Suction Caths	30 individual caths per year
Furosemide 10mg/4ml	FUROSEMIDE 40MG 4ML ANSYR SYRINGE/Needleless	100 individual 40 mg ansyr syringes
Gloves L	Defender GLOVES LATEX FREE NITRILE POWDER FREE	250 boxes
Gloves M	Defender GLOVES LATEX FREE NITRILE POWDER FREE	250 boxes
Gloves XL	Defender GLOVES LATEX FREE NITRILE POWDER FREE	75 boxes
Glucagon 1mg	GLUCAGEN 1MG	50 individual 1mg doses
Glucose Monitor	Precision Brand	16 glucometers
Glucose Test Strips	Precision Brand	45 boxes glucose test strips
Haloperidol 5mg/ml	Haldol Medication	20 individual vials
Head Block	HEAD IMMOBILIZER STA-BLOK	550 individual STA-BLK
Hot Pack each	HOT PACK INSTANT 5.5 IN X 10 IN	160 individual hot packs
Humidified O2	Disposable	10 humidifiers disposable
Ipecac 30ml	Syrup of Ipecac	15 bottles 30 ML
Ipratroprium 0.5mg/2.5ml	IPRATROPIUM BROMIDE 0.02% 2.5ML	160 individual 0.5/2.5 ml
Kling	Bandage wrap	240 individual kling wraps
Labetalol 100mg/20ml	Medication Vial	40 individual 100mg/20ml vials
Lancets box of 100		20 boxes of Lancets
Laryngo Bulb large	Laryngoscope Bulbs Large	PRN
Laryngo Bulb small	Laryngoscope Bulbs Small	PRN
Laryngo Kit	Laryngoscope Kits Fiber Optic	8 complete kits
Lidocaine 100mg/5ml	LIDOCAINE 2% 100MG 5ML LUER JET/Needleless	80 individual ansyr syringes
Lidocaine 4mg/ml 250cc bag	Medication Drip	20 drip bags
Mag Sulfate 5g/10ml	Mrdication Vial	15 vials
Mega Movers		PRN
Metoclopramide 10mg/2ml	Medication Vial	45 vials
Morgan Lense	Used to irrigate the eyes	PRN
N.C. Adult	Nasal Cannula Adult	860 individual Nasal Cannulas
N.C. Pedi	Nasal Cannula Pedi	40 individual pedi cannulas
NaCl 1000ml case	Normal Saline IV Fluid	875 Individual 1000 ML bags
NaCl 100ml	Normal Saline IV Fluid	75 individual 100 ml bags
NaCl 250ml	Normal Saline IV Fluid	150 individual 250 ml bags
NaCl 250ml irrigation	Normal Saline Irrigation	540 individual sterile irrigation
NaCl 500ml (case)	Normal Saline IV Fluid	2000 individual 500ml bags
Nail Polish Remover bx	NAIL Polish Remover individual pads	15 boxes
Naloxone 2mg/2ml	NALOXONE 2MG 2ML LUER JET/Needleless	120 prefilled ansyr syringes
Nebulizer Adult	Used for delivery of nebulized meds Adult sized	160 individual nebulizers

Medical Supply Inventory

Sherman Fire Department EMS Supplies	A more detailed product description	Approximate Quantity Used Per Year
Nebulizer Pedi	Used for delivery of nebulized meds Pedi size	125 individual nebulizers
Needles 1.2mm		200
Needles 20g		200
Nitro 400mcg		
NPA 12	Nasal Pharyngeal Airways 12 guage	30
NPA 14	Nasal Pharyngeal Airways 14 guage	30
NPA 16	Nasal Pharyngeal Airways 16 guage	30
NPA 18	Nasal Pharyngeal Airways 18 guage	30
NPA 20	Nasal Pharyngeal Airways20 guage	30
NPA 24	Nasal Pharyngeal Airways 22 guage	30
NPA 26	Nasal Pharyngeal Airways 26 guage	30
NPA 28	Nasal Pharyngeal Airways 28 guage	15
NPA 32	Nasal Pharyngeal Airways 32 guage	15
NPA 36	Nasal Pharyngeal Airways 36 guage	15
NRB Adult	Non Rebreather Adult	2700 individual non rebreathers
NRB Infant	Non Rebraeather infant	20 individual non rebreathers infant
NRB Pedi	Non Rebreather Pedi	75 individual non rebreathers pedi
Numerical Tags	For Controlled Substance Accountability	730 individual numerical tags
O2 Barbed Fitting		PRN
O2 Coupler (misc)		PRN
O2 Key	To turn Oxygen bottles on and off	PRN
O2 Tree	Flowmeters	PRN
O2 Ventilator Assembly		PRN
OB Kit		25 individual kits
Occlusive Dressing		25 individual dressings
OPA 100	Oralpharyngeal Airway	25
OPA 40	Oralpharyngeal Airway	25
OPA 50	Oralpharyngeal Airway	25
OPA 60	Oralpharyngeal Airway	25
OPA 80	Oralpharyngeal Airway	25
OPA 90	Oralpharyngeal Airway	25
Oral Glucose 15g		100 individual tubes
Oral Thermometer		5
Pen Light		60 individual pen lights
Port. Pedi pulse ox disposable	For Nonin Portable Pulse Oximeters	50 disposable probes and cables
Portable adult pulse ox cables	For Nonnin Portable Pulse Oximeters	PRN
Povidine Iodine	Individual swab sticks	100 individual swab sticks
PPE Kit	Gown, pants, hat and mask all inclusive	50 kits
Quick Straps	Disposable straps used for placing pts in full spinal package	1000 individual straps

Medical Supply Inventory

Sherman Fire Department EMS Supplies	A more detailed product description	Approximate Quantity Used Per Year
Quick Trach 2mm	surgical airway	PRN
Quick Trach 4mm	surgical airway	PRN
Razors	Disposable	100 individual razors
Restraint	Heavy Duty	50 individual heavy duty restraints
Ring Cutter		PRN
Saline Flush 10cc	saline filled syringes 10ml	500 individual saline filled syringes
Saline Lock	used for med admin without starting an IV	500 individual locks
Sam Splint		75 individual sam splints
Scissors	Large trauma scissors	75 individual scissors
Sharps Container	For ambulances	60 containers
Sharps Shuttle	min sharps containers for transporting sharps	60 individual shuttles
Sodium Bicarb 50meq	Prefilled ansyr or needleless syringe	30 individual ansyr prefilled syringes
Solumedrol 125mg	Medication Vial	45 vials
Sphygmomanometer	Adult manual BP Cuff	40 manual Bp cuffs
Splint 18"	Padded Board	40
Splint 36"	Padded Board	40
Splint 54"	Padded Board	40
Splint 9"	Padded Board	40
Start Kit (bx)	IV Start Kit Sets 100 count box	40 boxes
Sterile Burn Sheet	Individually wrapped	25
Stethoscope	Auscultation Device	40
Stylette Adult	used to assist endotracheal intubation	100
Stylette Pedi	used to assist endotracheal intubation	10
Suction Can 800cc	for ambulance mounted systems	80 cannisters
Syringe 10cc	without attatched needle	250
Syringe 1cc	with attatched needle	250
Syringe 35cc	without attatched needle	125
Syringe 3cc	with attatched needle	300
Syringe 60cc	without attatched needle	30
Tape 1"	medical grade	240 rolls
Tape 1/2"	medical grade	75 rolls
Tape 2"	medical grade	75 rolls
Tape 3"	medical grade	50 rolls
Tape EMS	White Duct Tape	50 rolls
Thiamine 100mg/ml	Medication Vial	125 vials
Tissues		40 boxes
Trauma Dressing	bulk sized sterile dressing individually packaged	100
Triage Tags (pack 25)	25 per pack	10 packs
Triangular Bandage		600 individual triangular bandages

Medical Supply
Inventory

Sherman Fire Department EMS Supplies	A more detailed product description	Approximate Quantity Used Per Year
Tube Tamus Adult	Thomas ET Tube Holders Adult	160 individual
Tube Tamus Pedi	Thomas Pedi ET Tube Holders	25
Tyvek Suites		PRN
Urinals 1000cc		40
Vasopressin 25mg/ml		20 vials
Water		
Whistle Tip	For nasal Intubation	10
Yankaur / tubing	Tips with preconnected tubing	100 tips/ tubing preconnected
Valium/Diazepam	!0 MG LuerLocking Bristojects or 10 Mg vials	PRN
Midazolapam/Versed	10 MG Vials	PRN
Morphine	10 MG Vials	PRN

Exhibit "B" – Bound Tree Medical, LLC Bid Response

CITY OF SHERMAN
P.O. Box 1106
Sherman, TX 75091-1106
Telephone: 903/892-7285
www.ci.sherman.tx.us
INVITATION TO BID
ANNUAL REQUIREMENTS MEDICAL AND MEDICINAL SUPPLIES

RETURN YOUR PROPOSAL TO	VENDOR NAME ADDRESS
Purchasing Agent City of Sherman 405 N. Rusk P.O. Box 1106 Sherman, TX 75090	Bound Tree Medical, LLC 5000 Tuttle Crossing Blvd Dublin, Ohio 43016

The enclosed INVITATION FOR BID (IFB) and accompanying SPECIFICATIONS AND BID SHEET(S) are for your convenience in submitting a BID on the enclosed referenced products and/or services for the City of Sherman. All parts of this packet constitutes the complete IFB and all parts must be returned to be considered.

[illegible]
3 P.M. P.M. May 4, 2009
[illegible]
MEDICAL AND MEDICINAL SUPPLIES

THE CITY OF SHERMAN appreciates your time and effort in preparing this Bid. Please note that to be considered, all Bids MUST BE RECEIVED AT THE DESIGNATED LOCATION AND BY THE DEADLINE SHOWN ABOVE. Bids received after the deadline shown above will not be considered for the award of this contract, and shall be considered void and unacceptable. The Bid opening is scheduled to be held in the Municipal Building Purchasing Office at 405 N. Rusk, Sherman, Texas 75090. YOU ARE INVITED TO ATTEND. Faxed and electronic bid replies will not be accepted.

If you do not wish to submit a Bid at this time, but you wish to remain on our bid list for this commodity, please mark the "No Bid" space below, sign the last sheet of this proposal and return by the same time and at the same location as stated above.

OUR COMPANY WILL SUBMIT A "NO BID" FOR ALL OF THE ITEMS LISTED IN THIS BID/PROPOSAL: _____

The City is aware of the time and effort you expend in preparing and submitting Proposals. Please let us know of any requirements which are causing you difficulty in responding to our Proposals. We want to make the process as easy and painless as possible so that all responsible vendors can compete for the City's business.

Contract Awards will be made by the City Council. Council meetings are held every other Monday or as directed by the City Council. To obtain bid results or tabulations, please contact the City of Sherman Purchasing Office between the hours of 8 a.m. and 5 p.m. at (903) 892-7215.

CITY OF SHERMAN, SHERMAN TEXAS

CONDITIONS OF BIDDING

(Full compliance with the following conditions is necessary for consideration of this bid)

1. Signature: This bid must be signed by a company representative authorized to bind the offeror contractually.

2. Unit Prices and Extensions: If there is a difference between unit price and their extensions, the unit price will govern.

3. Freight And Other Delivery Charges: All bids will be F.O.B. Destination, Freight Prepaid. Charges will not be added after the bid is opened. The City of Sherman assumes no liability for goods delivered in damaged or unacceptable condition. The successful bidder shall handle all claims with carriers, and in case of damaged goods, shall ship replacement goods immediately upon notification by the City of damage.

4. Acceptance: The materials and/or services delivered under this bid/quote shall remain the property of the seller until a physical inspection and actual usage of these materials and/or services is accepted by the City and is to be in compliance with the terms herein, fully in accord with the specifications and of the highest quality. In the event the materials and/or services supplied to the City are found to be defective or do not conform to specifications, the City reserves the right to cancel the order upon written notice to the seller and return such product to the seller at the seller's expense.

5. Discount: Show rate, total amount, and latest day any discount will be allowed after receipt of article and correct invoice (per conditions of contract).

6. Payment: Net 30 days from: acceptance of goods/services, receipt of original vendor invoice, and/or all other required documents required in the detailed specification of this bid/quote. (unless otherwise specified by the City in this bid packet)

7. Firm Price: All prices quoted shall remain firm for a minimum of 90 days, unless otherwise specified by the City or Bidder.

8. Federal Or State Taxes: The City is exempt from taxes by Federal Excise Registration #A-221943 and State Sales Permit #1-75-6000-669-8.

9. Guarantees And Warranties: Must be attached to the bid and may be considered in awarding the bid. Seller shall guarantee and warrant that the equipment or product offered will meet or exceed specifications identified in the bid invitation and are suitable for and will perform in accordance with their intended purpose. The seller shall, upon request, replace any equipment or product proved to be defective and make any and all adjustments necessary without any expense to the City. If at any time, the equipment or product cannot satisfactorily meet the requirements of the specifications, the Seller shall upon written request from the City, promptly remove such equipment or product without further expense to the City. SELLER SHALL FURTHER REPRESENT AND WARRANT TO THE CITY THAT THE OCCURANCE IN OR USE BY THE EQUIPMENT OR PRODUCT CONTAINING COMPUTER CODE OF DATES ON OR AFTER JANUARY 1, 2000 ("MILLENNIAL DATES"), WILL NOT ADVERSELY AFFECT THE PERFORMANCE OF SUCH EQUIPMENT OR PRODUCT WITH RESPECT TO DATE-DEPENDENT DATA, COMPUTATIONS, OUTPUT, OR OTHER FUNCTIONS (INCLUDING, WITHOUT LIMITATION, CALCULATING, COMPARING, AND SEQUENCING) AND THAT SUCH EQUIPMENT OR PRODUCT WILL CREATE, STORE, PROCESS, AND OUTPUT INFORMATION RELATED TO OR INCLUDING MILLENNIAL DATES WITHOUT ERROR OR OMISSIONS AND AT NO ADDITIONAL COST TO THE CITY. At the City's request, Seller will provide evidence sufficient to demonstrate such equipment or product meets the foregoing.

10. Delivery Or Contract Completion Time: Must be shown, as the date may, where time is of the essence, determine the contract award. Failure to state delivery time may cause bid to be rejected. Successful bidder shall notify the Purchasing Department immediately if delivery schedule cannot be met. If delay is foreseen, successful bidder shall give written notice to the Purchasing Agent. The City of Sherman has the right to extend delivery time if reason appears valid. In the event delivery is not made within the stated time period (without acceptable reasons for delay and written consent from the City), the City reserves the right to place the order with the next available vendor and the awardee shall be liable for any increase in price as liquidated damages, it being agreed that said sum is a fair and reasonable estimate of actual the City will incur. Bidder will not be held liable for failure to make delivery because of strikes, conscriptions of property, governmental regulations, acts of God, or any other causes beyond his control; provided an extension of time is obtained from the Division of Purchasing.

11. Bid Closing & Bid Preparation: Sealed bids received after the bid opening date and time will not be considered. It will be the SOLE RESPONSIBILITY of bidders the ensure bids are in the possession of the City of Sherman, Purchasing Department by the appointed date and time. The City will not be responsible for bids which are mismarked, delivered to the wrong place or delayed in delivery or in the mail. Electronic and Facsimile transmitted bids will not be accepted in the bid process. Each bid must be submitted in a sealed envelope bearing on the outside the name of the Bidder, his address, the name of the bid title, and bid number if any. If forwarded by mail, the sealed envelope containing the bid must be enclosed in another envelope addressed as specified in the bid form and as above.

12. Failure to Enter into Contract: The successful Bidder, upon his failure or refusal to execute and deliver the Contract required within ten (10) consecutive calendar days after he has received notice of the acceptance of his bid, shall forfeit in cash to the City, as liquidated damages for such failure or refusal, the difference in cost of his bid and the next lowest bid offered by a second vendor.

13. Item Bid: Each bidder shall describe (per specification requirements) each item bid as to Manufacture, Brand Name, Model, etc. Items shall be NEW unless stated otherwise in the City's specifications. Any reference to model and/or make/manufacturer used in bid specifications is descriptive, not restrictive. It is used to indicate the type and quality desired. Bids on like quality will be considered.

14. Samples: Of items, when required, must be furnished free, and, if not called for within 30 days from date of bid opening, will be disposed of by the City.

15 Alternate Bids: Must clearly state ALTERNATE and shown on the bid form with complete information attached. Alternate bids may or may not be considered in the bid process in the sole discretion of the City of Sherman.

16. Exceptions/Substitutions: All bids meeting the intent of this invitation to bid will be considered for award. Bidders taking exception to the specifications, or offering substitutions, shall state exceptions in the section provided or by attachment as part of the bid. The absence of such a list shall indicate that the bidder has not taken exceptions and City shall hold the bidder responsible to perform in strict accordance with the specifications of the invitation.

17. Ambiguity in Bids: Any ambiguity in any bid as the result of omission, error, lack of clarity, or non-compliance by the bidder with specification, instructions, and all conditions of bidding shall be construed in the light most favorable to the City.

18. Changes Or Additions: No changes or additions will be allowed after bid opening. Changes or additions submitted prior to bid opening must be in accordance with paragraph 11 above.

19. Funding: Funds for payment have been provided through the City of Sherman budget approved by the City of Sherman, City Council for this fiscal year only. State of Texas statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved.

20. Trade Secrets, Confidential Information and the Texas Public Information Act: If you consider any portion of your bid to be privileged or confidential by statute or judicial decision, including trade secrets and commercial or financial information, clearly identify those portions. The City of Sherman will honor your notations of trade secrets and confidential information and decline to release such information initially, but please note that the final determination of whether a particular portion of your bid is in fact a trade secret or commercial or financial information that may be withheld from public inspection will be made by the Texas Attorney General or a court of competent jurisdiction. In the event a public information request is received for a portion of your bid that you have marked as privileged or confidential information, you will be notified of such request and you will be required to justify your legal position in writing to the Texas Attorney General pursuant to Section 552.305 of the Government Code. In the event that it is determined by opinion or order of the Texas Attorney General or a court of competent jurisdiction that such information is in fact not privileged or confidential under Section 552.110 of the Government Code and Section 252.049 of the Local Government Code, then such information will be made available to the requester.

Marking your entire bid CONFIDENTIAL/PROPRIETARY is not in conformance with the Texas Open Records Act.

21. The City of Sherman hereby notifies all bidders that in regard to any contract entered into pursuant to this Invitation to Bid, Historically Underutilized Businesses (HUB's) will be afforded equal opportunities to submit bids and will not be discriminated against on the grounds of race, color, sex, disability, or national origin in consideration of an award.

HUB(s) are defined as certified businesses that are at least 51% owned, operated, and controlled by qualifying groups which include Asian Pacific Americans, Black Americans, Hispanic Americans, Native Americans and American Women.

22. Any contract made, or purchase order issued, as a result of this Invitation to Bid, shall be governed under the laws of the State of Texas with performance and venue to be in Grayson County, Texas. In connection with the performance of work, the Bidder agrees to comply with the Fair Labor Standard Act, Equal Opportunity Employment Act, and all other applicable Federal, State, and Local laws, regulations, and executive orders to the extent that the same may be applicable.

23. Minimum Standards For Responsible Prospective Bidders: A prospective bidder must affirmatively demonstrate bidder's responsibility. A prospective bidder must meet the following requirements:

1. Have adequate financial resources, or the ability to obtain such resources as required;
2. Be able to comply with the required or proposed delivery schedule;
3. Have a satisfactory record of performance;
4. Have a satisfactory record of integrity and ethics;
5. Be otherwise qualified and eligible to receive an award.

24. The Successful Bidder shall indemnify and hold harmless the City of Sherman and its officers, agents and employees from any and all claims, demands, including claims involving infringements of patents, copyrights or license agreements, actions, causes of action, liabilities, damages, costs, expenses, and attorney fees, as and when incurred by City and all liability of any kind, description, or character whatsoever or any other loss or detriment brought for or on account of any injuries or damages received or sustained by any person, persons, or property on account of or arising from any negligent act or fault of the successful bidder, or of any agent, employee, subcontractor, or supplier in the execution of, or performance under, any contract which may result from bid award. Successful bidder shall pay any judgment with cost which may be obtained against the City of Sherman growing out of such injury. Contractor shall procure and maintain, with respect to the subject matter of this bid, appropriate insurance coverage including, as a minimum, public liability and property damage with adequate limits to cover contractor's liability as may arise directly or indirectly from work performed under terms of this bid. Certification of such coverage must be provided to the City Attorney's office upon request. The City of Sherman reserves the right to employ legal counsel of its choice.

25. Bidders may request withdrawal of a posted, sealed proposal prior to the scheduled bid opening time provided the request for withdrawal is timely submitted to the city Purchasing Agent in writing.

26. Changes in specification or interpretations - If it becomes necessary for the City to revise any part of this bid, a written addendum will be provided to all bidders. The City is not bound by and all bidders shall not rely upon any oral representations, clarifications, or changes made in the provided written specifications by City employees, unless such clarification or change is provided to bidders in written addendum form from the City Purchasing Agent.

27. Collusion: Any evidence of agreement or collusion among bidders and prospective bidders acting to restrain freedom of competition by agreement to bid a fixed price, or otherwise, will render the bids of such bidders void.

28. All pages of this document packet, taken together comprise the Bid. Omission of or failure to complete or return any portion of the required documents, at the time of bid opening, may be cause to reject the entire bid.

29. By submitting a bid to the City of Sherman, the Bidder is certifying that the bidder and those people responsible for the successful compliance and performance of the bid, including office managers, project managers, job foremen and the like, shall not have received probation, deferred adjudication, or a conviction for any crime of violence or any crime of moral turpitude within the last ten (10) years from date of this bid.

30. The City of Sherman reserves the right to award this bid to a local business as provided for in Section 271.905 of the Texas Local Government Code, which requires that such bid be within (5%) of the lowest bid and will result in additional local economic benefits.

31. The City of Sherman, as a governmental agency of the State of Texas, may not award a governmental contract to a nonresident bidder unless the nonresident underbids the lowest bid submitted by a responsible resident bidder by an amount that is not less than the amount by which a resident bidder would be required to underbid the nonresident bidder to obtain a comparable contract in the state in which the nonresident principal place of business is located. (Government Code, section 2252.002) Bidder shall make answer to the following questions by encircling the appropriate response or completing the blank provided:

1.) Is your principle place of business in the State of Texas yes (no)

2.) If the answer to question (1) is "yes", no further information is necessary; if "no", please indicate:

a.) In which state is your principal place of business located: Ohio

b.) does that state favor resident bidders (bidders in your state) by some dollar increment or percentage
yes (no)

c.) if yes, what is that dollar increment or percentage? _____

*The State Purchasing and General Services Commission defines Principal Place of Business as follows:

Principal Place of Business in Texas means, for any type of business entity recognized in the State of Texas, that the business entity:

Has at least one permanent office located within the State of Texas, from which business activities other than submitting bids to governmental agencies are conducted and from which the bid is submitted, and has at least one employee who works in the Texas office.

32. Award: Unless stipulated in the attached bid specifications, the contract will be awarded to the lowest responsible bidder or to the bidder who provides the goods or services specified herein at the best value for the City in compliance with Texas Local Government Code, Section 252.043.

33. Split Award: The City of Sherman reserves the right to award a separate contract to separate vendors for each item/group or to award one contract for the entire bid.

34. No Prohibited Interest: Bidder acknowledges and represents that they are aware of the laws, City Charter, and City Code of Conduct regarding conflicts of interest. The City Charter states that "No officer or employee of the City shall have a financial interest, direct or indirect, in any contract with the City, to the extent prohibited by state law, or shall be financially interested, directly or indirectly, in the sale to the City of any land, materials, supplies, or service where such financial interest is prohibited by state law.

35. Cooperative Purchasing: The City of Sherman actively participates in cooperative purchasing opportunities. If it is determined to be in the best interest, the City reserves the right to reject any and all bids and purchase the services and/or goods through cooperative means.

36. Interlocal Agreement: Successful bidder agrees to extend prices to all entities who have entered into or will enter into joint purchasing interlocal cooperation agreements with the City of Sherman. The City of Sherman is a participating member of several interlocal cooperative purchasing agreements. As such, the City of Sherman has executed interlocal agreements, as permitted under Chapter 791 of the Texas Government Code, with certain other political subdivision, authorizing participation in a cooperative purchasing program. The successful vendor may be asked to provide products/services based on the bid price to any other participant.

If such participation is authorized, all purchase orders will be issued directly from and shopped directly to the entity requiring materials. The City of Sherman shall not be held responsible for any orders placed, deliveries made or payment for materials ordered by these entities.

37. Insurance: The City of Sherman requires Vendor(s) to carry the minimum insurance as required by law. (additional/specific insurance requirements may be attached and shall become a part of this bid)

38. Bid Security/Bond Requirements: If required, bid security shall be submitted with bids. Any bid submitted without bid bond, or cashiers/certified check, if required, shall be considered non-responsive and will not be considered for award. Performance and/or payment bonds, when required, shall be submitted to the City, prior to commencement of any work pursuant to the agreement provisions.

39. Termination for default: The City of Sherman reserves the right to enforce the performance of this contract in any manner prescribed by law or deemed to be in the best interest of the City in the event of breach of this contract. The City reserves the right to terminate the contract immediately in the event the successful bidder fails to: (1) meet delivery schedules; (2) otherwise perform in accordance with these specifications; or (3) transfers, assigns or conveys any or all of its obligations or duties to another. Breach of contract or default authorizes the City to, among other things, award to another bidder, purchase elsewhere and charge the full increase in cost and handling to the defaulting successful bidder.

40. By submitting your bid (or proposal) you acknowledge that the City of Sherman will not accept any bid (or proposal), or execute any submitted contract in conjunction with a bid (or proposal) that requires the City of Sherman to agree to the following.

1.) Governing law other than the law of the State of Texas

2.) Venue other than Grayson County

3.) Arbitration

4.) Indemnification from the City of Sherman

5.) Artificial limitation of liability (e.g. liability limited to contract price or liability capped at an amount actually paid)

6.) Artificial statute of limitations (e.g. any lawsuit must be commenced within one year of the event)

THE CITY OF SHERMAN RESERVES THE RIGHT TO ACCEPT OR REJECT IN PART OR IN WHOLE ANY BID SUBMITTED, AND TO WAIVE ANY TECHNICALITIES DEEMED TO BE IN THE BEST INTEREST OF THE CITY.

THE UNDERSIGNED HEREBY CERTIFIES THAT HE/SHE UNDERSTANDS THE SPECIFICATIONS, HAS READ THE DOCUMENT IN ITS ENTIRETY AND THAT THE BID PRICES CONTAINED IN THE BID HAVE BEEN CAREFULLY REVIEWED AND ARE SUBMITTED AS CORRECT AND FINAL. BIDDER FURTHER CERTIFIES AND AGREES TO FURNISH ANY OR ALL PRODUCTS/SERVICES UPON WHICH PRICES ARE EXTENDED AT THE PRICE OFFERED, AND UPON CONDITIONS CONTAINED IN THE SPECIFICATIONS OF THE INVITATION FOR BID.

THE FOLLOWING INFORMATION MUST BE FILLED OUT IN ITS ENTIRETY FOR YOUR BID TO BE CONSIDERED:

Company Name: Bound Tree Medical, LLC

Address of Principal Place of Business: 5000 Tuttle Crossing Blvd
Dublin, Ohio 43016

Phone/Fax of Principle Place of Business: 800-533-0523 800-257-5713

Address/Phone/Fax Number of Majority Owner Principal Place of Business: same as above

E-mail Address of Representative: jbutler@boundtree.com

Authorized Representative:
Signature
Jennifer Butler
Printed Name
5/1/09
Date

Acknowledgement of Addenda: #1___ #2___ #3___

CITY OF SHERMAN

VENDOR INSURANCE REQUIREMENTS

COMMERCIAL GENERAL LIABILITY INSURANCE

A. Commercial General Liability Insurance (occurrent form) in amounts of not less that $1,000,000 each occurrence, $2,000,000 General Aggregate limit, and $2,000,000 Products/Completed Operations Aggregate limit insuring the Vendor against liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. The insurance policy shall be written on ISO form CG 00 01 10 93(or a substitute form providing equivalent or broader coverage). There shall be no endorsement or modification of the policy limiting the coverage for liability arising from the products/completed operations exposure.

B. Vendor shall provide the City with satisfactory certificates of insurance prior to the initial delivery of the purchased products and at least 30 days prior to the expiration of the respective policies throughout the term of the purchase agreement. The certificates should be provided to the City Attorney's Office. The certificates shall obligate each insurance company to endeavor to notify the City at least 30 days before cancellation or material change of any such insurance. All such insurance policies shall be in a form reasonably satisfactory to the City and shall be written by insurers who are licensed to do business in the City and shall be written by insurers who are licensed to do business in the State of Texas. Failure of the City to demand such certificate or other evidences of full compliance with these insurance requirements or failure of the City to identify a deficiency from evidence that is provided shall not be construed as a waiver of the Vendor's obligation to maintain such insurance. Failure to maintain the required insurance may result in termination of the purchase agreement at the City's option. Vendor shall provide certified copies of all insurance policies required herein within 10 days of the City's written request for said copies.

C. By requiring insurance herein, the City does not represent that coverage and limits will necessarily be adequate to protect the Vendor, and such coverage and limits shall not be deemed as a limitation on the Vendor's liability under a purchase agreement with the City.

This form must be signed and returned with your bid to verify that you can and will meet the insurance requirements listed herein should you be awarded the bid and will provide the certificates of insurance acceptable to the City.

AGREEMENT

I agree to provide the above described insurance coverages to the City of Sherman, City Attorney's office 220 W. Mulberry, P.O. Box 1106, Sherman, Texas 75090, prior to a Purchase Order being issued.

Company: Bound Tree Medical, LLC

Printed name: Jennifer Butler

Signature: Jennifer Butler Date: 5/1/09

SPECIFICATIONS
MEDICAL SUPPLIES
CITY OF SHERMAN

1. It is the intention of these specifications that the successful vendor shall furnish and the City of Sherman, Sherman, Texas, shall purchase medical supplies covered by this agreement which the City may require during the period of time specified. The products included in this bid represent many of the products ordered most frequently by the City and are listed for bid evaluation purposes only. Actual usage and quantities will vary and ordering will be based on actual requirements. It is estimated that the City will expend approximately $80,000 on medical supplies and approximately $3,000.00 on medicinal supplies. The city reserves the right to order such supplies as may be required during the contract.

The City of Sherman is desirous of the following. Please specify if your firm can provide the following:

	Yes	No	
(1) ability to order from a template over the internet	X	—	
(2) local sales representation within 100 miles	X	—	
(3) ability to requisition to a central purchaser via internet	X	—	
(4) ability to track product usage and cost for each requisitioning entity	X	—	
(5) ability to deliver within 48 hours with no additional charges	X	—	For All items in stock
(6) ability to ship from multiple distribution centers to multiple delivery points	X	—	
(7) ability to tract up to 24 months of purchase history on a monthly basis	X	—	

2. All items listed in this solicitation will be awarded on the basis of a firm fixed price. The items included on the medical supplies requirement sheet represent many of the products ordered most frequently by the City and are listed for bid evaluation purposes. The City also desires to purchase from the vendor other medical supplies not listed on the requirement sheet. Vendor must submit a catalog along with percentage discount from catalog list prices with this bid. Failure to do so may be cause for rejection of bid. Bid award may be made in whole or part as deemed most advantageous to the City of Sherman.

3. The term of this agreement shall be for a period of one (1) year beginning on or about May 1, 2009 and ending April 30, 2009.

4. Prices quoted shall remain firm for the period covered by this contract. The City of Sherman City Council reserves the right to renew this contract for four (4) additional one- year periods under the same terms, conditions and prices, should the City so desire and the current successful vendor so agree.
(a.) Consideration for contract extension shall include from the current vendor, 60 days in advance of contract termination, a bona-fide manufacturer's documents or price listing reflecting the anticipated changes in prices. Increase for the extension shall be limited to the actual cost increase to the current vendor.

5. Product acceptability will be at the sole discretion of the City of Sherman. Any product delivered under this contract which does not meet specifications, or otherwise found to be defective, will be returned at the vendor's expense for replacement or credit. All products shall be of condition and quality "TO MEET ACCEPTABLE STANDARDS OF CARE".

6. Any reference to requirements in the specifications that are brand or process specific is purely for the establishment of intended quality expectations and is not to be considered a disqualifying standard.

8. The successful bidder shall make delivery of ordered supplies within 96 hours of the time the order is placed. Delivery must be made during normal working hours, Monday through Friday, 8:00 a.m. to 5:00 p.m., F.O.B. Destination, City of Sherman specified delivery location. All unit and extensions shall include freight and other delivery charges. Failure to deliver as required will result in the purchase of said order from the next highest bidder. Delivery tickets must accompany each delivery. Invoices must be legibly prepared showing the full description and price of item(s) delivered. A contract Purchase Order will be issued for the contract period.

Pricing Structure for items not listed

Bound Tree Medical would like to offer the City of Sherman a discount for items not listed in this solicitation.

This discount is approximately 15% off our current list price (Discount could be greater)
Contact your local Account Manager for details.

Gerald Ramirez
817-658-4168 Cell
800-533-0523 x5141 Voicemail
gramirez@boundtree.com

BoundTree medical

Making Precious Minutes Count...™

WARRANTY STATEMENT

THE MANUFACTURER'S REPRESENTATIONS AND WARRANTIES ACCOMPANYING THE PRODUCT ARE THE SOLE AND EXCLUSIVE REPRESENTATIONS AND WARRANTIES YOU WILL RECEIVE. BOUND TREE MEDICAL MAKES NO REPRESENTATIONS, WARRANTIES OR GUARANTEES OF ANY KIND WHATSOEVER; INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE.

P.O. Box 8023 | Dublin, OH 43016 | phone 614.760.5000 | fax 614.760.5010 | www.boundtree.com

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. C.6

RESOLUTION NO. 5368

Relating to Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 2009 (City of Sherman Project); Approving the Issuance Thereof and the Refunding of Certain Outstanding Bonds of the Authority

Issue

Approving Bond issuance through Greater Texoma Utility Authority (GTUA) for $5,165,000 for a partial refinancing of existing debt

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 refinancing a portion of three previous issues through GTUA. This refinancing is being made to take advantage of lower interest rates, which will result in debt service savings of about $170,000.

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 and have been budgeted.

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 May 27, 2009
Debt Service Comparison
Resolution No. 5368
Exhibit A – "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

May 27, 2009

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

RE: Proposed refunding for GTUA/City of Sherman series 1997 and 1998 Contract Revenue Bonds

Dear George:

Recently, I wrote to you advising that Garry Kimball, the Authority's financial advisor, had identified a potential savings for the Authority and the City of Sherman by refunding our 1997 and 1998 bond series. On May 18, 2009 the Greater Texoma Utility Authority Board of Directors adopted a Resolution establishing parameters for a refunding of these two series, if a present value savings of 3% or greater could be identified and an interest rate of less than 3% could be achieved. This transaction was subject to the approval of the Sherman City Council.

On Wednesday, May 27, 2009, Mr. Kimball priced a transaction with insurance. Mr. Kimball advises that a proposed present value savings of 3.05% can be achieved with a net interest cost of less than 3%. There will be no extension of the amortization period.

If these parameters are acceptable to the Sherman City Council, I ask that you present an ordinance, which has been provided by Kristen Savant with Fulbright & Jaworski for the Council's consideration on Monday, June 1, 2009. If you have any questions, feel free to contact Mr. Kimball, Ms. Savant, or me.

Sincerely,

Jerry W. Chapman

Jerry W. Chapman
General Manager

JWC:cc

Preliminary

Greater Texoma Utility Authority

(City of Sherman Project)

$5,165,000 Contract Revenue Refunding Bonds, Series 2009

FSA insured scale as of May 26, 2009

Debt Service Comparison

Date	Total P+I	PCF	Existing D/S	Net New D/S	Old Net D/S	Savings
09/30/2009	-	(648.78)	-	(20,190.69)	-	20,190.69
09/30/2010	190,368.33	-	4,532,098.51	4,722,466.84	4,761,378.51	38,911.67
09/30/2011	309,525.00	-	4,413,210.51	4,722,735.51	4,759,865.51	37,130.00
09/30/2012	3,538,800.00	-	1,180,704.26	4,719,504.26	4,757,581.76	38,077.50
09/30/2013	1,577,550.00	-	2,695,844.38	4,273,394.38	4,310,706.88	37,312.50
09/30/2014	-	-	2,690,219.25	2,690,219.25	2,690,219.25	-
09/30/2015	-	-	2,689,957.00	2,689,957.00	2,689,957.00	-
09/30/2016	-	-	2,689,543.00	2,689,543.00	2,689,543.00	-
09/30/2017	-	-	2,176,763.50	2,176,763.50	2,176,763.50	-
09/30/2018	-	-	2,171,842.25	2,171,842.25	2,171,842.25	-
09/30/2019	-	-	2,182,725.50	2,182,725.50	2,182,725.50	-
09/30/2020	-	-	2,188,947.00	2,188,947.00	2,188,947.00	-
09/30/2021	-	-	2,190,350.50	2,190,350.50	2,190,350.50	-
09/30/2022	-	-	924,314.75	924,314.75	924,314.75	-
09/30/2023	-	-	584,917.25	584,917.25	584,917.25	-
09/30/2024	-	-	581,776.75	581,776.75	581,776.75	-
09/30/2025	-	-	582,809.50	582,809.50	582,809.50	-
09/30/2026	-	-	587,814.25	587,814.25	587,814.25	-
09/30/2027	-	-	586,724.50	586,724.50	586,724.50	-
09/30/2028	-	-	417,952.50	417,952.50	417,952.50	-
Total	**$5,616,243.33**	**(648.78)**	**$36,068,515.16**	**$41,664,567.80**	**$41,836,190.16**	**$171,622.36**

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	142,824.93
Effects of Primary Purpose Earnings	646.91
Net PV Cashflow Savings @ 2.987%(AIC)	143,471.85
Accrued Interest Credit to Debt Service Fund	18,746.67
Contingency or Rounding Amount	795.24
Net Present Value Benefit	$163,013.76
Net PV Benefit / $5,130,000 Refunded Principal	3.178%

Refunding Bond Information

Refunding Dated Date	5/15/2009
Refunding Delivery Date	6/23/2009

RESOLUTION NO. 5368

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RELATING TO GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE REFUNDING BONDS, SERIES 2009 (CITY OF SHERMAN PROJECT); APPROVING THE ISSUANCE THEREOF AND THE REFUNDING OF CERTAIN OUTSTANDING BONDS OF THE AUTHORITY; 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 2009 (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 May 28, 2009 (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 the maximum permitted by law 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 Resolution of the Authority authorizing the Bonds (the "Bond Resolution"), together with the Pricing Certificate, dated May 28, 2009, executed pursuant to the Bond Resolution (the "Pricing Certificate"), and the refunding of a portion of the following bonds (collectively hereinafter referred to as the "Refunded Bonds"), to wit:

(a) Greater Texoma Utility Authority Contract Revenue Bonds, Series 1997, Subseries A (City of Sherman Project), dated November 1, 1997, scheduled

to mature on October 1 in each years of the years 2010 through 2012, aggregating in principal amount of $1,270,000;

(b) Greater Texoma Utility Authority Contract Revenue Bonds, Series 1997, Subseries B (City of Sherman Project), dated November 1, 1997, scheduled to mature on October 1 in each years of the years 2010 through 2012, aggregating in principal amount of $390,000; and

(c) Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 1998 (City of Sherman Project), dated August 1, 1998, scheduled to mature on October 1 of each years of the years 2010 and 2011, aggregating in principal amount of $3,470,000;

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 use of the proceeds of the Bonds for the refunding of the Refunded Bonds is hereby approved. The Bond Resolution and the Pricing Certificate are 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 A. 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 Pricing Certificate and the refunding of the Refunded Bonds 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 and/or the Pricing Certificate from the forms 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 at the earliest possible date.

SECTION 4. That, in order to assist the Authority in complying with Rule 15c2-12 of the Securities Exchange 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 be 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 grater 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 paragraphs (a) and (b) 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 the Contract is reapproved in all respects 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 _____, 2009.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

EXHIBIT A

Bond Purchase Agreement

GREATER TEXOMA UTILITY AUTHORITY

$_____

Contract Revenue Refunding Bonds, Series 2009
(City of Sherman Project)

BOND PURCHASE AGREEMENT

May __, 2009

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 May __, 2009, 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 Refunding Bonds, Series 2009 (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 the officer's pricing certificate (the "Pricing Certificate") attached as Schedule I hereto. The Bonds shall be as described in, and shall be issued and secured under and pursuant to the provisions of (i) the bond resolution adopted by the Issuer on May 18, 2009 and (ii) the Pricing Certificate dated the date of this Agreement, signed by an authorized representative of the Authority appointed by the Board of Directors of the Authority, duly authorized to approve the pricing and terms of sale for the Bonds (collectively 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 $51,950.00 (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, 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 of Sherman (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 pursuant hereto and certain other funds of the Issuer or the City, if any, shall be deposited with Bank of Texas, N.A., 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 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 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 May 18, 2009 (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 *"Enabling Act"*) and Chapter 1207, Texas Government Code (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 Enabling Act, 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)(5) 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 Enabling Act, 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 otherwise provided in the Official Statement under the caption "CONTINUING DISCLOSURE OF INFORMATION – Compliance with Prior Undertakings," during the last five (5) years the Issuer has complied in all material respects with its previous continuing disclosure undertakings made by it in accordance with the Rule;

(h) 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;

(i) 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 light of the circumstances under which they were made, not misleading;

(j) 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;

(k) 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 (25th) 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 they were made, not misleading;

(l) 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;

(m) 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;

(n) 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.

(o) 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;

(p) 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;

(q) 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;

(r) 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; and

(s) 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 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 June 23, 2009, 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, N.A., 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 _____ (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 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, N.A.;

(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 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 are 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 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, 2008, 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 System; (ii) the System condensed operating statement 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, 2008, 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 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, if any; (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.

10. ***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.

11. ***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.

12. ***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.

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

14. ***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.

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

16. ***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.

17. ***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.

18. 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

PRICING CERTIFICATE

SCHEDULE II

DESCRIPTION OF REFUNDED BONDS

Contract Revenue Bonds, Series 1997A
(City of Sherman Project)

Principal Amount	Interest Rate	Maturity
$ 30,000	3.95%	10/1/2010
30,000	4.00%	10/1/2011
1,210,000	4.05%	10/1/2012

Redemption Date: _____
Redemption Price: Par

Contract Revenue Bonds, Series 1997B
(City of Sherman Project)

Principal Amount	Interest Rate	Maturity
$ 10,000	5.45%	10/1/2010
10,000	5.55%	10/1/2011
370,000	5.60%	10/1/2012

Redemption Date: _____
Redemption Price: Par

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

Principal Amount	Interest Rate	Maturity
$ 80,000	4.40%	10/1/2010
3,390,000	4.50%	10/1/2011

Redemption Date: _____
Redemption Price: Par

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. D.1

**** REQUEST TO ADVERTISE***
Pecan Grove Park Development – Phase II

Issue
To request permission to advertise for Phase II of the Pecan Grove Park Development Project

Background
In the 2008-2009 Capital Improvement Program, the Sherman City Council approved $2.4 million for Phase II of the Pecan Grove Park Development Project, which will complete the park by including fishing accessibility, nature trails, picnic facilities, an amphitheatre, and other passive activities.

Origination
Sherman City Council 2008-2009 Capital Improvement Program

Financial Consideration
2008-2009 Capital Improvement Program funds in the amount of $2.4 million have been allocated for this project. Advertising costs are expected to be about $200.

Staff Recommendation
It is recommended that the Sherman City Council authorize the staff to advertise the Pecan Grove Park Development – Phase II Project for public bid.

Alternatives
As directed by the Sherman City Council

Attachments
Capital Improvement Project with Location Map

Prepared by:
Kevin Winkler,
Parks & Recreation Administrator

Approved by:
George Olson, City Manager

PROJECT YEAR: 2008-2009

PROJECT NAME:	Pecan Grove Park Development - Phase II
DESCRIPTION:	Complete the park by including fishing accessibility, nature trails, picnic facilities and other passive activities.
ESTIMATED COST:	$2,400,000
ESTIMATED O&M COST:	$3,500
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Recommended in the Parks Master Plan
DEPARTMENT/DIRECTOR:	City Manager, George Olson
PROPOSED START DATE:	July, 2009
PROPOSED END DATE:	October, 2009

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. D.2

**** REQUEST TO ADVERTISE***
Janitorial Cleaning Services

Issue
Janitorial cleaning services are contracted by the City for the necessary cleaning of certain public buildings. Maintaining these public buildings, to provide a pleasant and user friendly environment, is part of providing service to our citizens.

Background
Historically, the City has contracted for the cleaning of certain public buildings throughout the city. Buildings maintained in the past under this contract included the Sherman Public Library, Police Department, Municipal Airport, Public Works Lab, Senior Center, and Glennie O. Ham Center.

Origination
Building Maintenance Department

Financial Consideration
Funding is provided in fund 100-8-1162-85014 in the amount of $56,859.00.

Staff Recommendation
Approve to advertise for public bid the janitorial services for buildings as outlined above.

Alternatives
Increase building maintenance staff to provide in-house cleaning of buildings.

Attachments
None

Prepared by:
Jeff Miller, Director of Public Works

Approved by:
George Olson, City Manager

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. D.3

OTHER BUSINESS

Receive Presentation from Thomas W. Nuckols of the Texoma Parks and Trails Alliance and Robert W. Minshew of Downtown Sherman Preservation and Revitalization concerning the Comprehensive Master Plan

Issue

Mr. Thomas W. Nuckols, representing the Texoma Parks and Trail Alliance, and Mr. Robert W. Minshew, representing Downtown Sherman Preservation and Revitalization, will present a petition to the City Council asking that priority be given to implementing certain "Quality of Life" aspects of the Comprehensive Master Plan.

Origination

Mr. Thomas W. Nuckols of 2341 Canyon Creek Drive, Sherman, Texas 75092

Financial Consideration

There is no financial impact to this agenda item.

Attachments

Mr. Nuckols' e-mail request of May 27, 2009

Prepared and Approved by:
George Olson, City Manager

Cloer, Pam

From: Tom Nuckols [tnuckols@cableone.net]
Sent: Wednesday, May 27, 2009 3:07 PM
To: Cloer, Pam
Subject: Request to put Thomas Nuckols and Robert Minshew on City Council Ageda to present a petition

I request that you put on the City Council Meeting of June 1 Thomas Nuckols and Robert Minshew to present a petition from Texoma Parks and Trails Alliance and Downtown Sherman Preservation and Revitalization requesting that priority be given to implementing certain quality of life aspects of the Comprehensive Master Plan.

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

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:** 6-1-2009

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:** 6-1-2009

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:** 6-1-2009

Subject: Agenda Item No. E.1

EXECUTIVE SESSION

In Accordance with Chapter 551, Government Code, V.T.C.S. (Open Meetings Law), "The City Council Will Now Hold a Closed Executive Meeting Pursuant to the Provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon's Texas Codes Annotated, in Accordance with the Authority Contained in the Following Sections"

Section 551.074 **Personnel Matters:**
Consider the Qualifications, Appointment or Removal of Members to Boards and Commissions:
a) Sherman Housing Authority Board (2)

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. F.1

OPEN MEETING

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

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. F.2

ADJOURNMENT

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 6-1-2009

Subject: Agenda Item No. N/A

COUNCIL CALENDAR

2009
CITY COUNCIL MEETINGS

JANUARY

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

FEBRUARY

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

MARCH

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	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		

01/19/09 - M.L.K., Jr. Birthday / Regular Council Meeting
~~01/26/09 - 12 Noon Joint Meeting w/P&Z Commission re: Comprehensive Plan~~
02/11/09 - 12 Noon Called Meeting to Interview City Attorney Candidates
02/16/09 - Washington's Birthday / Regular Council Meeting
02/18/09 - 1PM Called Meeting to Interview City Attorney Candidates
02/25/09 - 12 Noon Joint Meeting w/P&Z Commission re: Comprehensive Plan
~~03/06/09 - Proposed 12 Noon Called Meeting with Chamber Board~~
04/29/09 - 12 Noon Budget Planning Meeting in Council Chambers
~~05/09/09 - City Council Election~~
~~05/12/09 - 12 Noon Called Meeting to Canvass Election Results~~

06/17-18/09 - Budget Workshop in Council Chambers
06/19/09 - Long-Range Planning Workshop
09/07/09 - Labor Day / Called Council Meeting on 09/08/09