

**CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, MAY 2, 2016
5:00 P.M.**

- A. 1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A. 2. PLEDGE OF ALLEGIANCE LED BY COUNCIL MEMBER KEVIN COUCH**
- A. 3. INVOCATION BY COUNCIL MEMBER KEVIN COUCH**
- A. 4. APPROVE MINUTES OF THE CALLED JOINT MEETING WITH THE SHERMAN INDEPENDENT SCHOOL DISTRICT BOARD OF TRUSTEES OF APRIL 11, 2016, OF THE CALLED BUDGET PLANNING MEETING OF APRIL 15, 2016, AND OF THE REGULAR CITY COUNCIL MEETING OF APRIL 18, 2016**

Proclamations

- B. 1. PROCLAMATION**
"Mental Health Awareness Month" – May 2016
- B. 2. PROCLAMATION**
"Motorcycle Safety and Awareness Month" – May 2016

Public Hearing

- C. 1. PUBLIC HEARING**
Conduct the First Public Hearing Concerning the Annexation of a 0.777 Acre Tract of Land on Sistrunk Street, Adjacent to the Sherman City Limits and in the City of Sherman's Extra Territorial Jurisdiction

Close Public Hearing and Consider Approval of the Consent Agenda

- C. 2. 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

D. 1. RESOLUTION NO. 6076

Expressing Support for the Construction of a Kroger Marketplace in Sherman, Grayson County, Texas

D. 2. RESOLUTION NO. 6077

Authorizing the Early Turnover of Delinquent 2016 Business Personal Property Accounts Beginning on April 1, 2017, as Authorized by Section 6.30 and Section 33.11 of the Texas Tax Code

D. 3. * RESOLUTION NO. 6078

Abandoning a Fifteen Foot (15') City Drainage and Utility Easement located on Lot 4, Block B of the North Haven Addition to the City of Sherman, Texas, which Plat is Recorded in Volume 18, Pages 171-172 of the Plat Records of Grayson County, Texas

D. 4. * RESOLUTION NO. 6079

Awarding a Bid to and Authorizing Execution of an Agreement with Josh Willeford for an Agricultural Lease at the Sherman Wastewater Treatment Plant

Other Business

E. 1. OTHER BUSINESS

Consider Request of the Sherman Tourism/Main Street Manager to Temporarily Close Certain Streets and Use Certain City Facilities and Services for the "34th Annual Sherman Autumn and Arts Fest" on Saturday, September 17, 2016

F. CITIZEN REQUESTS

G. MEDIA QUESTIONS

Consider Board/Commission Appointments

H. 1. APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

(a) Parks and Recreation Advisory Board (2)

I. COUNCIL COMMENTS

Executive Session

J. 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 551.087	Deliberation Regarding Economic Development Negotiations:
	(a) Deliberate Regarding Commercial or Financial Information that the City has Received from a Business Prospect and Deliberate any Offers or Incentives to the Business Prospect

The Council reconvenes into General Session

K. 1. OPEN MEETING

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

L. ADJOURNMENT

COUNCIL CALENDAR

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on April 28, 2016 at 4:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 28th day of April, 2016
City of Sherman, Texas

City Clerk

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

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

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

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

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

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

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

Mayor

David Plyler

Deputy Mayor

Jason Sofey

Council Members

Kevin Couch, Council-At-Large, PL #1

Jason Sofey, Council-At-Large, PL #2

Lawrence Davis, Council – District #1

Terrence R. Steele, Council – District #2

Tom Watt, Council – District #3

Tammy Johnson, Council – District #4



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. A. 4.

Meeting Date: 05/02/2016

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

APPROVE MINUTES OF THE CALLED JOINT MEETING WITH THE SHERMAN INDEPENDENT SCHOOL DISTRICT BOARD OF TRUSTEES OF APRIL 11, 2016, OF THE CALLED BUDGET PLANNING MEETING OF APRIL 15, 2016, AND OF THE REGULAR CITY COUNCIL MEETING OF APRIL 18, 2016

Attachments

April 11, 2016 - Joint Meeting with SISD

Joint Strategic Planning Meeting

Overview of SISD Tax Ratification Elections

SISD Bond Payments

April 15, 2016 - Called Meeting for Budget Planning

Budget Planning Meeting - FY 2017

April 18, 2016 - Regular Meeting

STATE OF TEXAS §

April 11, 2016

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Joint Meeting of the Sherman City Council and the Sherman Independent School District Board of Trustees was begun and held in the City Council Chambers on April 11, 2016.

COUNCIL MEMBERS PRESENT: Mayor David Plyler; Deputy Mayor Jason Sofey.
Council Members Couch, Johnson, Steele, Watt.

COUNCIL MEMBERS ABSENT: Council Member Davis.

SISD MEMBERS PRESENT: Tim Millerick, President; Rob Wilson, Vice-President; Kiki Osterman, Secretary.
Juston Dobbs, Kate Whitfield.

SISD MEMBERS ABSENT: Brad Morgan, Lynn Mitchusson.

CITY STAFF PRESENT: Robby Hefton, City Manager; Don Keene, Assistant City Manager; Mark Gibson, Director of Utilities; Scott Shadden, Director of Development Services; Steve Ayers, Director of Community and Support Services; Clay Barnett, Director of Public Works and Engineering; Danny Jones, Fire Chief; Stephen Dean, Assistant Police Chief; Mary Lawrence, Director of Finance; Jim Cross, Assistant Public Works Director; Clint Philpott, City Engineer; Kevin Winkler, Parks and Recreation Director; Tammy Davis, Controller; Nate Strauch, Communications Manager; Theresa Hutchinson, Recreation Manager; Matt Joseph, Systems Coordinator; Pam Cloer, Assistant to the City Manager; Linda Ashby, City Clerk.

SISD STAFF PRESENT: Dr. David Hicks, Superintendent; Dr. Tyson Bennett, Assistant Superintendent; Amanda Lewis, Interim Chief Financial Officer.

PURPOSE: **Call to Order, Quorum Determined, Meeting Declared Open**

Invocation by Council Member Tom Watt

Welcome and Introductions

**Sherman Independent School District Board of Trustees
Discussion of Business and State of the SISD**

Sherman City Council Discussion of Business and State of the City

Discussion of Joint Projects and Action Items Moving Forward

Adjournment

WELCOME AND INTRODUCTIONS

Robby Hefton, City Manager, said there has been talk about a joint meeting between the City of Sherman and the Sherman Independent School District for many years. Representatives from the

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Sherman Economic Development Corporation and the Chamber of Commerce are also in attendance. He hoped this would be the first meeting of several where the entities work together.

Mr. Hefton said lunch was being provided by the Sherman High School Culinary Arts Class.

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

Mayor Plyler called the meeting to order at 11:35 a.m., declared a quorum present, and opened the Called City Council Meeting. Tim Millerick, President of the Sherman Independent School District Board of Trustees, declared a quorum present, and opened the SISD Meeting.

INVOCATION BY COUNCIL MEMBER TOM WATT

SHERMAN INDEPENDENT SCHOOL DISTRICT BOARD OF TRUSTEES **DISCUSSION OF BUSINESS AND STATE OF THE SISD**

Dr. David Hicks, SISD Superintendent of Schools, thanked the City Council for meeting with the SISD and said the purpose of the meeting was to present some of the strategic decisions going forward and information about the state of the District and the state of the City, and to look at ways that the entities could partner together to use their resources to benefit both.

Last year the SISD met with staff and community members to determine several strategic goals. He emphasized goals such as to evaluate their facilities and plan for future needs, to provide students with relevant and meaningful career and technology experiences, and to build partnerships with parents and community members that will enhance students' experiences. He referenced partnerships with the City, SEDCO, and the Chamber for career and technology experiences and to benefit the students.

Dr. Hicks said there are 12 campuses in the SISD including the Fred Douglass Early Childhood Center, the only one of its kind in Grayson County that is specifically focused on early childhood, and also the Perrin Learning Center, that serves as an alternative academic opportunity for high school students. Services are also provided to students that are incarcerated through Grayson County, as well as 50 other Texas counties.

Sherman is a diverse City and the SISD reflects this diversity. Twenty eight languages are spoken in the School District and they serve all those children and 60% of the students qualify for the Federal Nutrition Program. The largest ethnicity breakdown is 38.25% White, 37.99% Hispanic/Latino, and 13.53% Black.

Dr. Hicks said total enrollment hovers just above 7,200 with an annual growth of between 1% and 1.5%. The classes of elementary students are larger than the classes of older students so the numbers will increase in future years and they must accommodate this future growth. Council Member Steele said the pre-kindergarten level lists 300 students, and he asked if that was the maximum that the program can hold. Dr. Hicks said 300 was the actual enrollment, however they can accommodate more students at that level.

The SISD is growing at about 1.4% or 1.5% annually and the City's water accounts are growing at a different rate. The City is currently annexing land in the County and a lot of this growth is not within the boundaries of the SISD.

Recently the SISD completed a facility study to prepare for the future and also to determine how the facilities were serving the students. Questions asked were how the current enrollment was expected to change and what was the general condition of the current facilities. Current enrollment is 7,232 with a projected growth of 1% to 1.5%.

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The study determined that the SISD has made the best use of its facilities and have adapted over the years. The useful life of a school is generally 50 years. Currently eight campuses range in age from 45 to 83 years old and six campuses are more than 60 years old. Mid-life refurbishment is needed at the 20 to 25 year mark. Four of the schools have been built or had major renovations and many of the schools had partial to significant renovations 20 years ago. Even the newest campuses are nearing their mid-life mark and would benefit from renovations.

Dr. Hicks said 11 schools exceed the recommended capacity, which doesn't mean they won't take additional children. It just means that the classrooms are short on space and instructionally small. As additional students are added, they must account for the infrastructure. Shared space such as gyms, kitchens, hallways, or cafeteria space, which accommodate all the students, must be considered.

Recommendations that came out of the facility study are critical to moving forward. The strategic plan is to create and adopt planning guidelines, including classroom space, traffic patterns, and how to increase the space for individualized and differentiated instruction; convene a citizens committee to review a Master Plan using community and staff input; and make decisions as a community about how to ensure that the facilities are best-suited for instructional programming and the resources are used wisely.

Dr. Hicks said the SISD is about making sure that the children are well prepared academically and with career and technical certification to enter the workforce and be productive citizens in the community. The State ranks schools to assure that they are meeting standards. All Sherman ISD campuses met these standards. The number of Distinction Designations more than doubled from 13 in 2014 to 27 in 2015. He said that is not common in other communities and the SISD has "set the bar very high." He outlined several recognitions that the School District has received as well as Sherman High School itself. He also outlined the college preparation and AP classes available.

Dr. Hicks added that it's not about academic preparation or career and technology. It can be both. More than 1,500 students are taking at least one career and technology course, which is a 42% increase annually. He outlined the "career clusters" and the certifications that are available to students in those programs.

The manufacturing certification is a partnership with SEDCO, the Chamber of Commerce, and the City in identifying manufacturing companies that will work with, and train the students. Then with the classroom skills at the High School and at Grayson College, when they graduate, they are immediately employable. This is a new partnership and is just now coming together.

Dr. Hicks said there are some important decisions in both the School District and in the community that are coming up and one of those is a potential Tax Ratification Election, that will leverage increased State resources to allow the SISD to do these things. The other is a potential Bond Election to help with new facilities and future plans. He introduced Josh McLaughlin, Financial Advisor, BOSC, Inc.

Overview of Tax Ratification Elections

Mr. McLaughlin explained that each year the SISD has to adopt two separate tax rates. One is the Maintenance and Operations Tax Rate, which is used for the day-to-day operational expenses, including teacher salaries, educational programs, and supplies. The other is the Interest and Sinking Fund Tax Rate, which is used for annual debt service requirements of bonds that were approved by voters. For FY 2015-2016, the M&O tax rate is \$1.04 and the I&S tax rate is \$0.40, for a total tax rate of \$1.44.

Under State law, a School District's highest allowable M&O tax rate is \$1.04, unless a Tax Ratification Election (TRE), is held, at which point an additional 13 cents could be added to the M&O tax rate for a

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total of \$1.17. He outlined where the SISD's revenues come from. One hundred percent of the property tax revenue for I&S goes to support bond payments. No additional State funding is received for bond payments. Property tax revenue accounts for just less than 50% of the M&O revenues, with just over 50% coming from State assistance. A small portion, approximately 1.28%, comes from Federal programs. Dollars generated on the M&O side are "enriched" by additional State funding.

Under State law, there are two ways a School District can increase revenue for operations. The first is to increase student enrollment and the second it through a TRE. An increase in student enrollment also comes with additional operational costs, such as teachers and supplies. Current State funding rules say the State will provide additional "equalization" funding for each penny the District increases its M&O tax rate above \$1.00. Therefore, a Tax Ratification Election would increase their M&O tax rate by 13 cents, and would generate about \$3.4 million in property tax revenue and \$1.1 million in additional State funds. Mr. McLaughlin said an M&O tax penny gets you more than an I&S tax penny.

He outlined two alternatives to increase the tax rate by 13 cents. The first is to increase the M&O tax rate to \$1.17, keep the I&S tax rate at \$0.40 for a total tax rate increase from \$1.44 to \$1.57. The second alternative is a "tax swap" to increase the M&O tax rate to \$1.17, but to decrease the I&S tax rate from \$0.40 to \$0.27, for a total tax rate of \$1.44, no increase. The first alternative would generate additional property tax revenue of \$3.4 million and additional State funding of \$1.1 million for a total of \$4.5 million. The second alternative would generate \$3.4 million for the M&O and additional State funding of \$1.1 million, however to pay the debt service on the bonds, a portion of the M&O money would be used for I&S purposes. This would make the net increase about \$1.1 million.

Mr. Millerick asked how the SISD's tax rate of \$1.04 compares to other School Districts in Grayson County. Dr. Hicks said tax rates across the State were rolled back in 2007, so the SISD has been at \$1.04 tax rate since that time. There are 13 School Districts in Grayson County and eight of those have a total tax rate higher than Sherman's current rate.

Mr. McLaughlin said the way that the SISD has managed their debt portfolio over the last decade is unique. Once they passed the bond election and sold all their debt in 2005 and 2006, they elected to maintain the I&S tax rate of \$0.40. Each year they maintain that rate, they have the ability to repay bonds prior to final maturity. They have also implemented several refunding programs that have saved money. Essentially they have created a window, where they have not only lowered bond payments, but have shortened the amortization. Because of this, next year there is a decline in the District's bond requirements by about \$3.4 million.

One of the options the SISD has, is to use the tax swap where they would get the additional \$4.5 million, but will not have to transfer the money to the debt service side because there is a built in drop in those requirements. Therefore, the SISD could do a tax swap and retain \$4.5 million for operations purposes.

Mr. Millerick asked Mr. McLaughlin for his comments about the SISD's management of their resources in this regard. Mr. McLaughlin said it has been "absolutely unbelievable."

Mr. McLaughlin said since 2007 when the rollback elections began, there have been 559 total rollback elections, and 421 have passed, while 138 have failed. Under State law, a Tax Ratification Election can either be held on a Uniform Election Date or a Non-Uniform Election Date. Almost 82% pass on a Non-Uniform Election Date, whereas 68% pass on a Uniform Election Date. Generally, when the TRE is held on a Non-Uniform Election Date, it is the only issue on the ballot and provides a better percentage rate for passage. He outlined the calendar requirements for a TRE that would be held on a Uniform Election Date, which would be November 8, 2016. He also presented a calendar if the Election was held on September 17, 2016, a Non-Uniform Election Date.

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Mr. McLaughlin addressed how the SISD has managed their debt portfolio. Over the last eight years, the SISD has implemented programs annually that have saved the taxpayers over \$28.1 million. Since 2012 they have refinanced existing bonds on four separate occasions, saving over \$17.7 million in interest costs.

As part of the 2005 Bond Program, the District also implemented some variable rate bonds. The benefit of variable rate bonds was a lower interest rate. The bonds were sold as 30 year debt and the average interest rate on the debt was 1.39%. In addition, the District was able to maintain its tax rate at \$0.40 and repay \$7 million of the bonds off annually, saving additional interest costs. By incorporating the variable rate bonds, the SISD was able to save an additional \$10.4 million for taxpayers.

Dr. Hicks summarized saying, the SISD started with their strategic goals, evaluating the current state of the District and the facilities, and strategically planning for the future, providing meaningful learning experiences academically and through career and technology education to make sure Sherman students are well-prepared for the workforce, and then identifying ways that the entities can partner together.

The tax ratification process will leverage additional State funding above what they currently receive from the State. It is available to the SISD as a result of this Board, previous Boards and the previous Superintendent's conservative financial management of the resources of the District. It will allow the SISD to leverage funding to look at innovative programming that they are currently unable to provide. Also, to look at the employee compensation package, because they are competing with neighboring communities for teachers.

He asked the participants to consider not only ways to be innovative in the instructional programs, but how can the business community and the City work to partner together, as well as how the State funding can be leveraged to best serve the students.

Mr. Hefton said besides having better results with the TRE on Non-Uniform Election Dates, it also seems that the elections held in the last two or three years had a much higher success rate than the ones done prior to that. He said with the robust economy in Texas and in Grayson County, there is a better success rate for passage of the TRE. Mr. McLaughlin added that the TRE is a little hard to understand because there is nothing tangible for taxpayers to "see". With more School Districts conducting TREs there is more proven history and taxpayers realize that the emphasis is to get the State to provide additional funds for operations.

Mr. Hefton asked if a School District could hold multiple TREs or if only one was allowed. Mr. McLaughlin explained that more than one election could be held, but once voters approved the \$0.13, it is capped by statute. If the tax rate dropped, then another TRE could be held. He said it was much wiser to ask the voters to approve the TRE one time rather than asking for a smaller amount multiple times.

SHERMAN CITY COUNCIL DISCUSSION OF BUSINESS AND STATE OF THE CITY

Mr. Hefton addressed the idea of "financial health." From a bond rating standpoint, he said there are some key measurements that rating agencies look for. The first is liquidity, are the reserves adequate. As of June 30, 2015, the SISD reserve levels are at 92 days, which is very healthy. The City's policy is between 75 to 90 days, and at the end of 2015, the City is around 80 days of reserves.

Another key measure is stability, which relates to a willingness by the staff, the Board, and the community, to meet the financial policies and practices, and to make the hard decisions. He added that the SISD has demonstrated a high level of stability by being willing to talk about a TRE. He added that this is something the School District and the City can "tackle" together, because a healthy

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School District is a key to a growing and thriving City. Another key measure is being willing to consider a bond election to assure that the schools are in good shape and that we have new ones if needed. Rating agencies also consider a history of balanced budgets and the early payoff of debt. Growth capacity is important and is there room for debt in the financing cap set by the State. The economic outlook for the school and for the community is also important.

Mr. Hefton outlined several of the 2016 Council initiatives. The design work is almost complete for the 10 million gallon per day, state of the art, expansion of the Water Treatment Plant facility that will use reverse osmosis and microfiltration technologies. The City has plenty of water to treat, and the expansion will give them about 30 mgd that would be available to sell. Currently about 12 to 14 mgd is being used, even on the hottest day. The additional capacity will give the City a great competitive advantage over other communities.

Stormwater Management and Planning is also important and the City is moving from an on-site detention requirement to regional detention, like Dean Gilbert Lake and Pickens Lake at Baker Park. There is also a lot of development along FM 1417, and the Texas Department of Transportation plans to renovate FM 1417 from Hwy 11 to Hwy 691. Development is also moving forward along the FM 1417 corridor, such as the Wal-Mart Market that recently opened.

The Loy Lake Rebuild project should break ground in the next month and the portion from Sara Swamy Drive to Hwy 82 will look like the north part of the roadway. The City is also working to optimize the space for City offices.

Other initiatives include construction of a Southwest Elevated Water Storage Tank, the first new tank in 40 to 50 years. The concrete pedestal tank should be complete in the Summer of 2017. The staff and Council have also been working on improvements to the development ordinance to help clean-up the City and continue to be developer friendly. These initiatives were discussed during the last budget process.

Since that time, several other initiatives have come up that were not even “on the radar” at that time. These include relocation of the Fire Station, currently located at FM 1417 and Hwy 75, and working with SEDCO to sell that property and move the Fire Station farther west. Sherman Crossroads is a commercial, office, mixed-use development on the northwest corner of Hwy 75 and FM 1417, that is moving ahead.

Other initiatives include the expansion of ball fields near Pecan Grove Park; the Kroger development at Hwy 75 and Taylor Street; with the annexation of Carriage Estates, the City is working with the owners of the water system and the State to gain control of their water system for improvements; the Lamberth Road West Development, which is being driven by the annexation; development and expansion of The Preserve, near Country Ridge; and development near the Fire Station at FM 1417 and Hwy 75.

On the financial side, Mr. Hefton said there are four measures of financial health, liquidity, stability, growth capacity, and economic outlook. At the end of 2015, the City's reserves are at 90 days, which is healthy. In terms of the financial policy and the willingness of the Council, over the last three or four years, the Council has shown willingness to incrementally raise the tax rate, which has allowed the City to begin planning for future development. Sherman also has a history of balanced budgets.

Mr. Hefton said the City does have the capacity for additional debt. There is currently very little tax supported debt, only \$12 million or \$13 million. The economic outlook of the community is also growing and in 2015 utility accounts grew by 2%.

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Where the School District basically has two sources of funding, the City has multiple sources, including property taxes, sales taxes, franchise taxes, and utility and solid waste fees. The City has several operating funds with a total operating budget of \$63 million to \$65 million. A majority of the expenses are “people related”, just like the School District. However, in the Utility Fund, a majority of the operations are heavily capitalized, such as the Water Treatment Plant and the Wastewater Treatment Plant.

Mr. Hefton outlined the amount of debt that is serviced by Sherman and several peer cities. The average M&O rate for the peer cities is \$0.49 and the average debt rate is \$0.17, while Sherman's M&O rate is \$0.33 and debt rate is \$0.04. He said this is important for Sherman because the City is about to expand their infrastructure, and this must be done through debt.

He explained that TxDOT has already announced plans to begin construction along FM 1417. The City is currently working to leverage local money with TxDOT money to get projects moved up on their list and completed early. If the City is willing to pay for some of the engineering and right-of-way work, then TxDOT is willing to enhance the project or to move it up on the timeline. This method is being used on the Travis Street corridor, from Hwy 75 to Austin Landing, and ultimately to Hwy 691, and on FM 1417, from Hwy 82 to Washington Street or Hwy 56. The City may also enhance the project for TxDOT and the City's project for a Travis Street, O.B. Groner Road connection, to be completed sooner than later.

Mr. Hefton said these are “building blocks” to development. When a developer decides on a community, they look for several things. Is there water? Is there sewer? Is there drainage? Are the road systems there or will they be there soon? Are there other utilities available? If the City is proactive about the major east-west and north-south thoroughfares, then they can positively impact the timing, extent, and quality of the development.

This thoroughfare development includes Canyon Creek Drive, Lamberth Road, Taylor and Washington Streets, Swan Ridge Drive, and Travis (O.B. Groner) and Howe Drive. The goal is to obtain the right-of-way now, whether it is built today or not. Mr. Hefton discussed the specific projects.

DISCUSSION OF JOINT PROJECTS AND ACTION ITEMS MOVING FORWARD

Mr. Hefton addressed how site planning for the school and City business tie in. Four guiding principles were that the location of schools should benefit the entire community, should take advantage of existing resources such as infrastructure, should be easily and safely accessible by multiple modes of transportation, and should be a community focal point. Challenges to these principals include funding, land availability, transportation and accessibility, and coordinated planning between the School District and the City. He added that growth should also come with sustainability and be “smart” for the future.

With this in mind, Mr. Hefton said locating a school is not just a “school” decision. The impact of the City may help with locating the facility in a new or established neighborhood, capitalize on existing or planned infrastructure, share facilities with joint use or co-location, create safer environments for students, and make schools a focal point of neighborhoods.

He asked if there were opportunities for the joint use of facilities as the School District works on their plan for expansion. For example, what about the co-use of sports fields. The City is short on both practice and game fields. Mr. Hefton said in some of the “high growth” cities, the school system is very “forward thinking” in their planning and works in tandem with the City. He felt that the healthy, vibrant school system would be a boost to the City's growth and that it was critical that both entities were working together and “on the same page.” He felt it was important to work together to minimize the impact on the taxpayers, both with facilities and operations.

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About the TRE, Mr. Hefton said it appears that the election might be held in September 2016, so it would need to be “called” in June or July. He felt this was a great step, but there should be a communication plan to inform the citizens, and felt the City’s Communications Manager might be able to help.

He also asked about a second meeting between the School Board and the City Council, and would it need to be a work session or a joint open meeting. He suggested a July or August time frame.

Council Member Couch asked about the boundaries of the SISD and what could be done to adjust them. He said Sherman is growing west and south, but that’s not in the Sherman District. Mr. Hefton said there is an agreement between Districts that boundaries can be moved, but in reality the chances are “slim and none” for that to happen. Kate Whitfield, SISD Board Member, said that has failed in the past when Carriage Estates tried to be removed from the S&S School District.

Council Member Couch said that Sherman is moving toward Hwy 289 and he felt that area should be included in the Sherman School District. Mr. Hefton said the City’s growth is going to be, for the most part, in an area that does not overlap SISD growth. He said inter-district transfers are now allowed without having to pay tuition. Council Member Couch asked if there was a package that could be offered, as Sherman grows to the west, to encourage those citizens to transfer to the SISD. He asked if that could be discussed during the work session.

Council Member Watt asked the School Board Members how they felt about that. Dr. Hicks said he felt the SISD had great educational opportunities and he would welcome families that are living in Sherman to come to the SISD. He added that it is a matter of marketing. For some it might not be the “right thing” but for many others, it would. He said locations, distance, and time would be leverage to encourage them to transfer to the SISD.

Rob Wilson, SISD Board Member, added that accessibility is important too. When the SISD looks at where to locate the new High School, if it’s closer to the S&S boundaries, that will encourage those families to send their students to Sherman instead of S&S. Mayor Plyler said it also shows the need for the City Council to support the TRE so they have those funds to market and improve those programs.

Mr. Hefton said there are several issues from both the SISD’s standpoint and from the City’s standpoint that are related, but separate. One is the TRE, which is priority one for the SISD. He said a robust, growing, healthy School District is one of Sherman’s biggest drivers of growth, and the City should be “on board” with that. Consequently, a declining, struggling School District is a huge barrier to City growth. The question is, how can the City legally help with the TRE, and does the Council want to help. He added that maybe the City’s communication staff could work with the School’s communication staff to inform citizens.

Mr. Hefton said the second issue is a bond election for facilities, probably in the next 12 months. He said this would clearly align with the City’s plans for infrastructure development. The question will be should the City be scheduling the second and third phase of those street projects that have already been identified. Will it be in the next year or two, or is it five years out. Mr. Millerick agreed that was important, as is the question to repurpose or build new facilities. He agreed that alignment with the City’s projects would be critical.

Council Member Steele felt that the City, the School District, SEDCO, and the Chamber should all work together because a good school system is extremely important to prospects and can be a determining factor on whether or not a company located in Sherman. This decision is important to everyone.

COUNCIL MINUTES – APRIL 11, 2016

Mr. Millerick said everyone was concerned about the TRE, but he urged them to “take a step back” and market everything good about the District, even before the TRE. Mr. Hefton said that will be something that the communication staff from both entities can work on. He felt this would be a good first step and the staff members can work together over the next few weeks to develop a communications plan.

They discussed the schedule for another meeting between the City Council and the School Board Members. Another joint meeting might be scheduled for late June or July 2016. They also discussed whether to have a work session or an executive session. Mr. Hefton said if they are starting to talk specifically about the location of schools, he felt an executive session would be better.

Juston Dobbs, SISD Board Member, said the energy and vision he is seeing today is long overdue and as the leaders of the community, they “own their own destiny.” He urged all entities to continue to work together.

Council Member Steele said the manufacturers are excited about the dual credit where a young person can graduate High School with a level two certification. He said prospects coming to Sherman want to have a “pipeline” of workers.

Kiki Osterman, SISD Board Member, said the career and technology center is a new program that is up and coming, but they are extremely expensive. She said the SISD almost needs to partner with other small School Districts to afford a first class, high quality career and technology center.

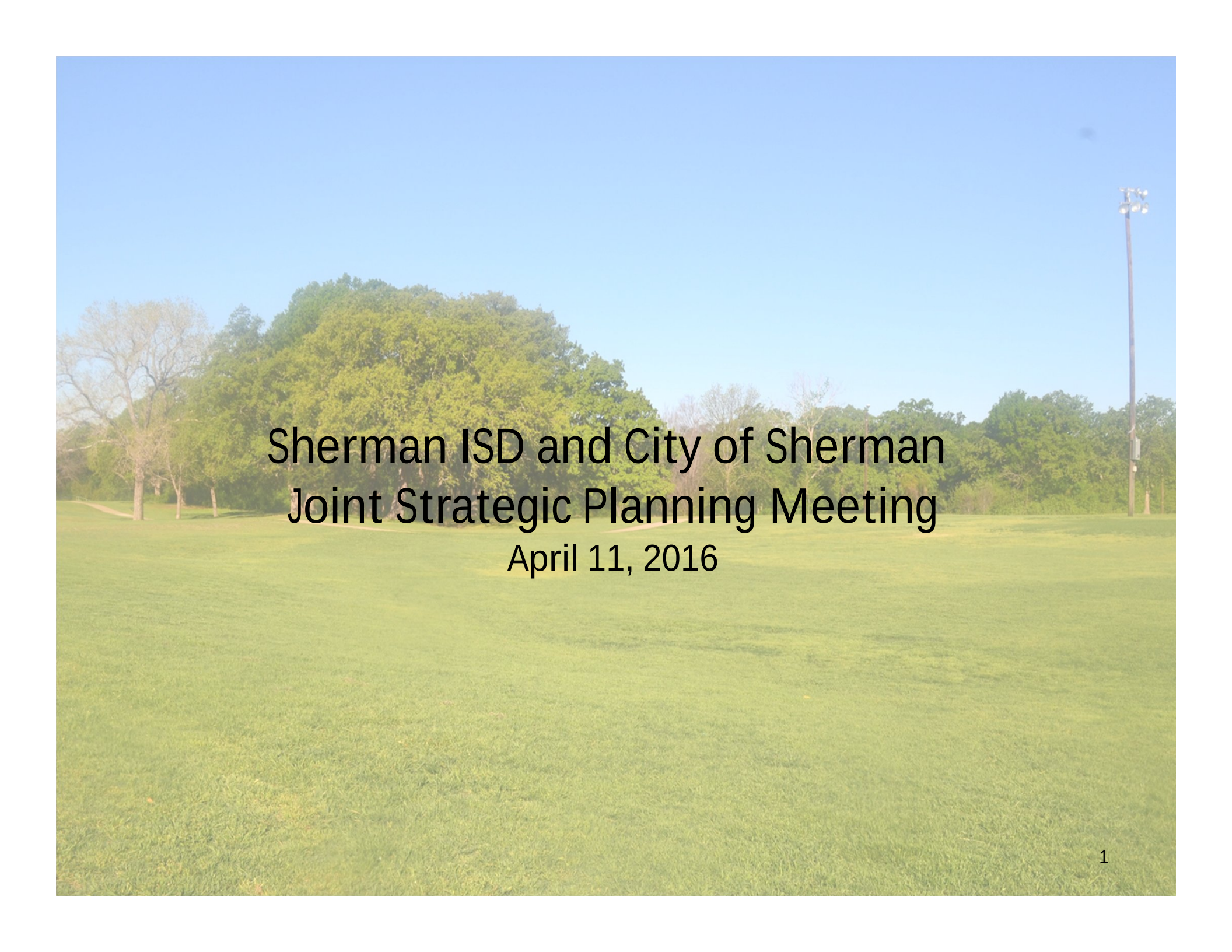
ADJOURNMENT

There being no further business to come before the City Council or the Sherman Independent School District Board of Trustees, motion was duly made and approved to adjourn the Called Meeting at 1:01 p.m.

MAYOR

ATTEST

CITY CLERK

A photograph of a grassy field with trees in the background and a tall light pole on the right.

Sherman ISD and City of Sherman Joint Strategic Planning Meeting April 11, 2016

Meeting Agenda

- Introduction of SISD Board and Sherman City Council members
- Sherman ISD
 - Update and discussion of Sherman ISD operations
 - Upcoming challenges and opportunities for SISD
- City of Sherman
 - State of the City discussion
 - Upcoming challenges and opportunities for the City
- Joint opportunities and strategies discussion

SISD Strategic Goals



- Improve Student Achievement by Using Research-Based Instructional Practices
- Integrate Technology into Classroom Instruction
- **Evaluate School Facilities and Strategically Plan for Future Needs**
- **Provide Students with Relevant and Meaningful Career and Technology Experiences**
- **Build Partnerships with Parents and Community Members that Will Enhance Our Students' Experiences**
- Proactively Expand Extracurricular and Co-Curricular Opportunities for All Students

12 Campuses

Fred Douglass Early Childhood (ages 3-4)

7 Elementary Schools (K- 4)

Dillingham Intermediate (5-6)

Sherman High School (9-12)

Piner Middle School (7-8)

Perrin Learning Center

Grayson County Services

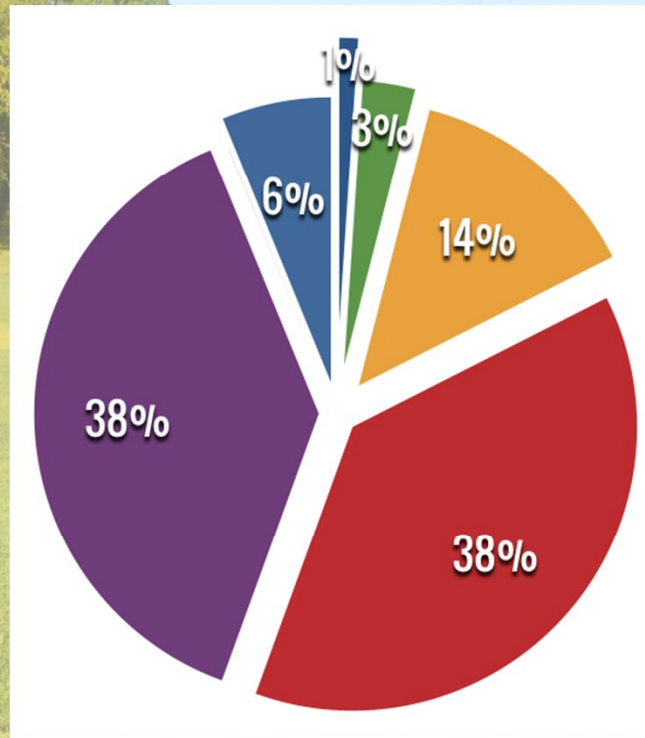


Demographic Data

Diverse student population that reflects the
Population in the City of Sherman and Grayson County

Enrollment by Ethnicity *

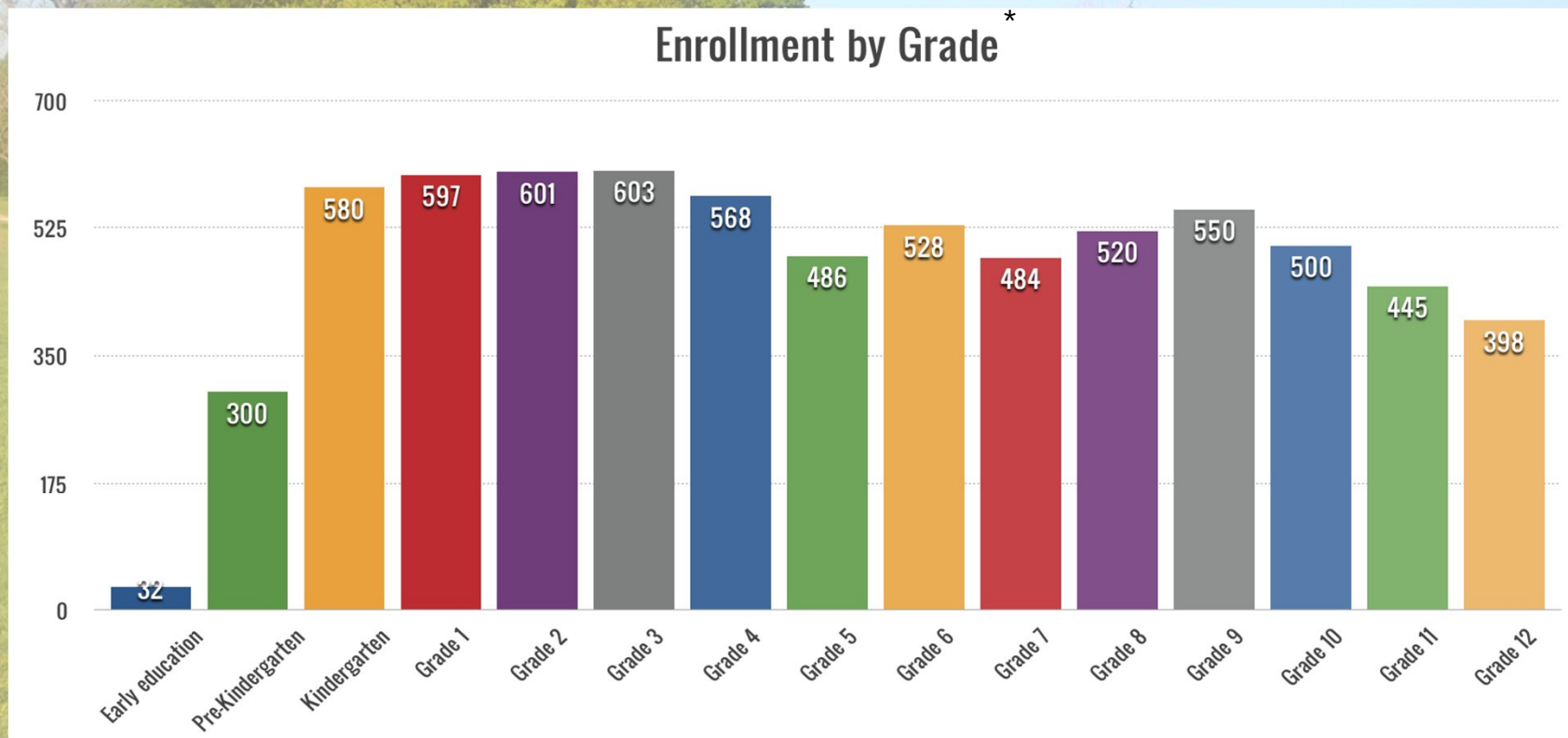
ETHNICITY	NUMBER OF STUDENTS	PERCENTAGE
American Indian/Alaskan	76	1.06%
Asian	213	2.96%
Black/African-American	973	13.53%
Hispanic/Latino	2,732	37.99%
White	2,751	38.25%
Hawaiian/Pacific Islander	1	0.01%
Two or more	446	2.96%
TOTAL	7,192	100%



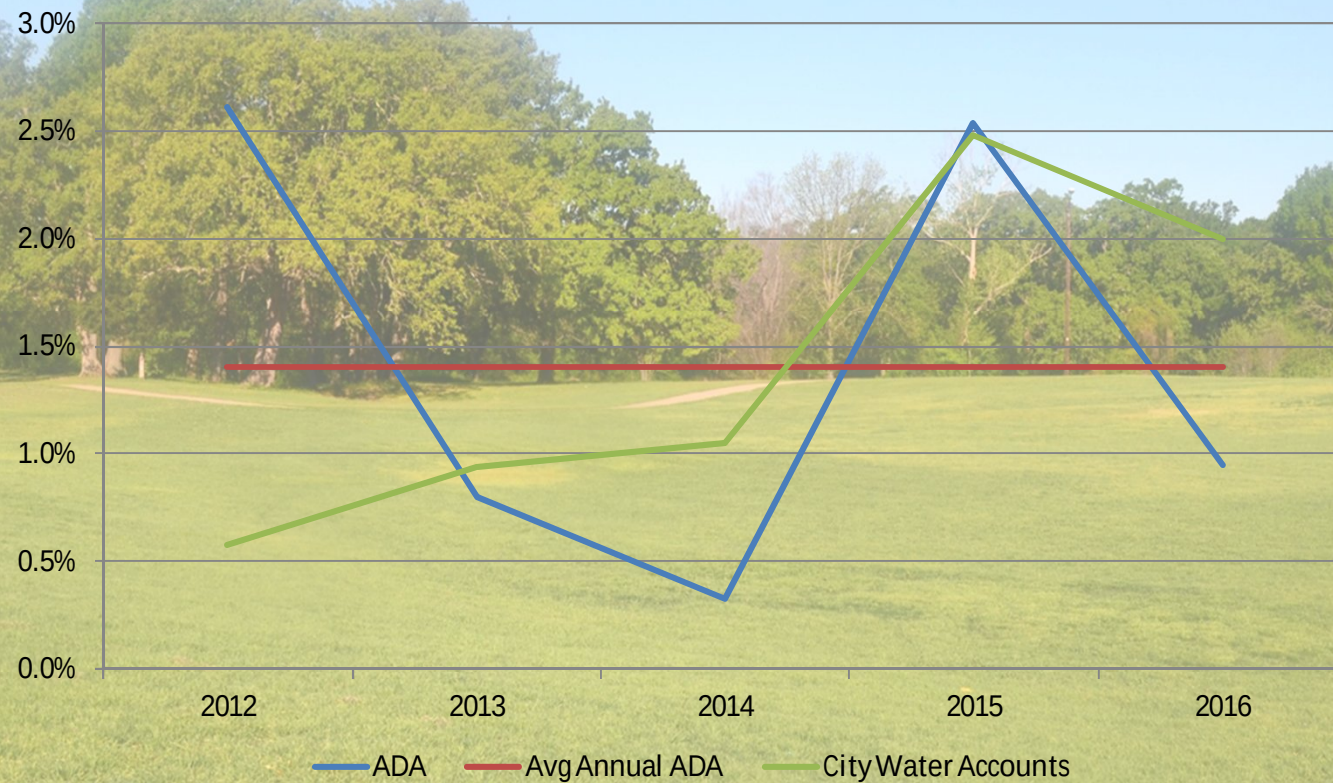
- American Indian/Alaskan
- Asian
- Black/African-American
- Hispanic/Latino
- White
- Hawaiian/Pacific Islander
- Two or more

Enrollment

- Total enrollment hovers just above 7,200
- Enrollment growth of 1-1.5% annually



Attendance Growth vs City Growth



Sherman ISD Facility Study

- What is our current enrollment and how is it expected to change in the short and long term?
- What is the general condition of our current facilities?
 - How well does the physical space support our current instructional programs?
 - Do our schools have room for student growth?
 - What is the useful life of our current schools and are they being best utilized?

Sherman ISD Facility Study

- Current enrollment is 7232
- Enrollment is projected to grow 1-1.5% annually
 - 10 years of historical data studied
 - Analysis of data by Templeton Demographics
 - Review of population projections from Texas State Data Center and Texas Water Development Board

Sherman ISD Facility Study

- SISD has made best use of its facilities
- The useful life of a school is generally 50 years
 - 8 campuses range in age from 45-83 years old
 - 6 campuses are more than 60 years old
- Mid-life refurbishment is needed at 20-25 year mark
 - 4 of the schools have been built or had major renovations according to current state design standards
 - Classroom size and type
 - Traffic patterns
 - Instructional alignment
 - Many district schools experienced partial to significant renovations 20 years ago
 - Newest campuses are nearing their mid-life mark and will benefit from renovations

Sherman ISD Facility Study

- 11 campuses exceed recommended capacity
 - Number of current (and expected) students
 - Size of classrooms and shared spaces
 - Comparison to current state recommendations
 - Capacity of school infrastructure to accommodate student growth (kitchens, halls, gyms, cafeterias, dedicated instructional spaces)
 - Adequacy of play areas and sports fields

Sherman ISD Facility Study

- Recommendations

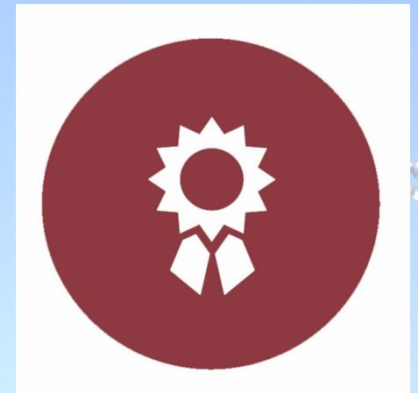
- Create and adopt planning guidelines
 - School grade configurations, school size, attendance boundaries, classroom space, traffic patterns, shared facilities, increased space for individualized and differentiated instruction
- Convene a citizens committee to create a Facilities Master Plan to identify and prioritize needs and ensure programmatic comparability among schools
- Continue to plan and allocate resources for building use and re-use

College & Career Readiness

Rigorous Academic and Career & Technical Programs



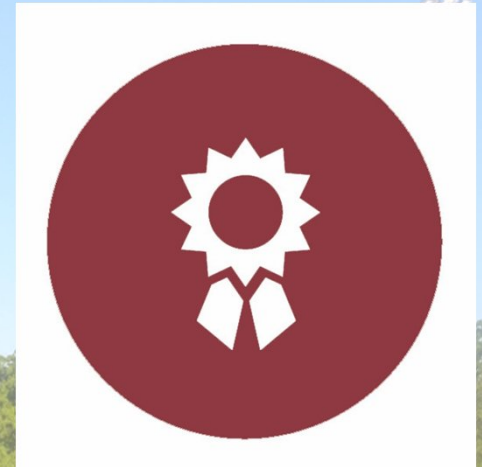
State Academic Distinctions



- All Sherman ISD campuses Met Standard.
- Our number of Distinction Designations more than doubled from 13 in 2014 to 27 in 2015.
 - Academic Achievement in **Reading/English Language Arts**: 6 distinctions
 - Academic Achievement in **Mathematics**: 1 distinction
 - Academic Achievement in **Science**: 1 distinction
 - Academic Achievement in **Social Studies**: 1 distinction
 - Top 25 Percent: **Student Progress**: 3 distinctions
 - Top 25 Percent: **Closing Performance Gaps**: 6 distinctions
 - **Postsecondary Readiness**: 7 distinctions

State and National Recognitions

- SHS ranked in the top 8% in the nation for focus on producing college-caliber students by the *Washington Post*.
- SHS ranked in the top 6% of the “most outstanding high schools” in America by *U.S. News and World Report*.
- SHS had a record-high 65 AP Scholars **earning college credit** on at least three AP exams in 2015
- SHS students’ AP/SAT/ACT scores are **consistently above** state and national averages.



College Preparation

Earning College Credit

- More than 500 AP tests taken last year
- 70-100 students enrolled in dual credit courses annually
- 36 college-level courses offered
 - 6 dual credit courses offered (770 to 1,100 hours earned per year)
 - 30 Advanced Placement courses (750+ hours earned)
 - AP Classes include:

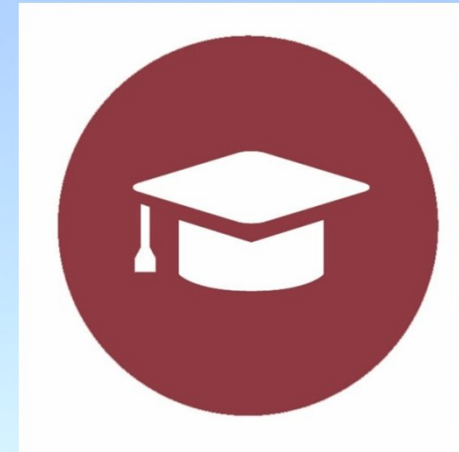
English
Art/3-D Art
Music Theory
Algebra

Statistics
Calculus
Psychology
Latin

Spanish
Biology
Chemistry
Physics

World History
U.S. History
Economics
Macroeconomics

U.S. Government
Computer Science
European History
Human Geography



Career & Technology

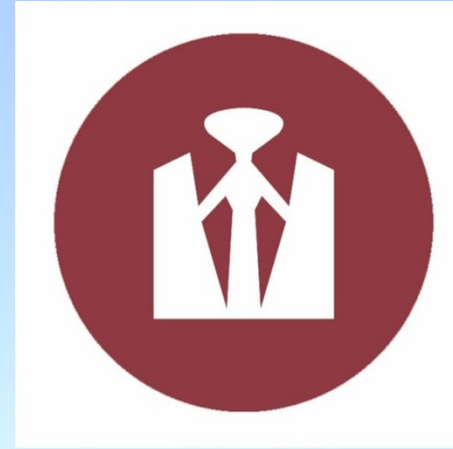
Hands-on, experiential learning opportunities that prepare our students for real-world challenges



- More than 1,500 students taking at least one CTE course, representing a 42% increase from 2012-2014.

Career & Technology

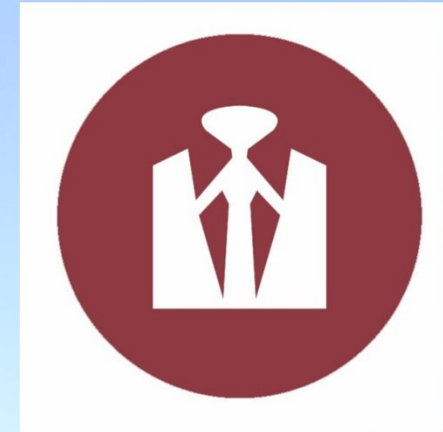
Opportunities for Professional Certification



- Agriculture, Food, and Natural Resources
 - Level 1 Floral Design, Texas Hunter Education and Tractor Safety, AWS Welding
- Architecture and Construction
 - National Center for Construction Education – Core, Carpentry, HVAC, Plumbing, OSHA, Architect Apprentice, AutoCAD
- Human Services
 - State Cosmetology License
- Hospitality and Tourism
 - ServSafe and Food Handling, OSHA

Career & Technology

Opportunities for Professional Certification



- Arts, Audio/Video, Technology, Communication/Business Management and Information Technology
 - Adobe Certified Associate, Autodesk Certified Associate, Final Cut Pro, Microsoft Office User Specialist, CompTIA A+/Network+/Security+, Adobe Dreamweaver, Oracle Java
- Manufacturing
 - Partnership with Grayson College and the Middle Skills Workgroup
- Health Sciences
 - Practicum/Internships
 - National/State Pharmacy Technician
 - Certified Nursing Assistant

SISD Revenues and Expenditures
and the
Tax Ratification Election Process
Mr. Josh McLaughlin
BOSC

Financial Health

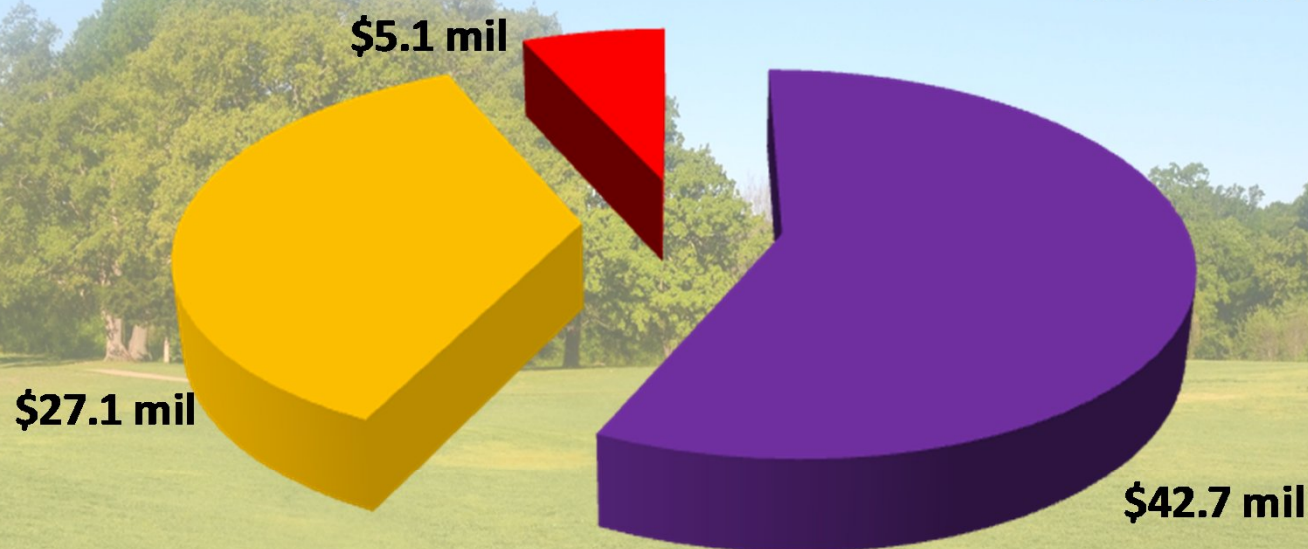
Measures of Financial Health

- Liquidity – Are reserves adequate?
 - At 6/30/15, SISD General Fund reserves = 92 days
- Stability – related to financial policies and practices. Is there a willingness by staff, Board, community to make necessary financial decisions (budgetary, operational, financing, etc)
 - TRE election
 - Bond election
 - History of balanced budgets
 - Early payoff of debt
- Growth capacity – what is available cap room and appetite for financing growth?
 - SISD has capacity for additional debt under current
- Economic outlook – state of affairs for SISD and community. Is it declining, stable, growing, etc?
 - ADA has been increasing
 - City is experiencing 2% + growth in utility accounts (2015)

Sherman ISD Revenue by Sources

(where it comes from)

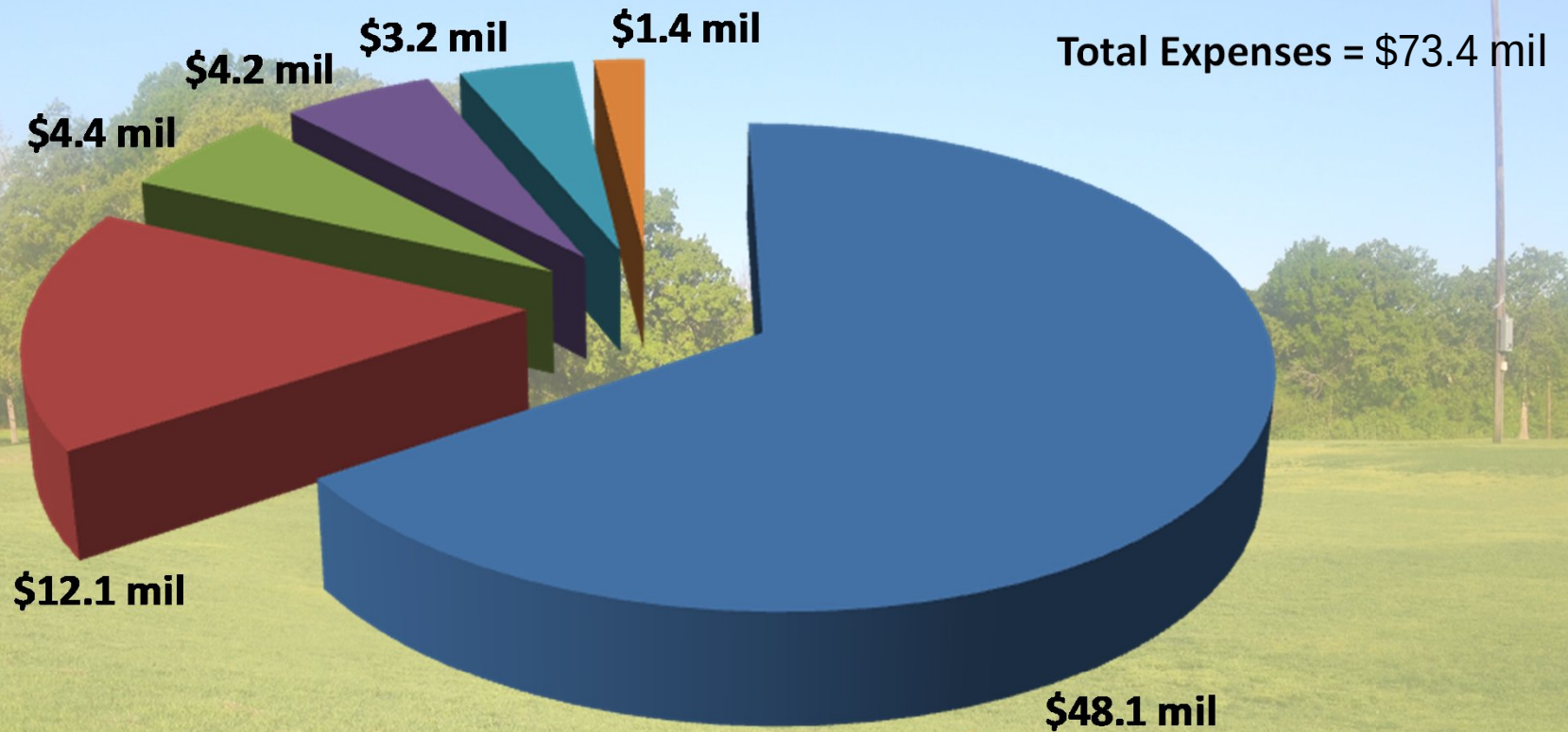
Total Revenue = \$74.9 mil



■ Property Taxes ■ State ■ Federal, Food, Other local



Sherman ISD Expenses by Type

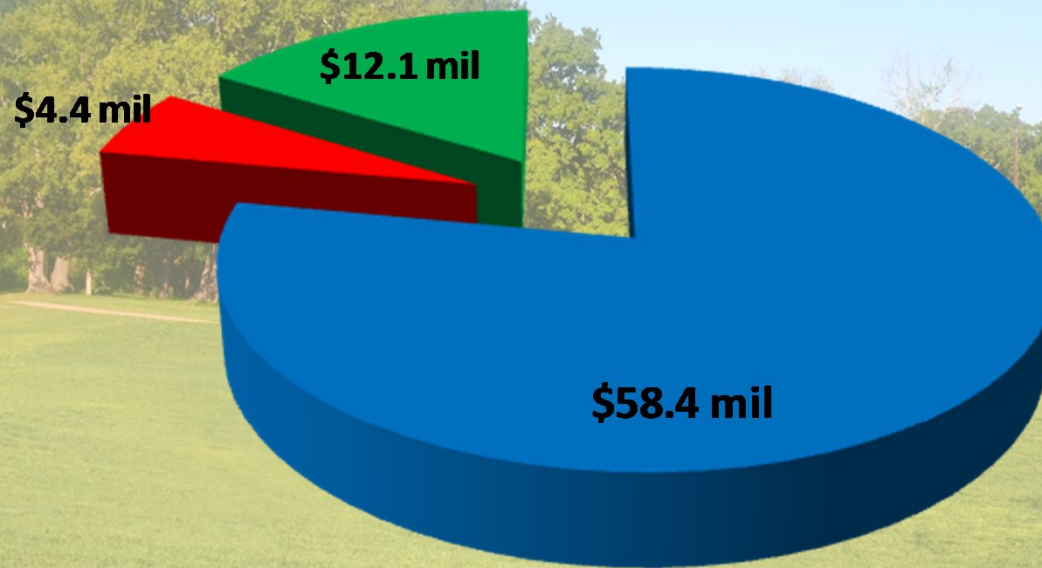


■ Payroll ■ Debt ■ Food Service ■ Prof & Contract Svcs ■ Supplies & Materials ■ Other

Sherman ISD Revenue Sources by Fund

(how it's accounted for)

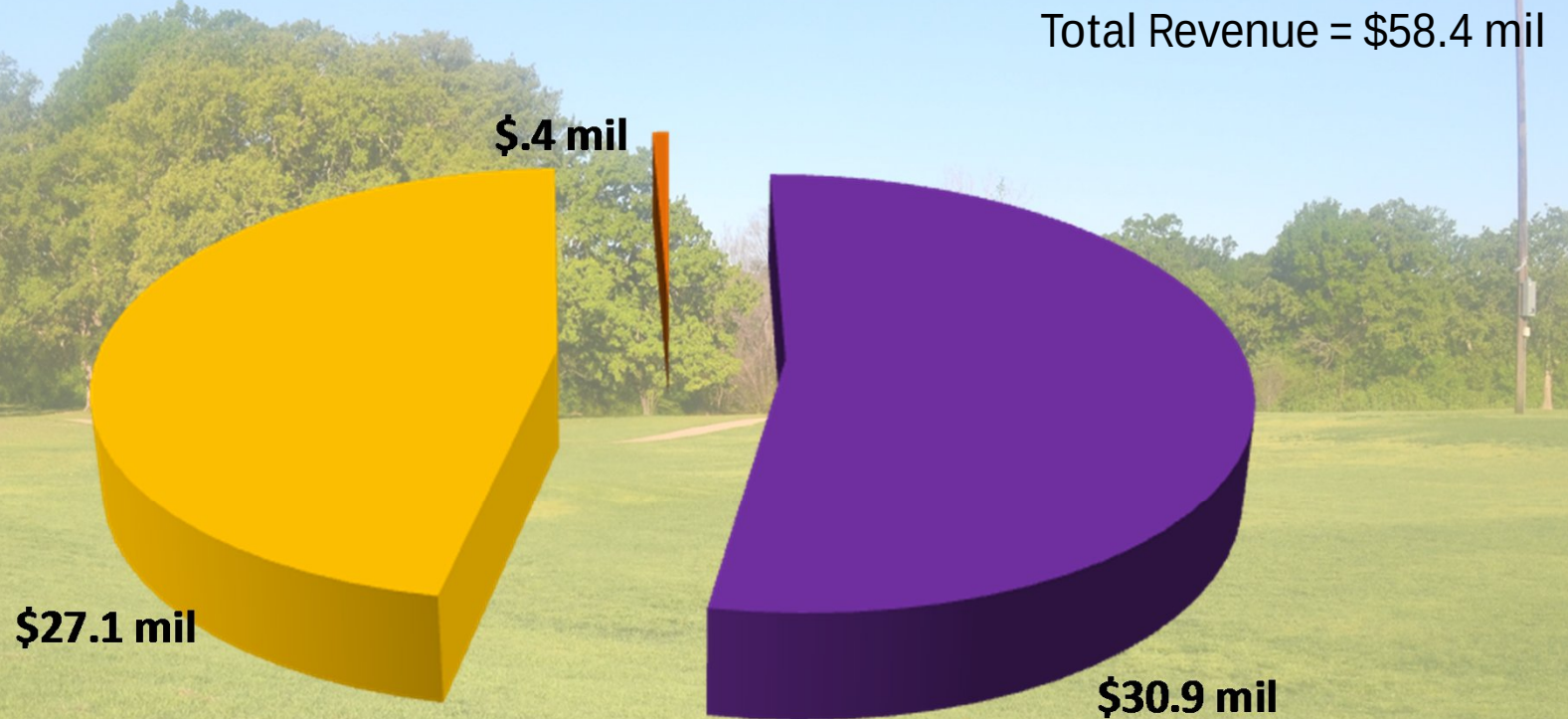
Total Revenue = \$74.9 mil



■ General ■ Food Service ■ Debt



General Fund Revenue Sources

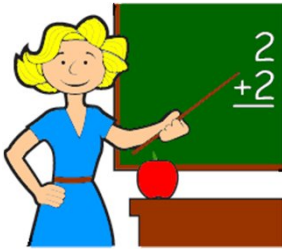


■ Property Taxes & Other ■ State ■ Federal

Anatomy of Tax Ratification Election (TRE)

Current Scenario

M&O Costs
(tax rate capped at \$1.04/\$100)



Total Rate = \$1.44/\$100

Interest and Sinking (I&S) Costs - Debt
(tax rate capped at \$.40/\$100)



Proposed Scenario

M&O Costs
(tax rate capped at \$1.17/\$100)

Interest and Sinking (I&S) Costs - Debt
(tax rate capped at \$.27/\$100)

Total Rate = \$1.44/\$100

\$0.13/\$100



Benefits of Tax Ratification Election (TRE)

Current Scenario

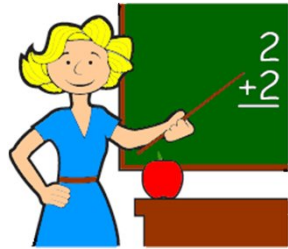
M&O Revenue Local
\$31 million



State Revenue
\$27 million



\$58 million



I&S Revenue
\$12 million



Proposed Scenario

M&O Revenue Local
\$35 million



State Revenue
\$28 million



\$63 million

I&S Revenue
\$8 million

\$4 million



General Fund

Debt Fund

A wide, green grassy field, likely a golf course, with a line of trees in the background. A tall, thin light pole stands on the right side. The sky is clear and blue.

City of Sherman

2016 Council Initiatives

- ✓ Water Treatment Plant Expansion
- ✓ Compensation and Staffing
- ✓ Stormwater Management and Planning
- ✓ FM 1417 Development Management
- ✓ Code Enforcement and substandard structures
- ✓ Downtown Sidewalks
- ✓ Loy Lake Rebuild (Street sales tax, TIF, bond)
- ✓ Optimized Space utilization

2016 Council Initiatives - continued

- ✓ Utility issues – water & waste water improvements
- ✓ Southwest Elevated Water Storage Tank
- ✓ Solid Waste Rate adjustment
- ✓ Downtown incentives
- ✓ Stepped up code enforcement/cleanup along Hwy 56
- ✓ Improvements to Ballroom/Kitchen
- ✓ Improved safety along Grand Avenue
- ✓ Development ordinance improvements
- ✓ Pursue Street Sales Tax!

2016 New Initiatives

- ✓ SFD Station #4 Relocation
- ✓ Carriage Estate Water System
- ✓ Hwy 56 West annexation
- ✓ Sherman Crossroads
- ✓ Pecan Grove Ballfields
- ✓ Kroger Development
- ✓ Lamberth West Development
- ✓ The Preserve Development
- ✓ Hwy 1417/75 (southeast) Development
- ✓ Affordable Housing policy

Financial Update

EST.
1846
Welcome to Sherman

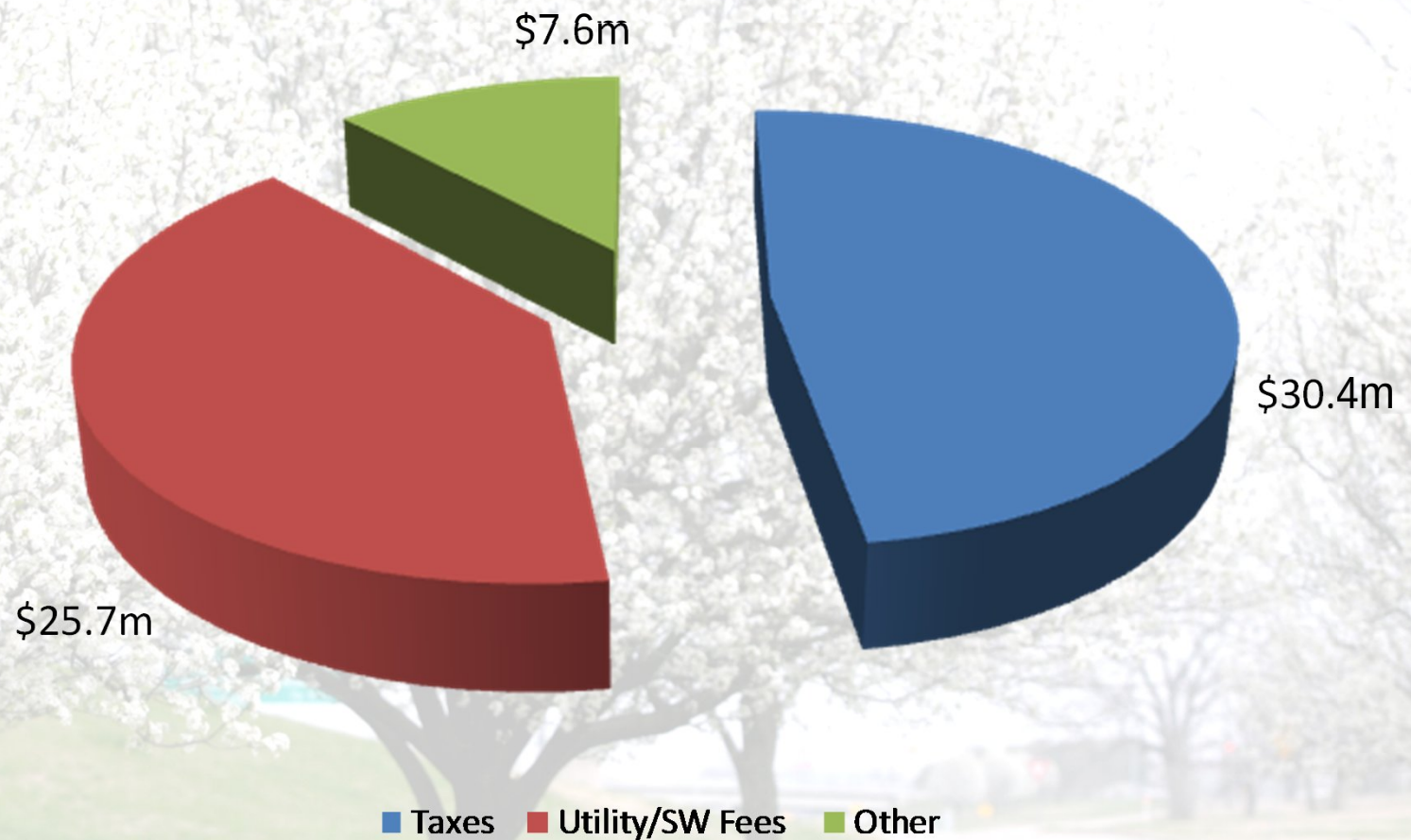
Financial Health

Measures of Financial Health

- Liquidity – Are reserves adequate?
 - At 9/30/15, City General Fund reserves = 90 days
- Stability – related to financial policies and practices. Is there a willingness by staff, Council, community to make necessary financial decisions (budgetary, operational, financing, etc)
 - Tax and utility rate changes
 - Proactive approach to development
 - History of balanced budgets
- Growth capacity – what is available cap room and appetite for financing growth?
 - City has capacity for additional debt
- Economic outlook – state of affairs for City and community. Is it declining, stable, growing, etc?
 - Growth in all sectors – Industrial, Commercial/Retail, Residential, Multifamily
 - SEDCO is busy
 - 2% + growth in utility accounts (2015)

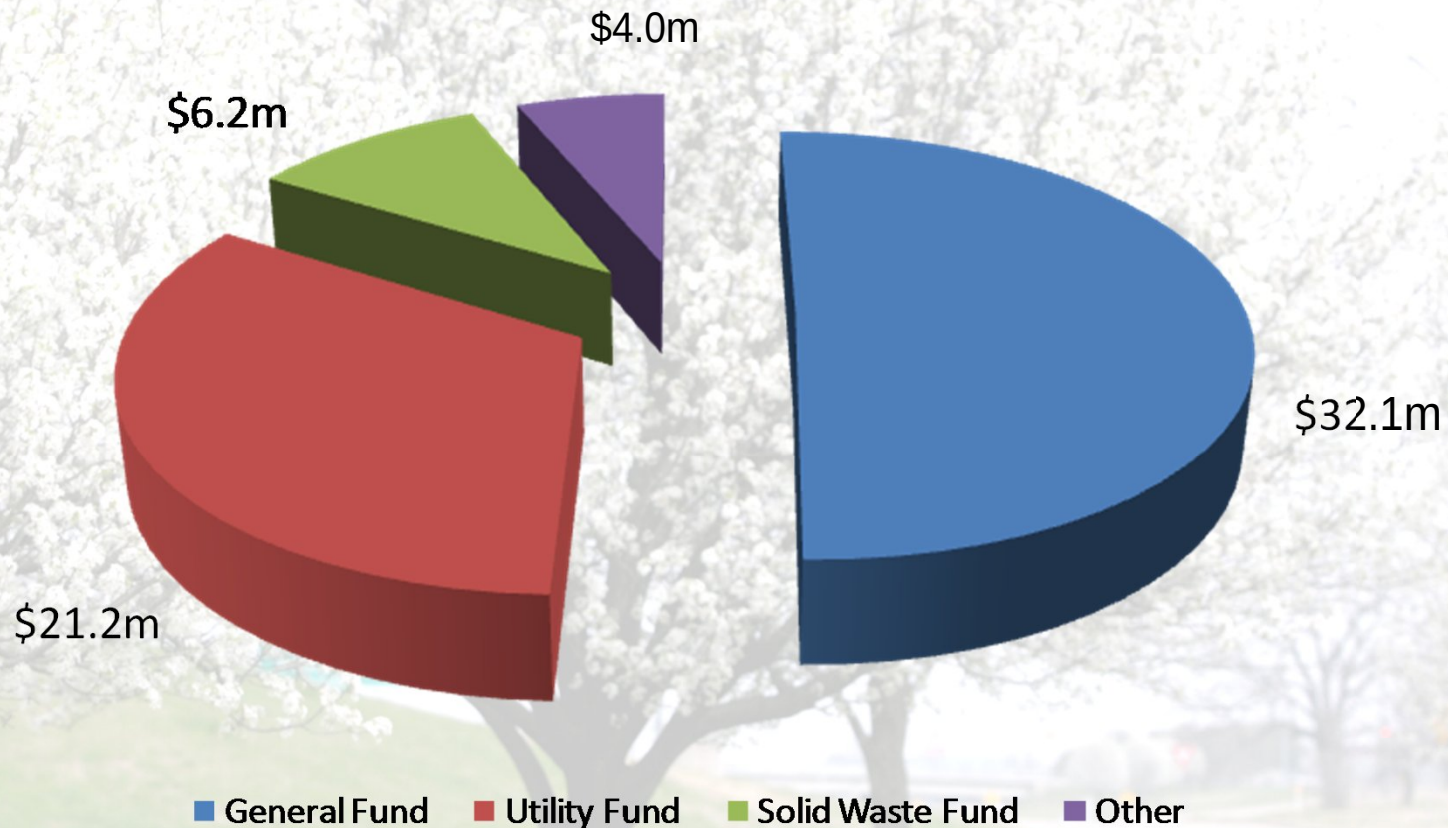
City of Sherman Revenue by Sources

(where it comes from)



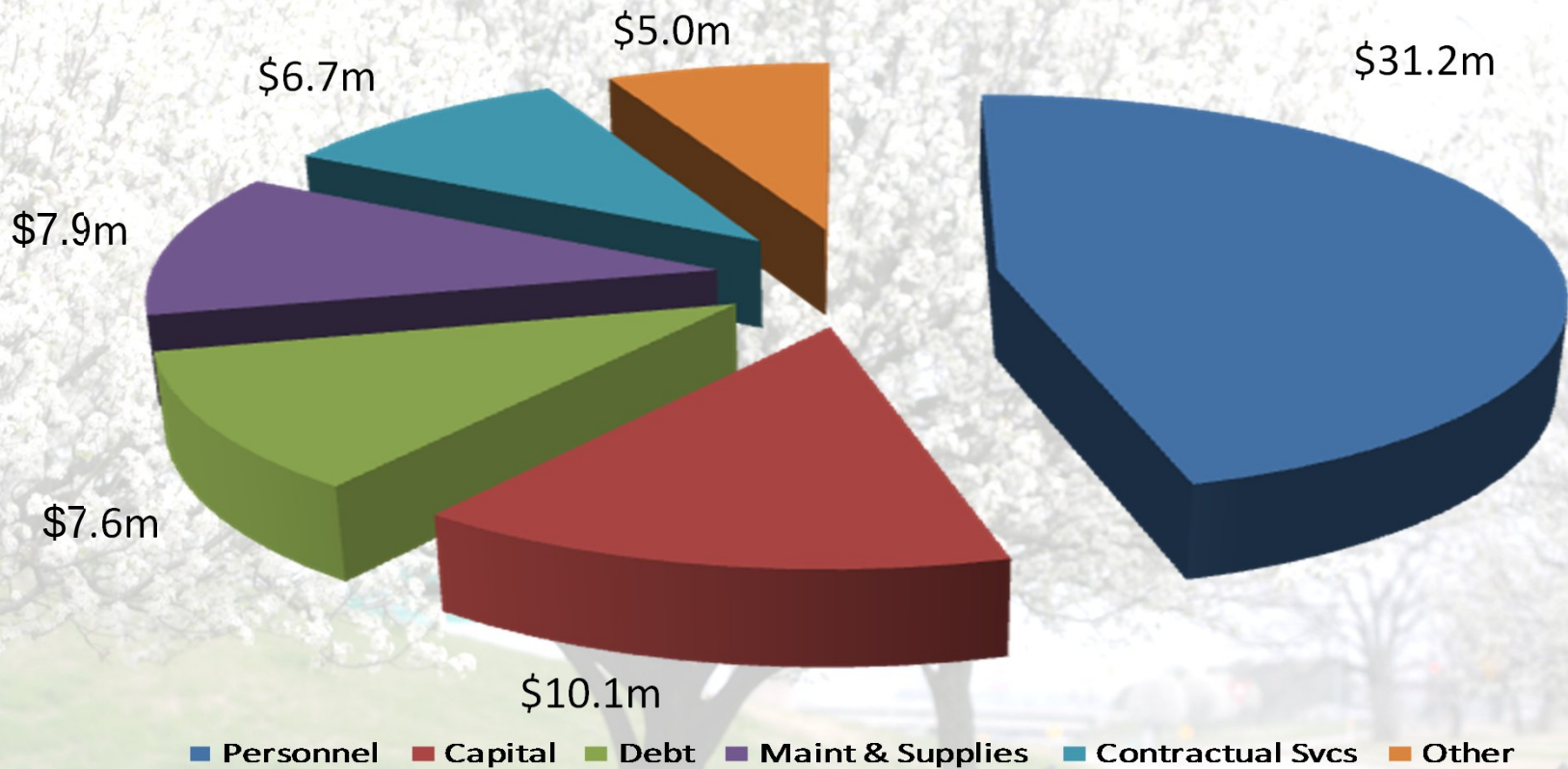
City of Sherman Revenue Sources by Fund

(how it's accounted for)



City Expenses by Category

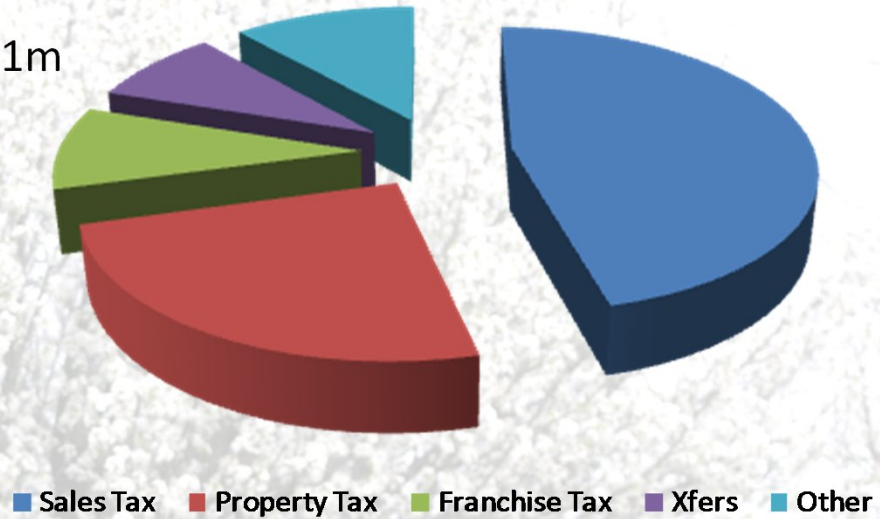
(how it's used)



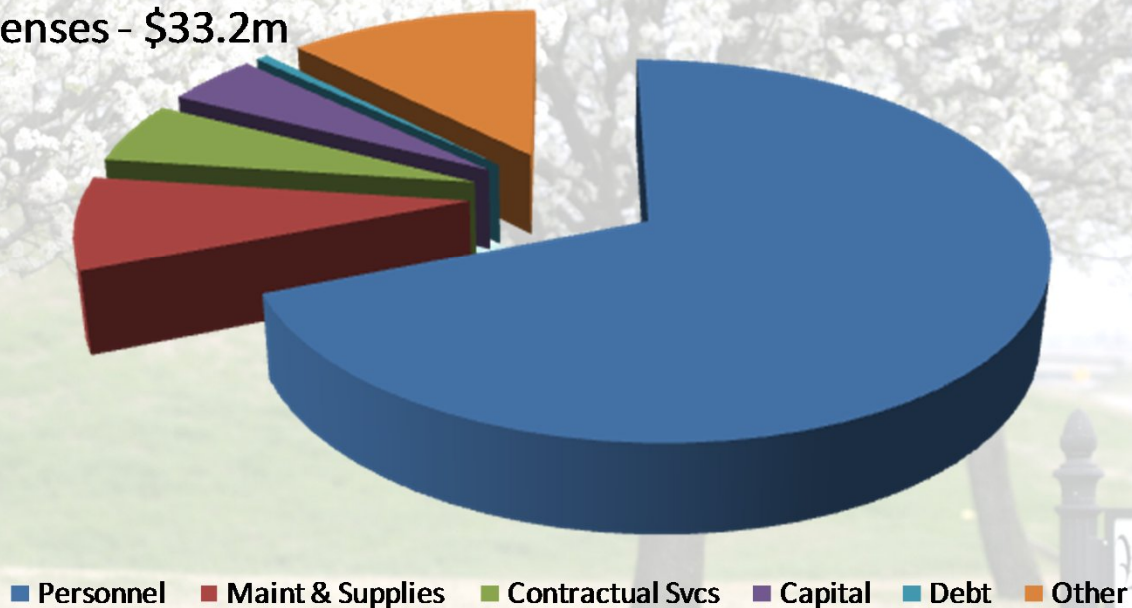
1846
Welcome to Sherman

City General Fund Revenues and Expenses

Total Revenue - \$32.1m

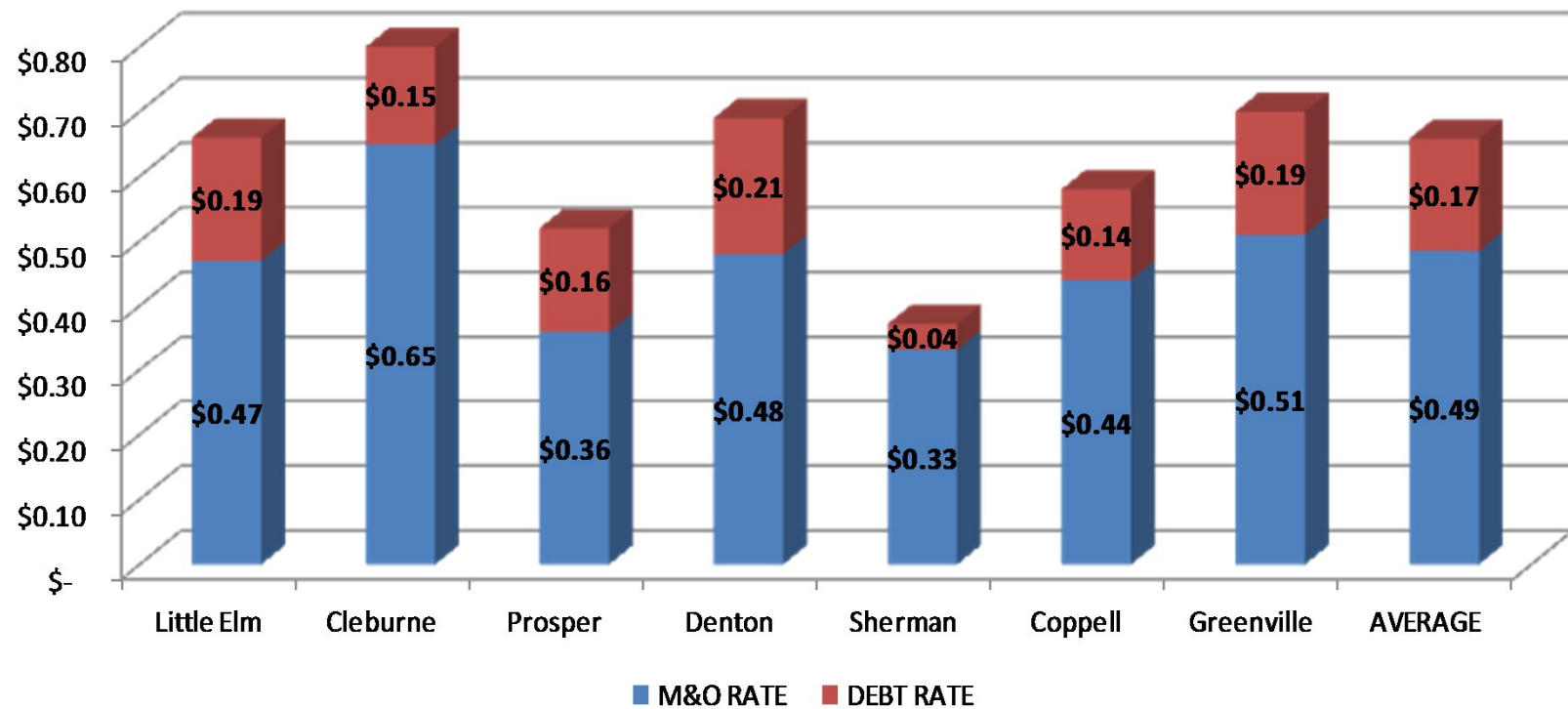


Expenses - \$33.2m



Welcome to Sherman

Excerpt from Transportation Workshop

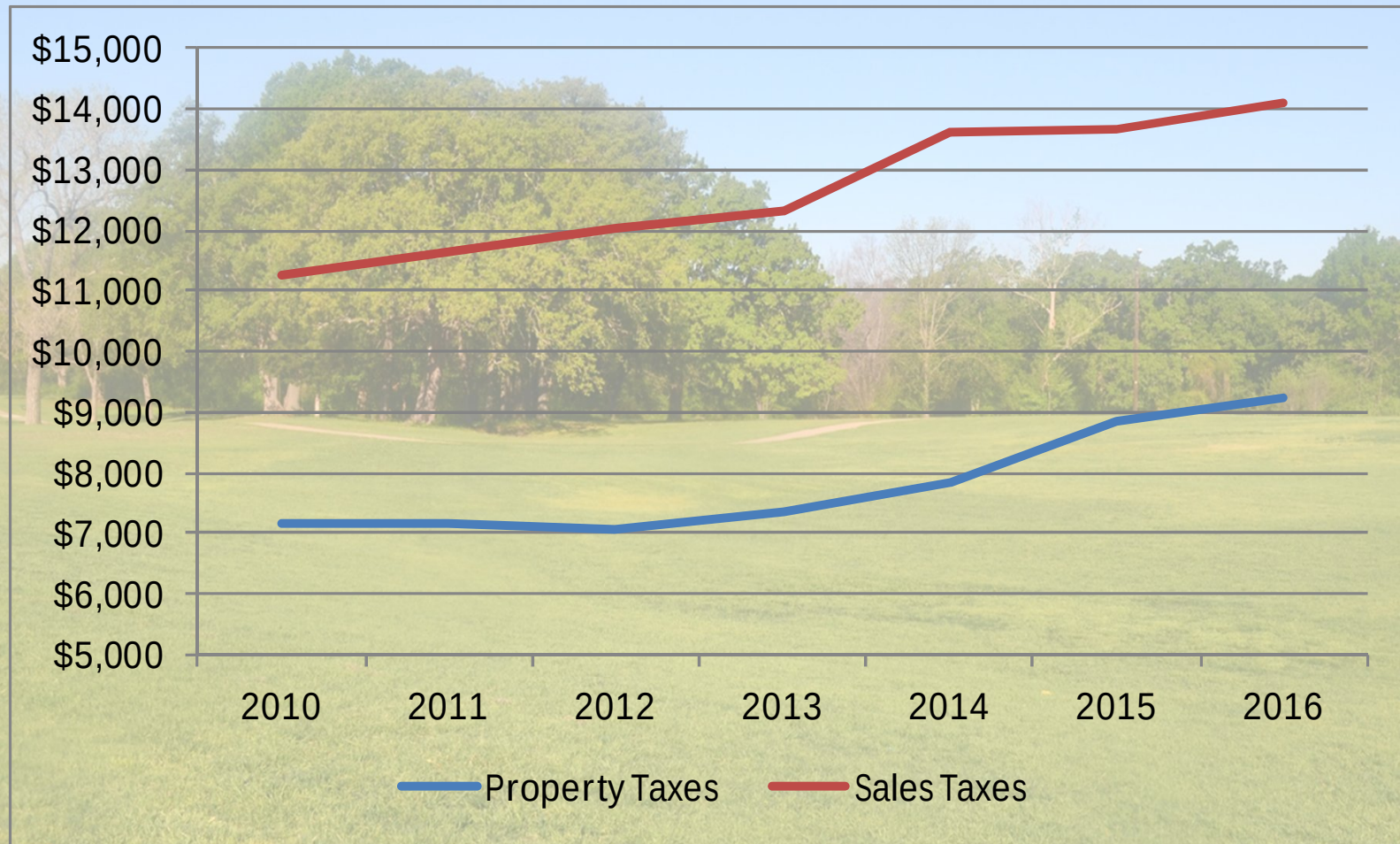


TML Tax and Debt Survey Observations

	Tax Rate	Tax Value (\$mil)	Tax Debt (\$mil)	Tax Debt per capita
Overall Peer	\$ 0.613	\$ 2,580	\$ 52.4	\$ 1,405
High Growth Peer	\$ 0.651	\$ 2,279	\$ 61.3	\$ 1,656
Sherman	\$ 0.372	\$ 2,376	\$ 13.3	\$ 332
Large Peer	\$ 0.572	\$ 4,396	\$ 104.1	\$ 1,625

Sales and Property Tax History

(in \$000)



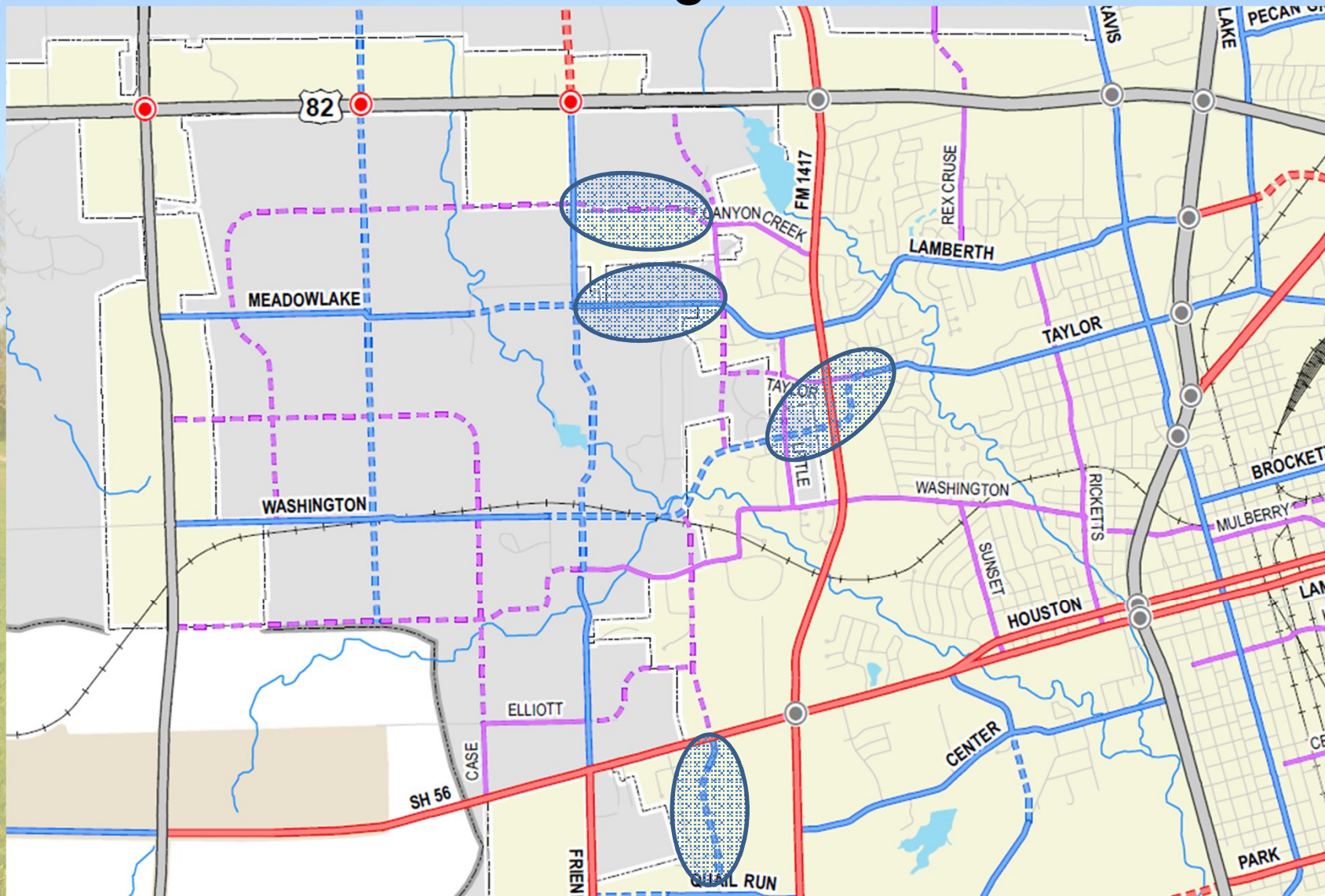


TRANSPORTATION

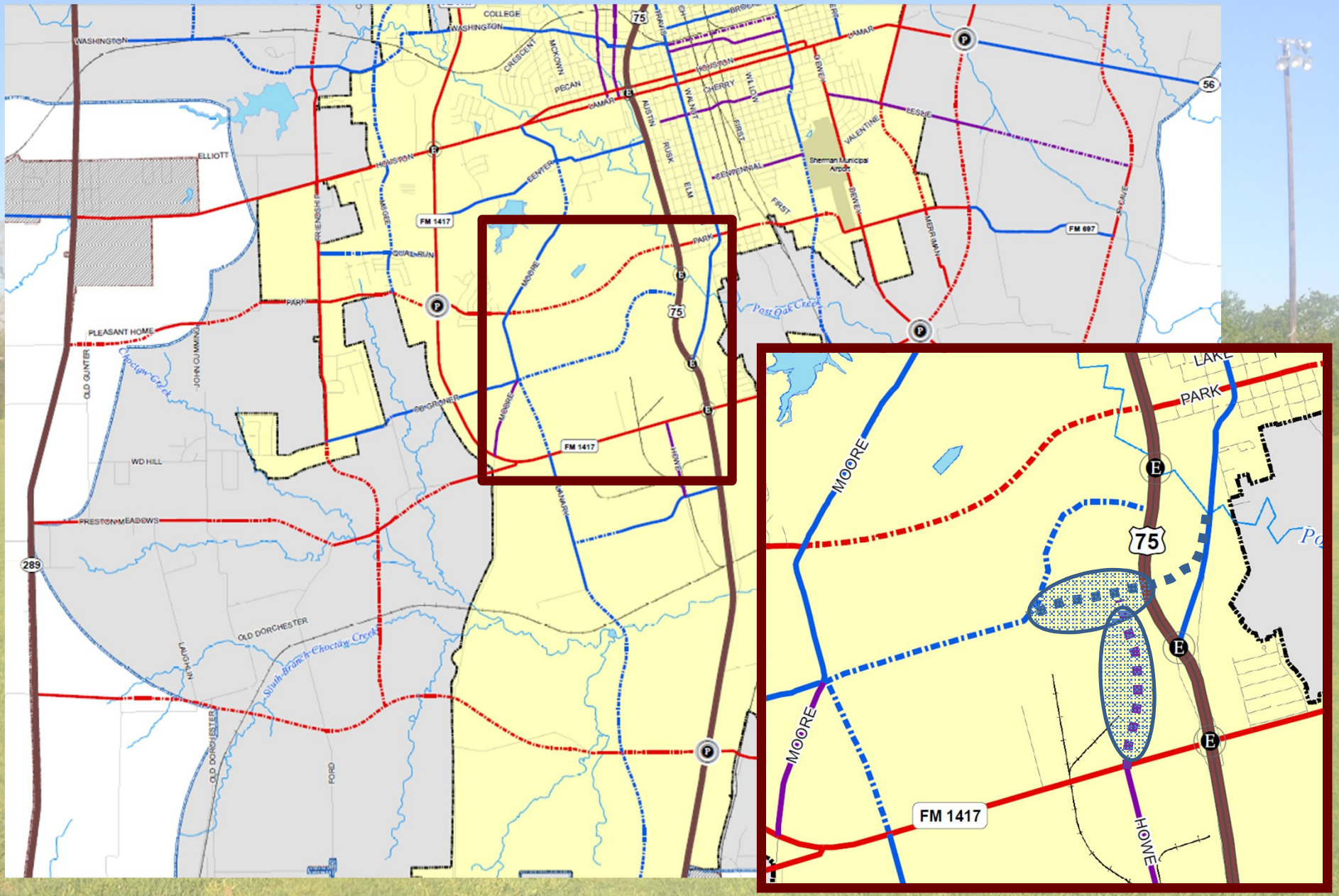
Transportation Issues – Current Year Growth

- TxDOT enhancements
 - Working with TxDOT to leverage local \$\$
 - More active role in discussions with Paris TxDOT, esp. [Hwy 1417](#) and [Travis St](#)
 - Debt to be issued to re-prioritize TxDOT projects ??
- City thoroughfare development
 - Canyon Creek Dr
 - Lamberth Rd
 - Taylor/Washington St
 - Swan Ridge Dr
 - Travis (OB Groner)/Howe Dr

Refined Thoroughfare Network



South Half of the Thoroughfare Plan



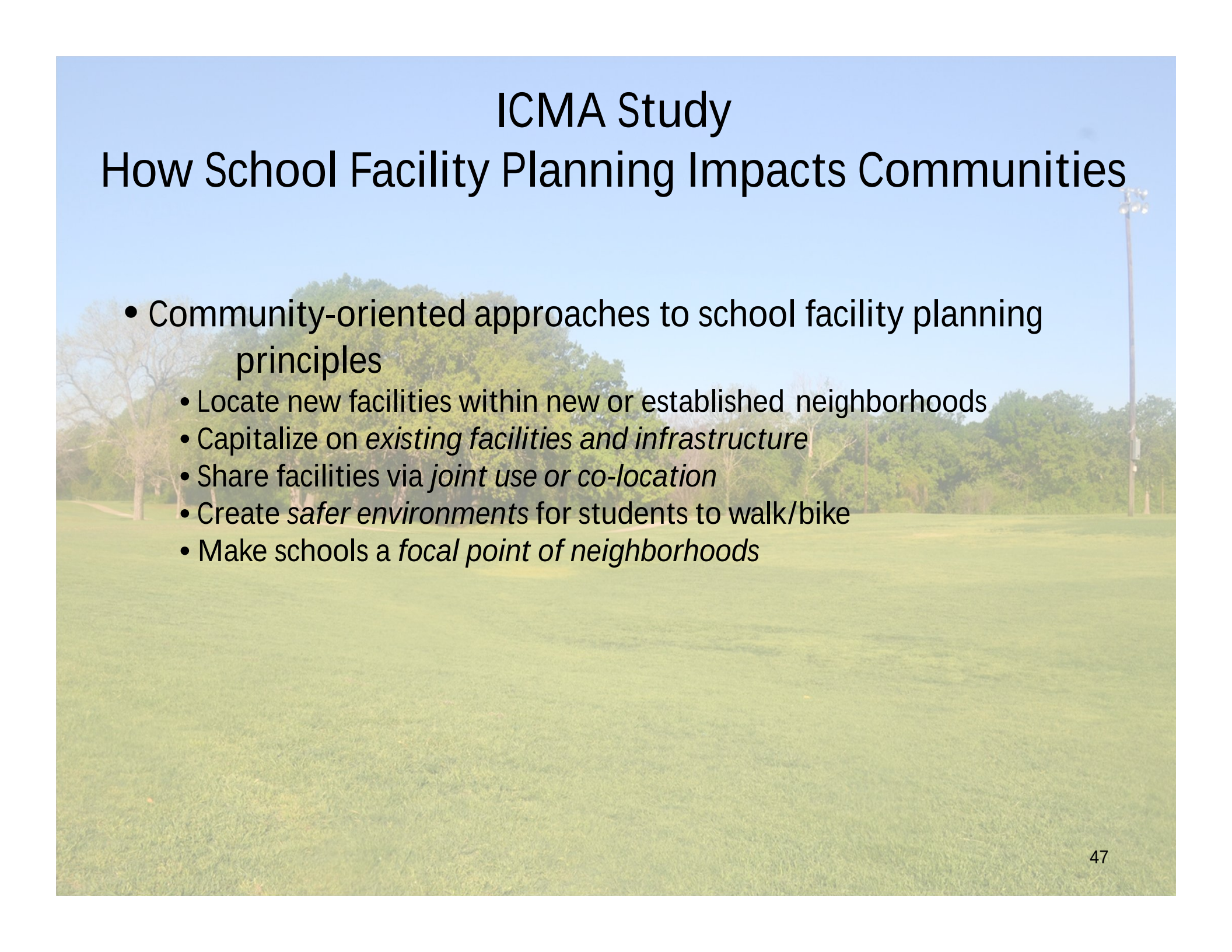
School Siting Discussion

- Study in Oregon addressed planning for schools and livable communities
- Identified four guiding principles
 - School siting decisions *benefit the entire community*
 - School site *takes advantage of existing resources*
 - School site is *easily and safely accessible* via multiple modes of transportation
 - School site is a *community focal point*
- Identified four major challenges
 - Funding
 - Land availability
 - Transportation/accessibility
 - Coordinated planning (between school and City)

School Siting Discussion

Study by International City Managers Association (ICMA)
– Local Governments and Schools: A Community-Oriented Approach

- Recognized the value of “smart-growth” concepts
- These concepts involved combining sustainable projects and smart growth
 - Sustainability – meeting the needs of the present without compromising the ability of future generations to meet their own needs
 - Smart growth – application of sustainability to development that serves environment, economy, and community at the same time; links development decisions with quality of life goals



ICMA Study

How School Facility Planning Impacts Communities

- Community-oriented approaches to school facility planning principles
 - Locate new facilities within new or established neighborhoods
 - Capitalize on *existing facilities and infrastructure*
 - Share facilities via *joint use or co-location*
 - Create *safer environments* for students to walk/bike
 - Make schools a *focal point of neighborhoods*

ICMA - How School Facility Planning Impacts Communities

- School facility planning impacts to the community
 - Economy – property values, economic development, residential growth
 - Environment and public health - school location impacts modes of transportation, therefore things like air quality and physical activity
 - Traffic congestion – schools contribute to and are affected by traffic, especially during peak hours or special events
 - Community cohesion – schools can/should serve as community anchors that support community interaction and engagement
 - Social equity – socioeconomic makeup of neighborhoods is reflected in the school system, and has implications for academic equity
 - Quality of education - quality of education influenced by integration into community life
 - School and local government finance – transportation, infrastructure, service costs

Common Study Themes Involving Joint Partnerships

- Use of sustainable and “smart-growth” concepts
- Principles of community-based approaches
 - Benefits extend to entire community
 - Development uses existing infrastructure, where possible
 - School site is focal point for community
 - Accessibility/transportation is key
- Challenges include
 - Coordinated planning
 - Transportation/accessibility considerations
 - Availability of adequate land

Common Challenges/Opportunities – City and SISD

Facility and infrastructure development and planning

- Transportation/accessibility development needs
- Funding/financing growth and improvement
- Ensuring schools are a focal point in the City
- Joint facility use opportunities for new and existing
- Use of existing (or City proposed) water/sewer/roads from City and TxDOT

Operations

- Communication to public
 - TRE
 - Joint use
 - Growth plans
 - Joint City/SISD planning efforts
 - Other ongoing??
- Partnerships regarding career and technology training with SISD, City, Industry

Next Steps?

Pursue joint facility development?

Any CTE opportunities between City/SISD/SEDCO/Industries?

Timing and nature of next joint meeting?

- Executive work session vs joint open meeting
- Meet July/Aug time frame
- Location

City/SISD staff work jointly to determine message content, timing, methods, etc. to be communicated to community



Council and Board discussion

Calendar

April 11, 2016

April 15, 2016

June 21-22, 2016

September 2016

September 2016

4Q16/1Q17

2017

Joint SISD Meeting

City Budget Planning Meeting

City Budget Workshop

City Budget adoption final

SISD TRE election

City CO Proposed bond issuance

SISD Bond election for facilities

For Discussion Purposes Only



Overview of Tax Ratification Elections

Monday, April 11, 2016

Broker/Dealer Services and Securities offered by BOSC, Inc., an SEC registered investment adviser, a registered broker/dealer, member FINRA/SIPC. SEC registration does not imply a certain level of skill or training. Insurance offered by BOSC Agency, Inc., an affiliated agency. Investments and insurance are not insured by FDIC, are not deposits or other obligations of, and are not guaranteed by, any bank or bank affiliate. Investments are subject to risks, including possible loss of principal amount invested.



What is a Tax Ratification Election (“TRE”)?

- ❑ Each year Sherman Independent School District’s (the “District”) Board of Trustees is required to set two separate tax rates:
 - **Maintenance & Operations (“M&O”) Tax Rate:** Used for the “day-to-day” operational expenses of a school district including teacher salaries, educational programs, supplies, etc.
 - **Interest & Sinking Fund (“I&S”) Tax Rate:** Used for annual debt service requirements of bonds approved by voters.
- ❑ For fiscal year 2015/16, Sherman ISD’s M&O tax rate is \$1.04 and its I&S tax rate is \$0.40 – equaling a total tax rate of \$1.44.

M&O Tax Rate = \$1.04	+	I&S Tax Rate = \$0.40	=	Total Tax Rate = \$1.44
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What is a Tax Ratification Election (“TRE”)? (Continued)

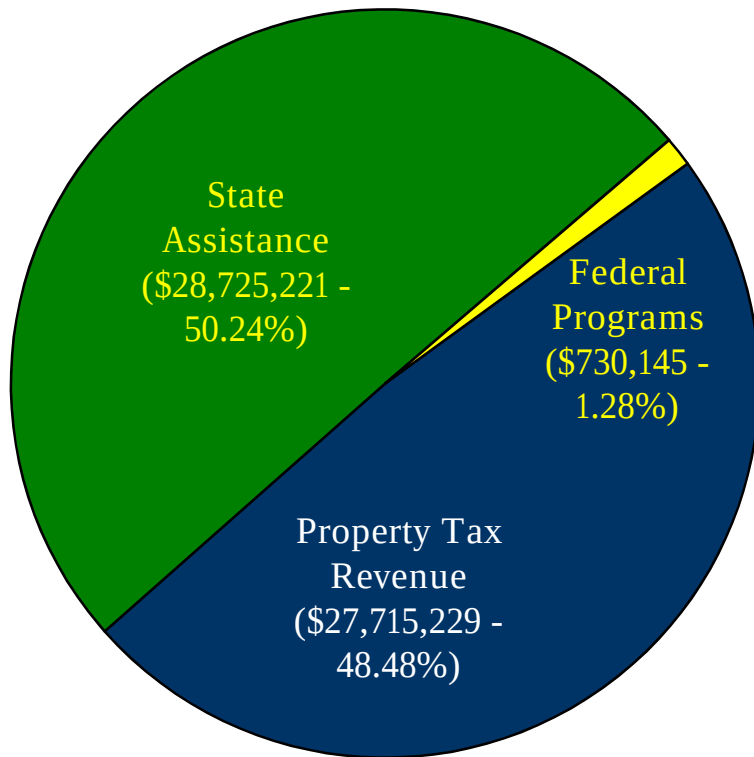
- ☐ Sherman ISD’s highest allowable M&O tax rate is currently \$1.04.
- ☐ In order to adopt a M&O tax rate above \$1.04, the District must conduct a “rollback election” – known as a “Tax Ratification Election” or “TRE” to ratify a higher rate.
- ☐ Pursuant to current State law, the highest allowable M&O tax rate is \$1.17 with a successful TRE – which equates to an additional 13 pennies of tax revenue.



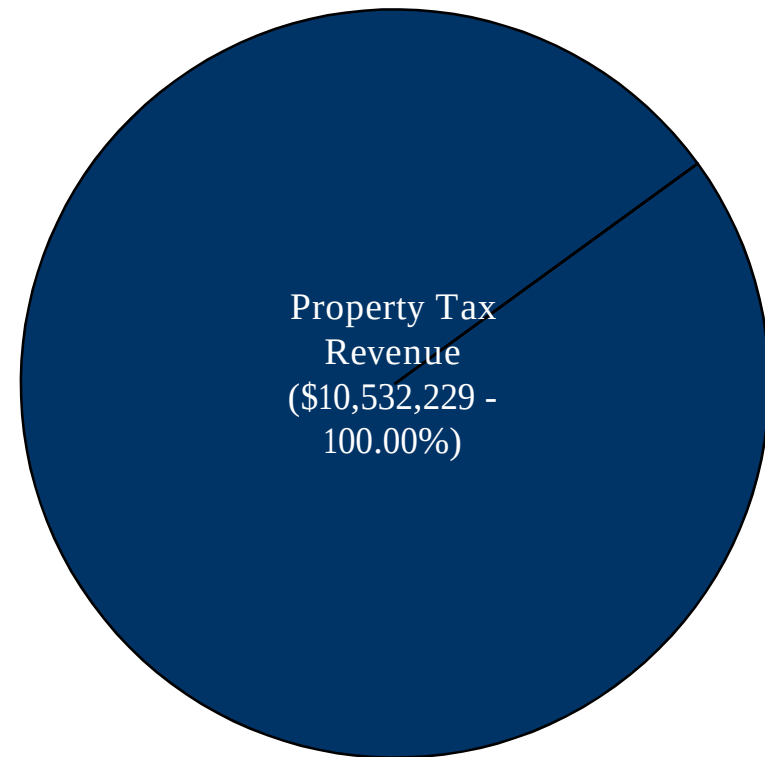
Where Do Sherman ISD's Revenues Come From? – Fiscal year 2014/15

- ❑ For fiscal year 2014/15, the District's M&O tax rate generated approximately 48.48% of its M&O revenues and State funding assistance accounted for 50.24% of its M&O revenues. The District does not receive any State funding for bond payments and, as such, local taxes are the only source of revenue for the I&S tax rate.

M&O Revenues = \$57,170,595



I&S Revenues = \$10,532,229





Why Conduct A TRE?

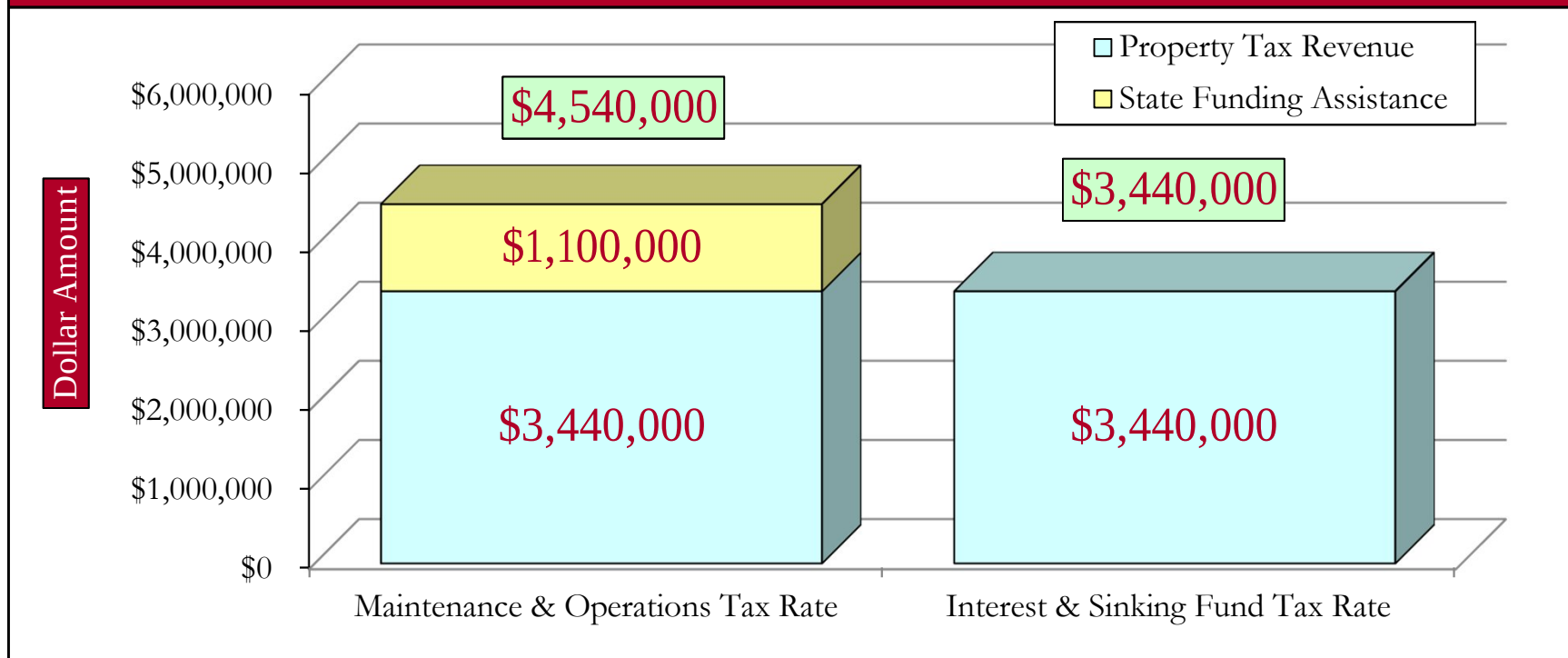
- ☐ Pursuant to the current State funding system, there are essentially two ways to increase M&O revenues:
 - 1) Increase student enrollment – Sherman ISD receives additional State funding assistance for each additional student enrolled in the District; and/or
 - 2) Increase the M&O tax rate through a Tax Ratification Election.
- ☐ Note: An increase in student enrollment also comes with additional operational costs (i.e. teachers, supplies, etc.).
- ☐ Based upon current State funding rules and regulations, the State of Texas will provide additional “equalization” funding for each penny the District increases its M&O tax rate above \$1.00.
- ☐ As such, should the District conduct a TRE and increase its M&O tax rate, Sherman ISD would receive additional State funding assistance for M&O purposes.



Why Conduct A TRE? (Continued)

- ❑ Since each additional penny of M&O tax effort generates additional State funding assistance, **Sherman ISD would generate approximately \$1.1 million in additional State funding assistance by conducting a TRE.**
- ❑ Given the District does not receive State funding on its I&S tax rate, a penny of M&O tax effort generates more funds for the students.

13 Pennies of Tax Rate – M&O Versus I&S

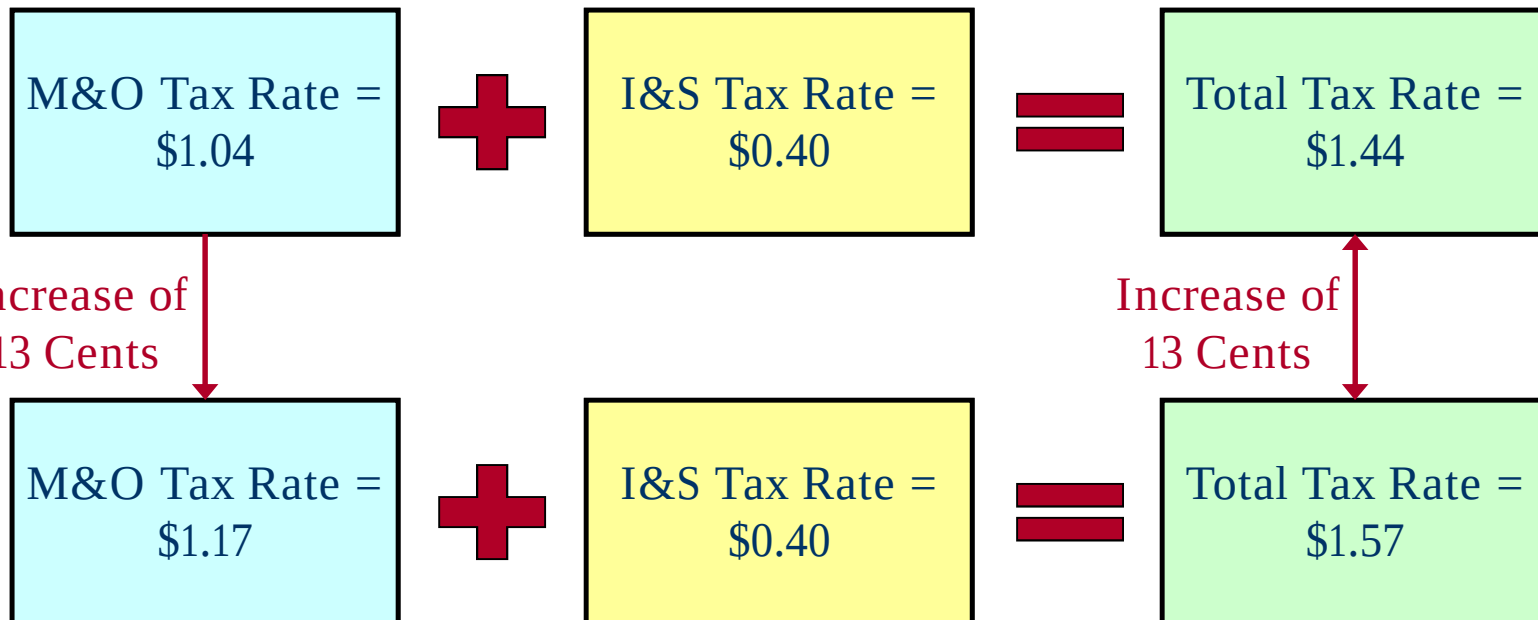




How Will a TRE Affect the Total Tax Rate?

- Generally speaking, there are two basic types of TRE's.
 - **Alternative One – Tax Rate Increase of 13 Cents:** District increases its M&O tax rate and leaves the I&S tax rate constant.

Alternative One – Tax Rate Increase of 13.0 Cents

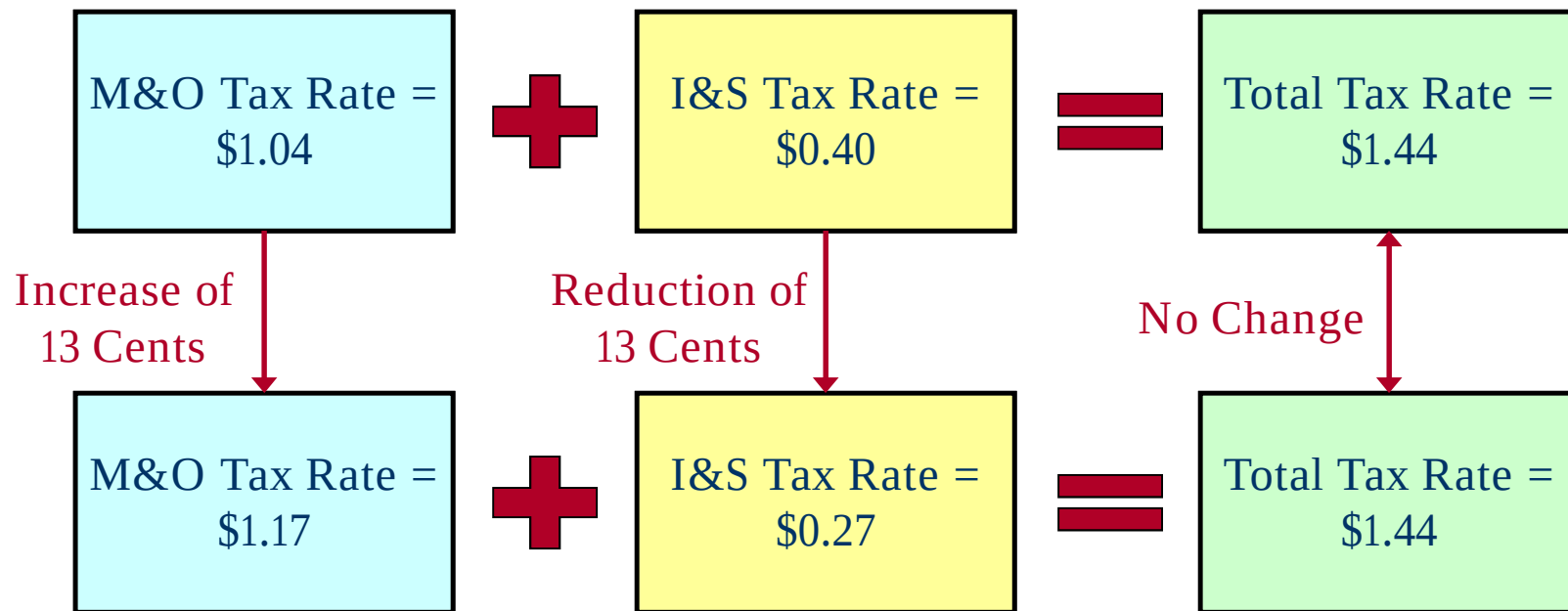




How Will a TRE Affect the Total Tax Rate? (Continued)

- **Alternative Two – “Tax Swap” Structure – No Increase of Total Tax Rate:**
District conducts a TRE without increasing its overall tax rate by increasing the M&O tax rate by 13 cents and lowering the I&S tax rate by 13 cents. This approach is commonly referred to as a “tax swap.”

Alternative Two – “Tax Swap” Structure – No Increase of Total Tax Rate





How Will a TRE Financially Impact Sherman ISD?

- ❑ Depending upon how Sherman ISD structures its total tax rate, the District will receive between \$1.1 and \$4.54 million in additional net revenue for M&O purposes.
- ❑ **Alternative One – Tax Rate Increase of 13 Cents:** By increasing the District's M&O tax rate by 13 cents, the District would receive approximately \$4.54 million in additional revenue for M&O purposes which is comprised of:
 - 1) A projected \$3.44 million in property taxes; and
 - 2) Additional State funding assistance of approximately \$1.1 million.

Summary of Flow of Funds for M&O Purposes – Alternative One	
Description	Assumption
Additional M&O Tax Revenues at 13.0 Cents:	\$ 3,440,000
Plus: Additional State Funding Assistance for M&O Purposes:	1,100,000
Net Impact to District for M&O Purposes:	\$ 4,540,000



How Will a TRE Financially Impact Sherman ISD? (Continued)

- ❑ **Alternative Two – “Tax Swap” – No Increase of Total Tax Rate:** The District would receive the same \$4.54 million in additional revenue for M&O purposes; however, the corresponding 13 cent reduction in the I&S tax rate would reduce tax revenues for bonds by \$3.44 million.
- ❑ Using the increase in M&O tax revenues to mitigate the reduction in I&S tax revenues would net the District an additional \$1,100,000 due to the increase in State funding.

Summary of Flow of Funds for M&O Purposes – “Tax Swap” TRE	
Description	Assumption
Additional M&O Tax Revenues at 13.0 Cents:	\$ 3,440,000
Plus: Additional State Funding Assistance for M&O Purposes:	1,100,000
Less: Property Tax Revenues for I&S Purposes at 13.0 Cents:	(3,440,000)
Net Impact to District for M&O Purposes:	\$ 1,100,000

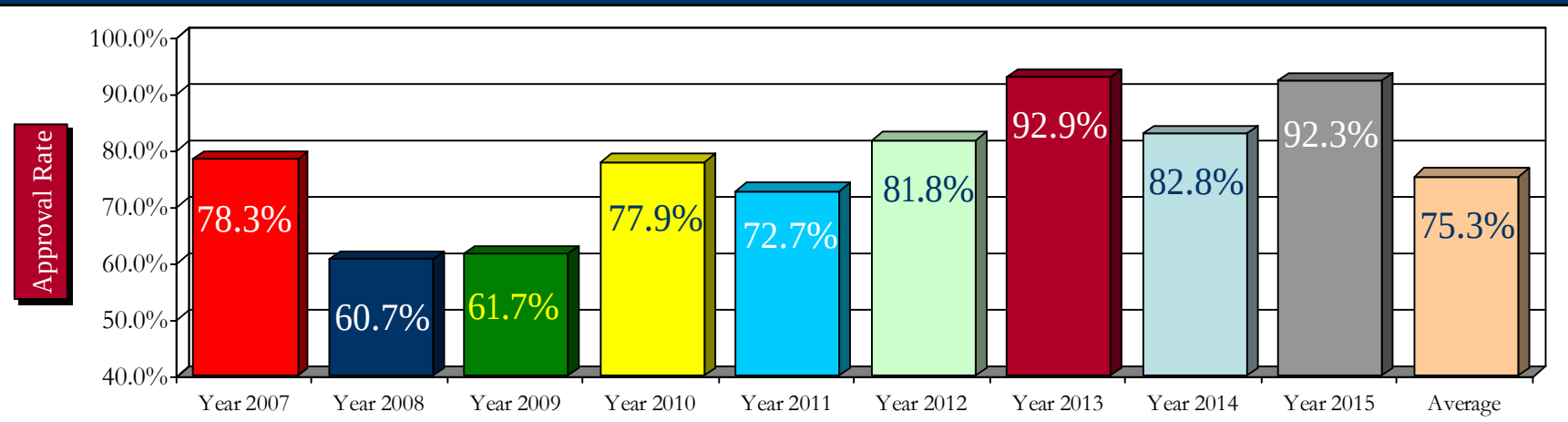


Historical Tax Ratification Election Results

Summary of Results – Texas School Districts

Year	No. of Elections	Passed	Failed	Percent Passed	Percent Failed
2007	120	94	26	78.3%	21.7%
2008	117	71	46	60.7%	39.3%
2009	47	29	18	61.7%	38.3%
2010	77	60	17	77.9%	22.1%
2011	44	32	12	72.7%	27.3%
2012	44	36	8	81.8%	18.2%
2013	42	39	3	92.9%	7.1%
2014	29	24	5	82.8%	17.2%
2015	39	36	3	92.3%	7.7%
Totals	559	421	138	75.3%	24.7%

Texas School District Tax Ratification Elections – Historical Approval Rates

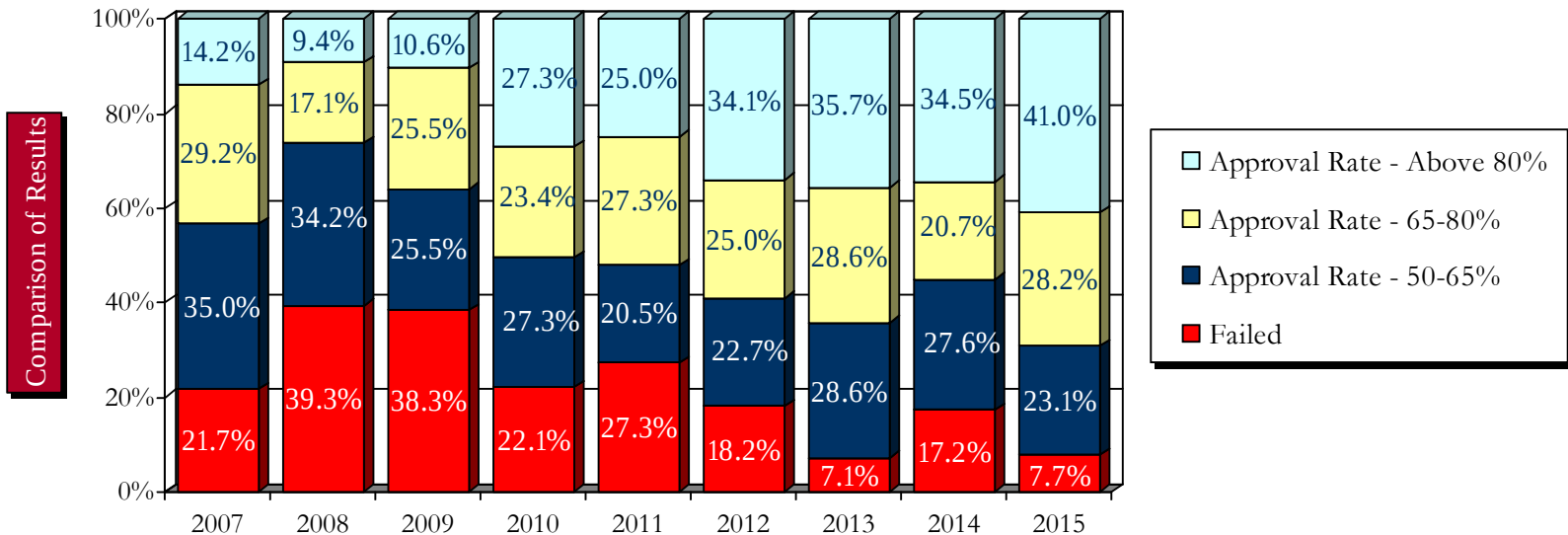




Historical Tax Ratification Election Results

- ❑ Since year 2007, 258 (61.3%) of the successful Tax Ratification Elections (“TREs”) held by Texas school districts received an approval rate of at least 65.0%.
- ❑ During years 2013 – 2015, 43 (71.7%) of the successful TREs received an approval rate of at least 65.0%.

Texas School District Tax Ratification Elections – Historical Election Results





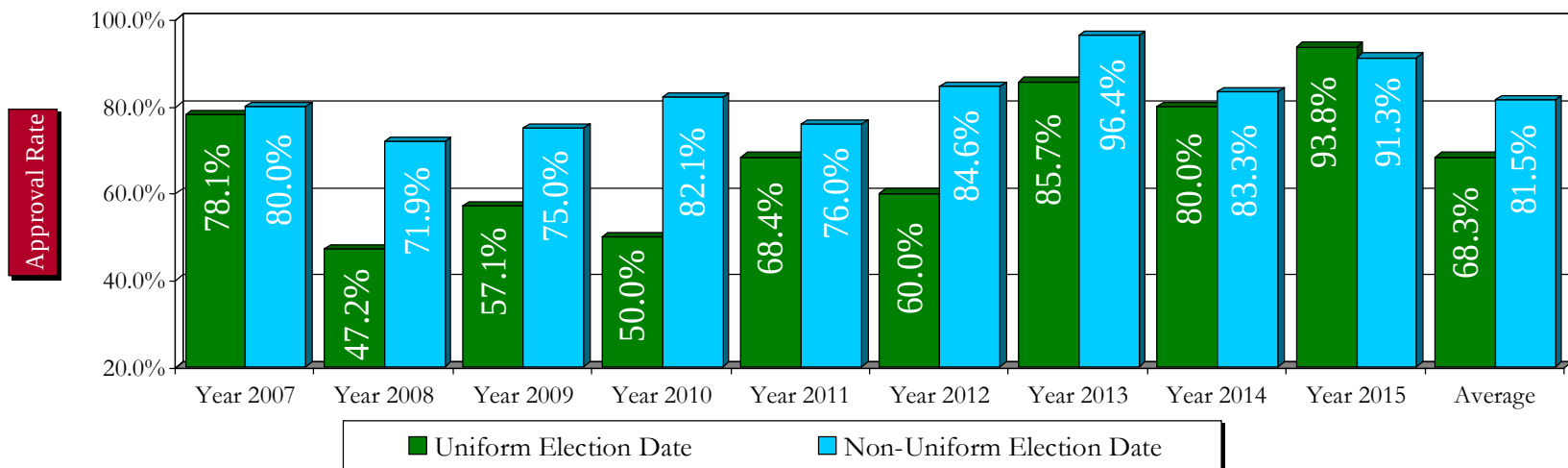
Historical Tax Ratification Election Results

- As shown below, TREs held on a non-uniform election date have had a higher approval rate (81.5%) versus those held on a uniform election date (68.3%).

Historical Tax Ratification Election Results – By Election Date

Description	Number of Elections	Approved	Approval Rate	Failed	Failure Rate
Uniform Election Date	262	179	68.3%	83	31.7%
Non-Uniform Election Date	297	242	81.5%	55	18.5%
Totals	559	421	75.3%	138	24.7%

Texas School District Tax Ratification Elections – Historical Approval Rates By Election Date





Successful Tax Ratification Election Results – Grayson, Collin, Cooke, Denton and Fannin Counties

- ❑ To date, Texas school districts within Grayson, Collin, Cooke, Denton and Fannin Counties have held 32 successful TRE's.

Listing of Successful Texas School District Tax Ratification Election Results – Grayson, Collin, Cooke, Denton and Fannin Counties

No.	Issuer	Election Date	Pass/Fail	Votes For	Votes Against	Approval Percentage
1	Allen	10/08/2011	Pass	2,645	1,727	60.5%
2	Anna	09/22/2015	Pass	345	102	77.2%
3	Argyle	09/15/2012	Pass	441	134	76.7%
4	Blue Ridge	11/06/2007	Pass	115	82	58.4%
5	Celina	09/04/2010	Pass	194	142	57.7%
6	Collinsville	10/04/2008	Pass	131	71	64.9%
7	Community	10/13/2012	Pass	403	200	66.8%
8	Denison	10/04/2008	Pass	1,003	557	64.3%
9	Ector	05/08/2010	Pass	194	93	67.6%
10	Farmersville	09/14/2010	Pass	210	42	83.3%
11	Gunter	11/03/2009	Pass	290	98	74.7%
12	Howe	09/08/2012	Pass	208	62	77.0%
13	Krum	09/06/2014	Pass	206	54	79.2%
14	Lake Dallas	10/04/2008	Pass	418	80	83.9%
15	Leonard	11/06/2007	Pass	323	85	79.2%
16	Little Elm	09/05/2015	Pass	513	69	88.1%



Successful Tax Ratification Election Results – Grayson, Collin, Cooke, Denton and Fannin Counties

Listing of Successful Texas School District Tax Ratification Election Results – Grayson, Collin, Cooke, Denton and Fannin Counties

No.	Issuer	Election Date	Pass / Fail	Votes For	Votes Against	Approval Percentage
17	Lovejoy ISD	09/29/2009	Pass	382	252	60.3%
18	McKinney ISD	09/21/2013	Pass	5,617	3,683	60.4%
19	Melissa ISD	10/01/2013	Pass	247	31	88.8%
20	Pilot Point ISD	10/04/2008	Pass	314	309	50.4%
21	Plano ISD	11/05/2013	Pass	12,236	7,215	62.9%
22	Princeton ISD	05/19/2014	Pass	119	17	87.5%
23	Prosper ISD	11/06/2007	Pass	879	223	79.8%
24	S&S CISD	09/12/2015	Pass	180	20	90.0%
25	Sam Rayburn ISD	11/06/2007	Pass	131	98	57.2%
26	Sanger ISD	09/06/2014	Pass	269	42	86.5%
27	Savoy ISD	11/03/2015	Pass	143	84	63.0%
28	Tom Bean ISD	09/05/2015	Pass	144	34	80.9%
29	Trenton ISD	11/08/2011	Pass	149	99	60.1%
30	Van Alstyne ISD	11/04/2008	Pass	566	396	58.8%
31	Whitesboro ISD	10/06/2007	Pass	332	154	68.3%
32	Wylie ISD	11/04/2008	Pass	8,799	8,174	51.8%



Successful Tax Ratification Election Results – Larger Texas School Districts

Larger Texas School Districts Successful Tax Ratification Election Results						
No.	Issuer	Election Date	Pass/Fail	Votes For	Votes Against	Approval Percentage
1	Alief ISD	11/20/2008	Pass	1,390	1,204	53.6%
2	Allen ISD	10/08/2011	Pass	2,645	1,727	60.5%
3	Amarillo ISD	09/23/2008	Pass	1,970	1,665	54.2%
4	Austin ISD	11/04/2008	Pass	123,972	86,178	59.0%
5	Belton ISD	10/04/2008	Pass	869	421	67.4%
6	Brownsville ISD	10/06/2015	Pass	2,540	469	84.4%
7	Cleburne ISD	08/26/2014	Pass	665	387	63.2%
8	Coppell ISD	09/11/2010	Pass	1,439	1,020	58.5%
9	Corpus Christi ISD	11/04/2008	Pass	18,752	16,464	53.2%
10	Crowley ISD	09/12/2012	Pass	819	397	67.4%
11	Deer Park ISD	12/15/2012	Pass	777	651	54.4%
12	DeSoto ISD	09/05/2015	Pass	770	136	85.0%
13	Donna ISD	09/18/2010	Pass	465	344	57.5%
14	Eagle Mountain-Saginaw ISD	09/07/2013	Pass	779	149	83.9%
15	Edgewood ISD (Bexar County)	11/06/2007	Pass	666	607	52.3%
16	Edinburg Consolidated ISD	09/14/2013	Pass	2,389	490	83.0%
17	El Paso ISD	08/22/2015	Pass	7,082	1,646	81.1%
18	Galena Park ISD	09/15/2012	Pass	264	36	88.0%
19	Galveston ISD	08/26/2014	Pass	1,114	250	81.7%
20	Georgetown ISD	10/09/2012	Pass	2,067	1,419	59.3%
21	Grand Prairie ISD	11/03/2015	Pass	3,727	1,714	68.5%
22	Harlandale ISD	11/04/2008	Pass	8,867	4,873	64.5%
23	Harlingen Consolidated ISD	09/12/2015	Pass	1,280	1,135	53.0%
24	Humble ISD	11/22/2008	Pass	5,123	2,745	65.1%
25	Hutto ISD	09/01/2012	Pass	854	427	66.7%



Successful Tax Ratification Election Results – Larger Texas School Districts

Larger Texas School Districts Successful Tax Ratification Election Results (Continued)

No.	Issuer	Election Date	Pass/Fail	Votes For	Votes Against	Approval Percentage
26	La Joya ISD	09/18/2010	Pass	386	45	89.6%
27	Little Elm ISD	09/05/2015	Pass	513	69	88.1%
28	Los Fresnos Consolidated ISD	10/15/2011	Pass	255	49	83.9%
29	Lufkin ISD	11/03/2015	Pass	1,658	293	85.0%
30	McKinney ISD	09/21/2013	Pass	5,617	3,683	60.4%
31	Mission Consolidated ISD	09/17/2011	Pass	504	69	88.0%
32	Nacogdoches ISD	09/15/2007	Pass	1,131	697	61.9%
33	New Caney ISD	08/30/2013	Pass	589	518	53.2%
34	Pharr-San Juan-Alamo ISD	08/27/2011	Pass	765	48	94.1%
35	Plano ISD	11/05/2013	Pass	12,236	7,215	62.9%
36	Prosper ISD	11/06/2007	Pass	879	223	79.8%
37	Rio Grande City Consolidated ISD	11/06/2007	Pass	2,293	675	77.3%
38	Roma ISD	10/07/2008	Pass	567	357	61.4%
39	San Benito Consolidated ISD	09/18/2010	Pass	578	82	87.6%
40	San Marcos ISD	09/20/2014	Pass	374	170	68.8%
41	Sharyland ISD	06/22/2013	Pass	168	9	94.9%
42	Sheldon ISD	08/03/2013	Pass	238	195	55.0%
43	Temple ISD	09/21/2013	Pass	1,648	816	66.9%
44	Texarkana ISD	09/27/2008	Pass	515	202	71.8%
45	Waco ISD	11/03/2015	Pass	1,922	1,350	58.7%
46	Waxahachie ISD	09/06/2014	Pass	1,261	24	98.1%
47	Weatherford ISD	09/11/2010	Pass	1,492	250	85.6%
48	Weslaco ISD	11/08/2011	Pass	532	109	83.0%
49	Wylie ISD (Collin County)	11/04/2008	Pass	8,799	8,174	51.8%
50	Ysleta ISD	10/08/2007	Pass	2,308	2,013	53.4%



Tax Ratification Election Calendar – Year 2016

Year 2016 – Tax Ratification Election (“TRE”) Calendar ^(A)			
	TRE – Before the Uniform Election Date		TRE – On the Uniform Election Date
Event	Tax Rate Adoption Calendar – Estimated Values ^(B)	Tax Rate Adoption Calendar – Certified Values	Tax Rate Adoption Calendar – Certified Values
Receive Certified Tax Roll from Appraisal District(s)	May 2, 2016	July 25, 2016	July 25, 2016
Public Meeting – Tax Rate Hearing and Adoption ^(C)	Beginning 10 Days After Receiving Estimated Values and Ending on July 24 (May 12 – July 24)	Between July 25 and 91 Days Prior to the November Uniform Election Date (July 25 – August 9)	Between 62 and 90 Days Prior to the November Uniform Election Date (August 10 – September 7)
Earliest Possible Tax Ratification Election Date ^(D)	30 Days After Public Meeting on Tax Rate (June 11 – August 23)	62 Days After Public Meeting on Tax Rate (September 25 – October 10)	---
Lastest Possible Tax Ratification Election Date ^(D)	90 Days After Public Meeting on Tax Rate (August 10 – October 22)	90 Days After Public Meeting on Tax Rate (October 23 – November 7)	---
Uniform Election Date	1 st Tuesday in November (November 8, 2016)	1 st Tuesday in November (November 8, 2016)	1 st Tuesday in November (November 8, 2016)

^(A) Preliminary, subject to change.

^(B) In January 2015, the Texas Attorney General issued an opinion concluding that a school district may not use the certified estimated values (available by April 30) to adopt a tax rate after adopting its budget. A district that is not conducting a TRE using the early adoption method may not depart from the general rule requiring the use of the certified appraisal roll to adopt a tax rate after adoption of the district's budget.

^(C) In accordance with Section 44.004 of the Texas Education Code, public notice of the meeting must be given at least 10 days but not more than 30 days before the public meeting at which the tax rate will be adopted.

^(D) Pursuant to State law, school districts must conduct a Tax Ratification Election within 30-90 days after the date the tax rate is adopted. Districts adopting a tax rate based upon estimated values are authorized to order a TRE on 30 days notice. Districts using certified values to adopt their tax rate must give at least 62 days notice of election under Section 3.005 of the Election Code.



Sample TRE Schedule of Events

- ❑ For example purposes only, the following is a sample schedule of events assuming Sherman ISD conducts a Tax Ratification Election on September 17, 2016.

Sample Schedule of Events – September 17, 2016 Tax Ratification Election	
Date	Action
May 2, 2016	■ District receives certified estimated tax values for fiscal year 2016/17 from the Grayson County Appraisal District.
June 1, 2016	■ District publishes notice of public hearing to discuss and adopt the tax rate.
June 20, 2016	■ District conducts public hearing and adopts tax rate. ■ Board of Trustees formally calls Tax Ratification Election.
July 1 – September 17, 2016	■ District presents/provides factual voter education information to the community. District funds may be used to provide factual information only. ■ Through formulation of a PAC, supporters implement a TRE Campaign – No District funds or resources may be used to “promote” the Tax Ratification Election.
September 17, 2016	■ Date of Tax Ratification Election.



Recent Savings from District's Debt Management Practices

- ❑ Over the last 8-years, the District has implemented the following debt management strategies to reduce the cost of voter approved bonds. **In total, the District's strategies have directly reduced the cost of taxpayers by more than \$28.1 million!**
- Savings from Bond Refundings at Lower Interest Rates: \$17.7 million.

Summary of Interest Cost Savings Achieved By The District – Since Year 2012

Issue	Series Refunded	Principal Amount Refunded	Total Savings
Unlimited Tax Refunding Bonds, Series 2012	2006-A	\$ 8,795,000	\$ 1,774,904
Unlimited Tax Refunding Bonds, Series 2013	2006-A	39,285,000	6,298,772
Unlimited Tax Refunding Bonds, Series 2014	2004 & 2008	17,330,000	7,757,271
Unlimited Tax Refunding Bonds, Series 2015	2006-A & 2007	9,640,000	1,914,619
Totals	---	\$ 75,050,000	\$ 17,745,566



Recent Savings from District's Debt Management Practices (Continued)

- Savings from Strategic Use of Variable Rate Bonds to Lower Interest Cost: \$10.4 million.

Sherman ISD Variable Rate Series 2008 Bonds – Summary of Historical Interest Rates and Bonds Prepaid Prior to Stated Maturity

Rate Period	Rate Period Dates	Interest Rate	Series 2008 Bonds Prepaid Prior To Stated Maturity	Savings Versus Fixed Rate Bond Sale Alternative
Initial Rate	07/30/08 – 07/31/09	3.13%	\$ ---	\$ 425,531
1-Year Term	08/01/09 – 07/31/10	1.90%	850,000	1,499,145
1-Year Term	08/01/10 – 07/31/11	1.00%	1,500,000	2,223,800
1-Year Term	08/01/11 – 07/31/12	0.65%	1,310,000	2,016,848
1-Year Term	08/01/12 – 07/31/13	0.90%	1,590,000	2,055,870
1-Year Term	08/01/13 – 07/31/14	0.75%	1,955,000	2,215,505
Total	---	1.39%	\$ 7,205,000	\$ 10,435,699



Questions



How can we be of service...?



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Co-Director of Texas Public Finance



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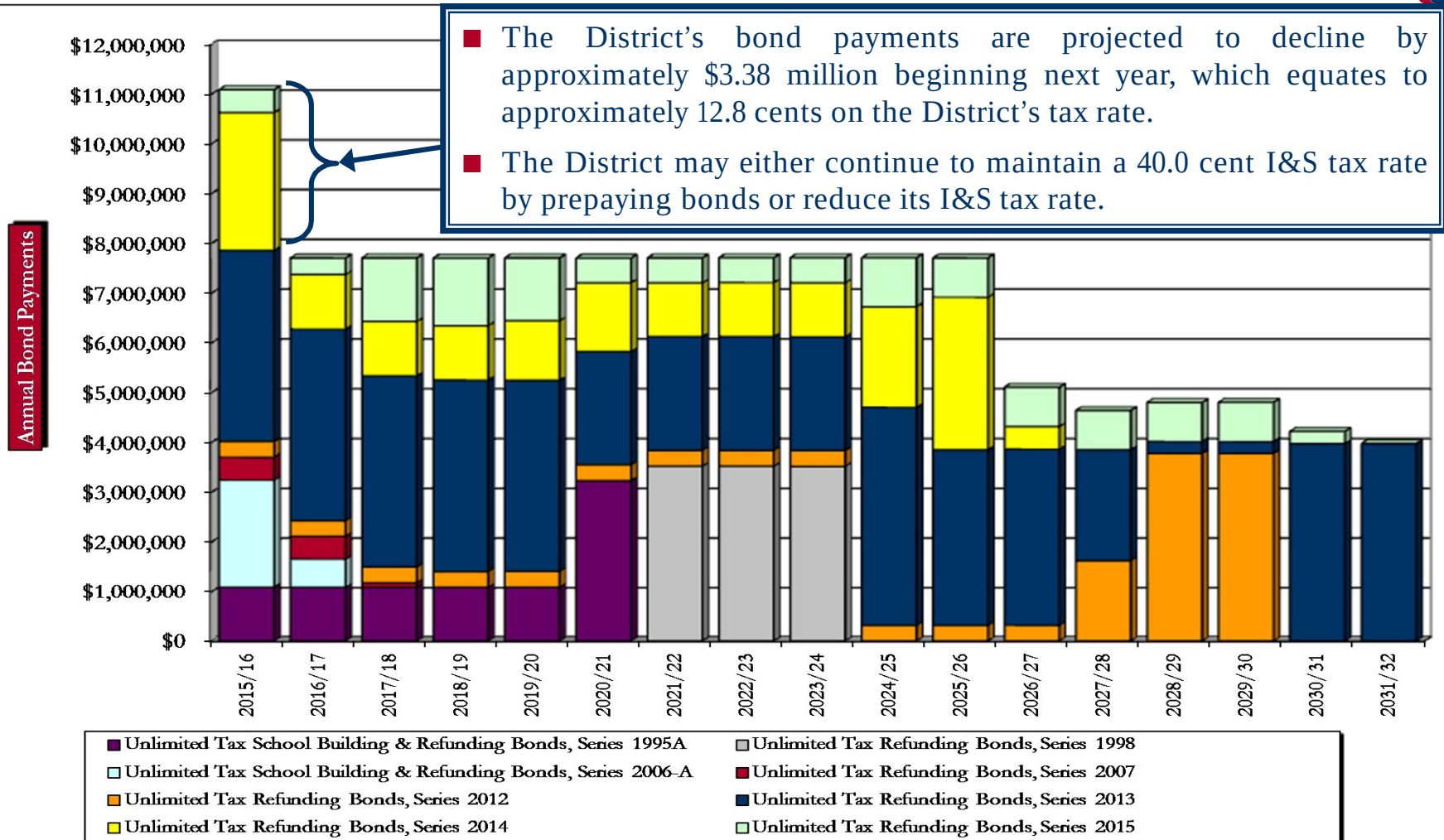


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District's Existing Bond Payments



Note: Debt service payments reflect payments from September 1 through August 31.

The District has a total principal amount of existing bonds equal to \$75,455,000.

STATE OF TEXAS §

April 15, 2016

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Called Meeting of the Sherman City Council was begun and held in the City Council Chambers on April 15, 2016.

COUNCIL MEMBERS PRESENT: Mayor David Plyler; Deputy Mayor Jason Sofey.
Council Members Couch, Davis, Johnson, Steele, Watt.

COUNCIL MEMBERS ABSENT: None.

CITY STAFF PRESENT: Robby Hefton, City Manager; Brandon Shelby, City Attorney; Don Keene, Assistant City Manager; Mark Gibson, Director of Utilities; Scott Shadden, Director of Development Services; Steve Ayers, Director of Community and Support Services; Clay Barnett, Director of Public Works and Engineering; Mary Lawrence, Director of Finance; Danny Jones, Fire Chief; Stephen Dean, Assistant Police Chief; Bob Fair, Assistant Police Chief; Tammy Davis, Controller; Kevin Winkler, Parks and Recreation Director; Jim Cross, Assistant Public Works Director; Clint Philpott, City Engineer; Nate Strauch, Communications Manager; Junior Jaimes, Computer Support Technician; Pam Cloer, Assistant to the City Manager; Linda Ashby, City Clerk.

PURPOSE: **Call to Order, Quorum Determined, Meeting Declared Open**

Invocation by Council Member Lawrence Davis

Financial Update and Council Input for 2016-2017 Budget Year

Adjournment

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

Mayor Plyler called the meeting to order at 12:04 p.m., declared a quorum present, and opened the Called City Council Meeting.

INVOCATION BY COUNCIL MEMBER LAWRENCE DAVIS

FINANCIAL UPDATE AND COUNCIL INPUT FOR 2016-2017 BUDGET YEAR

Robby Hefton, City Manager, introduced the budget work session saying it would start with an update on the plan of work and projects for this year and continue with financial updates. And finally, Mr. Hefton will present what it looks like moving forward. He said the staff would ask for “head nods” on some of the budget items and on some other questions that would be presented.

Council Initiatives

Don Keene, Assistant City Manager, presented the status on the 2016 Council initiatives, as well as some projects that came up after the budget, but are now a priority. He said this has been an exciting and challenging time for the City of Sherman.

He outlined the status of several projects, including the Water Treatment Plant Expansion. The pilot testing has been completed and the engineering and design work is 60% complete. Bids will be taken

COUNCIL MINUTES – APRIL 15, 2016

this summer and construction should begin around September 2016 and reach completion during the first quarter of 2018.

A number of compensation and staffing issues have been implemented and a number of people have been hired to help with the growing work load. Additional needs will be addressed in the upcoming budget.

Another project is the management and planning for storm water, and the staff is looking at various options of what can be done in the floodplain. A Flood Protection Study was completed several years ago that identified a number of projects that the City could undertake to minimize the impact of flooding. Total cost of the projects was over \$50 million, but the question is how does the City start on that list and how do they pay for the projects. One way to pay for the projects is through a storm water utility fund. Before that would be enacted, a study would need to be completed to determine how it would work.

Mr. Keene said, as for the development of FM 1417, the transportation planning study has been completed and the Taylor Street alignment has been approved. The preliminary engineering for Taylor Street is scheduled for this summer and the right-of-way should be purchased by winter.

The staff has been working on substandard structures and has had eight demolitions, seven of substandard houses and one of a commercial property. The staff is working to optimize the money available and reduce the backlog of substandard structures, thereby reducing the blight.

The staff has also identified and prioritized the downtown sidewalks that need repair. The bid process and repairs are scheduled for the next six months.

Mr. Keene said the engineering is complete on the Loy Lake Road rebuild project and the bid process is ongoing, with bids scheduled to be opened in mid-May. Hopefully construction will begin this summer, however there are challenges, and construction will be dependent on the relocation of Verizon's utilities. The project should be completed in the summer of 2017.

The City has been working to optimize space and several departments have reconfigured or repurposed their office space to make it more efficient and usable.

A new utility crew and some major equipment have been added in order to be able to complete many of the water and wastewater improvements in-house. The staff expects to save millions of dollars by completing these major projects instead of hiring contractors to complete them.

Another project is the Southwest Elevated Water Storage Tank. Engineering has been completed, the State has approved the project, and the bid has been awarded. Construction has already begun and the project should be completed by the summer of 2017.

The Council has also implemented a solid waste rate adjustment.

Phase two of the downtown streetscape is underway and the engineering and design are in process. Bids should be taken this summer and construction should begin in September 2016. The project is scheduled for completion in February 2017. Mr. Keene said the downtown streetscape project and the Grand Avenue safety project will be "worked in tandem" because they have some similarities that could provide a cost savings to the taxpayers.

The staff has "stepped up" code enforcement with some clean-up along Lamar and Houston Streets to enhance both the safety and the appearance of the area. Renovations and improvements have also been completed in the Municipal Ballroom and kitchen to help optimize the facilities.

COUNCIL MINUTES – APRIL 15, 2016

Development and ordinance improvements are being considered and will be presented to the City Council in the fall for consideration. The grant amount for the downtown incentive program has also been increased to \$50,000, and the first grant was awarded in March 2016 for a barbershop in the old Travis Lunch Room facility. The Street Sales Tax was also reauthorized by voters for another four years.

Mr. Keene said the staff is also considering development ordinance updates, such as should there be some modifications on the large lot regulations, instead of a “one size fits all” approach. The Council will also consider the transportation plan for the community. FM 1417 overlay modifications and various zoning regulations have already been considered by the City Council.

Mr. Keene addressed several projects that have been added since last year’s budget process. These projects were not even “on the radar” last year. They include the relocation of Fire Station #4, the Carriage Estates water system, the Hwy 56 West annexation, Sherman Crossroads, and the Pecan Grove ball fields.

Other projects that are now being considered include the development of a new Kroger; the development of Lamberth Road West; development of The Preserve, including the right-of-way for the Swan Ridge extension; development of the Covenant, a mixed use development on the northwest corner of Hwy 82 and Travis Street; development of the southeast corner of FM 1417 and Hwy 75, using the proceeds of the sale to fund the new Fire Station #4; and an affordable housing policy.

Mr. Keene said the staff plans for growth, but with that comes challenges, and as the City works the plan for growth, they also try to be very efficient and responsible in using the resources available and the tax dollars needed.

Financial Update

Mary Lawrence, Director of Finance, presented an update on the City’s financials. She said the FY 2015 General Fund ending reserves were down by about \$600,000 over FY 2014, but they were projected to be down even more. It was a very wet spring, there were Street Department projects that the City didn’t do, and there were open positions at the Police Department.

In FY 2016, the net reserves are projected to be up by about \$700,000, mainly due to sales tax, which is up about 6% over budget. She said there are a couple of big audits from taxpayers, so the 6% increase won’t continue. General Fund expenses include the Panda agreement and hiring some fire inspectors, but there were also some fuel savings.

In the Utility Fund, the FY 2015 ending reserves were up about \$800,000 over FY 2014, and the FY 2016 projected revenues are projected to be up \$750,000 over budget. The budget had also included money for the debt service on the Water Treatment Plant for about half the year, but it didn’t come on line in 2015. It will be online in 2016 and is budgeted at about \$1.5 million. Panda has performed better than expected and there were some unexpected revenues from the annexations.

In the Solid Waste Fund, the FY 2015 ending reserves are about where expected. There were some pretty good increases in the commercial side of Solid Waste, especially industrial and construction. She added that commercial solid waste revenue is very volatile. Because they are heavy fuel users, there were some substantial fuel savings this past year.

Ms. Lawrence presented an in-depth look at the General Fund financials, saying the main story was in sales tax proceeds. In the Utility Fund there was an increase in water and sewer sales. The debt service, paid to the Greater Texoma Utility Authority and others, in 2015 was about \$4.7 million. In 2016, with the full year of the Water Treatment Plant, debt service is \$6 million. Additional money

COUNCIL MINUTES – APRIL 15, 2016

was added to the debt service budget for equipment that was purchased for the new crew to complete some of the larger utility projects that will be completed in-house.

In the Solid Waste Fund, disposal fees are budgeted in the “contractual services” line item. This fund is projected to be about \$185,000 above where it was originally thought to be, mainly because of commercial solid waste performance.

Mr. Hefton said the ending reserves in each of the funds is projected to end in the 75 to 90 day optimum range. Therefore at the end of 2016, the ending fund balance is “hitting” the target.

Ms. Lawrence said sales tax is the big story this year and she said even without the sales tax from Panda Energy, it was performing very well.

In the General Improvement Fund, Ms. Lawrence addressed a number of projects that have no budget and were added after the budget was approved. She said the Council has been very supportive in giving the staff permission to go ahead and address the projects rather than getting behind because of the budget process. She added that these projects are “really expensive.”

She also presented a list of additional projects that have been submitted by the departments. She said the staff has not reviewed or “culled” these for the upcoming budget. A list of proposed projects will be submitted to the City Council at the budget workshop for their consideration to include in the budget.

Council Member Davis asked if there was any reason for the robust sales tax that could be identified. Ms. Lawrence said the staff just received the detailed information for April 2016, and the increases seem pretty broad-based. She said it is a lot of retail, construction, information, and wholesale trade, which are good indicators of growth. She added that Home Depot and Lowe’s are doing really well. Council Member Steele said he received a report today that there is less unemployment and people have more disposable income. Locally, unemployment is at 3.7%.

On the Radar

Mr. Hefton said up to this point, the presentation has addressed a look backward and where the City has been. He addressed the Stormwater Management saying the City is moving toward a regional detention policy, which is expensive and will include fewer but bigger projects. The Archer Street area has been identified as a good possible location for a regional detention site, which would affect the upstream development along FM 1417. He said budget money in 2017 might be used for the stormwater fee study to determine how the money would be distributed for the projects.

Utility projects included the elevated tower, the Water Treatment Plant expansion, and the Waste Water Treatment Plant renovations. There are several wastewater projects that have been on the radar for years and the biosolids project will be on the next Council Meeting agenda for a request to advertise. The City’s internal crews would be handling both the Preston Club water and the Carriage Estates water projects. Using City crews is better both monetarily and from a timing schedule.

Council Member Steele asked about the advantage of using City crews for these larger projects and if the projects were being completed in a more timely manner. Mr. Hefton said by using City crews, the City controls the projects, with timing, prioritization, and efficiency of the job. If a contractor is doing a job and hits a City line, they “shut the job down” and call the City to repair the line. If the City crews are doing the job, and they hit a City line, they repair it as they go.

Deputy Mayor Sofey agreed, saying the City is not losing time, putting a job out to bid, receiving and awarding bids, and then trying to get on the contractor’s schedule. Mr. Keene added that, in the past, the City has had a number of projects that they couldn’t get anyone to bid on. If contractors are busy

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because of growth in the area, the City doesn't receive the benefit of competition from the bidding process. Mr. Hefton added that the crews are ready to start the projects, but there is still some administrative work to get easements that needs to be completed.

Mr. Hefton said the Preston Club water line and the Carriage Estates water line will be the first two projects that the City crew will be working on. Other projects for the crew will include the Sherman Crossroads water and sewer, Swan Ridge water, Hwy 56 west (Friendship) water, the Panda Energy effluent line, the Canyon Creek water and sewer, and the CGMA water line.

Looking Ahead

Mr. Hefton addressed operational critical issues for FY 2017 that will be addressed during the budget work session. In the General Fund, a replacement plan for the Self Contained Breathing Apparatus, SCBA, for the Fire Department will need to be initiated in the next few years as the equipment is nearing its life end. There will be various large fleet requests needed, especially in the Fire Department and the Street Department.

Another item that will continue to be an issue as Sherman continues to grow is the need for staff to keep up with this growth. The General Fund is heavily "people oriented." He also said with the growth, it is becoming hard to manage and store the fleet at Fleet Maintenance. The yard isn't big enough and there are some height limitations to the bays. The staff is reviewing other options pertaining to the Fleet Maintenance Department. Mr. Hefton said with all those items, balancing the budget will be a challenge this year.

He said, in the past, the City has been very judicious in the rate increases in the Utility Fund. If the staff does propose a utility rate increase this year, it will not be 10% or anything. He said all those utility projects will generate revenue in the future, but they also cost a lot of money. Keeping up with funding for the capital and for operations will be the key, he said.

Mr. Hefton said, as always, employee compensation and benefits will be an issue for review. He said they want to make sure they "stay in market" with all the employees and that they take care of the employees.

Mr. Hefton presented a preliminary revenue projection for the three major funds. He said they believe there will be a jump in revenue, approximately \$800,000, for the General Fund, especially from property taxes. There will also probably be an increase in sales tax, but not 6%. The 6% increase this year includes some audit adjustments that can't be counted on for next year. The increase will help with balancing the fund.

Council Member Steele referenced the increased property taxes from Carriage Estates of \$102,459, and asked what services they will be receiving from the City. Mr. Hefton said the City is offering Animal Control Services, Sanitation Services, and Police and Fire Services today. The exception is the water system, which the City is trying to take over, but is delayed at the State level. Mr. Hefton added that, depending when a property is annexed, it could be close to two years before a property owner ever starts paying City property taxes. However, they begin receiving many City services immediately. He added that right now, Carriage Estates residents are receiving all City services, except water, and are paying no City taxes.

Council Member Watt asked about the status of water service for Carriage Estates residents. Mr. Hefton said the PUC attorneys are trying to make sure that everything is the way it should be. The State is in favor of the City taking over the system, the owner and the operator of the system are also ready to complete the trade, the City is ready to take over the system, and the homeowners are also ready. The delay is that it is tied up with the attorneys trying to avoid any risk, but the snags have to

COUNCIL MINUTES – APRIL 15, 2016

do with the ownership of the system. Mr. Hefton added that it is a very high priority with the City of Sherman.

Mr. Hefton said the staff believes the Utility Fund revenues will be flat or up slightly, without a rate increase. If there is a need for a rate increase, the staff will present that at the time. If needed, he felt it would be reasonable, a percent or two. The same is true for the Solid Waste Fund. When the budget is being balanced, if a rate increase is needed, it will be submitted at that time. No rate increase is expected at this time.

Transportation Issues

Mr. Hefton said most of the money needed today and that will be discussed at the budget work session will be needed for thoroughfare enhancements. This includes Texas Department of Transportation projects, where the City can add funding to enhance the project and the timing of the project. By working with TxDOT to leverage local money, the City can take a more active role and have some more input about the design of the project as well as moving it up on the priority list.

He addressed the City thoroughfare development, including Canyon Creek Drive, Lamberth Road, Taylor and Washington Streets, Swan Ridge Drive, Travis Street (O.B. Groner) and Howe Drive, and Park and Lake Streets. Some of the projects have already begun and the others will be discussed during the budget work session. Development in the area will determine the timing of the actual construction, however engineering and right-of-way can be done now to assure a “clear path.”

Mr. Hefton presented a list of the projects discussed, including ones where the engineering has already been started or is under negotiation. No dirt has been moved on the projects yet. The estimated cost of the projects, at least phase one of the projects, is about \$20 million. A portion of the Sherman Crossroads project, extending Howe Drive, would be paid through Tax Increment Financing Bonds.

He said these projects are already underway and dirt will be moved on several of them within six months. Originally, Mr. Hefton expected to issue bonds in late 2016 or early 2017, which would have been next fiscal year. However, some of the money for the projects is needed today. He said he would like to consider issuing debt as early as this summer with the first payment due in 2017. He did not want to move dirt without the money. Mr. Hefton reminded Council Members that these projects have arisen since last year’s budget work shop.

He proposed to issue \$8 million in debt to capture the first part of all of the proposed projects. For financing reasons, the City can get preferential rates for a bond issue of \$8 million or under. This is called “bank qualified financing.” This would give the City about 35 basis points on the debt, which would be about a \$400,000 savings over the life of the bonds.

Council Member Steele verified that Swan Ridge Drive was the extension that residents appeared before the City Council requesting to alleviate traffic on Seasons West Avenue. Mr. Hefton said as the City builds thoroughfares, that hastens when development occurs along those thoroughfares. Adding infrastructure in those areas has a huge impact of when housing and commercial development goes up.

He added that once the engineering is completed on the projects, they can be held until the Council decides to do them. However, right now there is some money for engineering on some of the projects, but not all of them. If the Council’s decision is to move forward with these projects, then there also needs to be money to pay for the projects.

Mr. Hefton said the bond for the \$20 million would be broken up into two pieces, probably \$8 million and then \$12 million. He added that, technically it might be an \$8 million, a \$10 million, and then a \$2

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million bond. Council Member Couch said that if Sherman is being proactive with infrastructure, then the bonds should be issued.

Mayor Plyler said the Council had talked once about liquidating some of the unused City property. Mr. Hefton said by breaking the bond issue up into two or three pieces, the impact of the full \$20 million will not be felt immediately. This will defer the total impact on the bond payments, and thus the debt service. This would allow the City to get the money when it is needed and to minimize the effect to the taxpayers. He added that if the projects are “built out” as expected, the City could expect over \$2 million in revenue per year.

He said that the sales tax revenue for Sherman Town Center alone, is about \$2.5 million to \$3 million per year. When Sherman Commons is built, even though it will be a mixed use complex, a third amount of that in sales tax will still be really big. That doesn't take into account their property tax too. Mr. Keene said these projects would pay themselves off in 10 or 11 years, with a conservative tax rate. Mr. Hefton added that there are some water, sewer, and trash impacts that will “spill over” into the General Fund.

Mr. Hefton said these projects aren't speculative and are happening because of development. Some of these projects are before development actually happens, but today the plan isn't to construct the project, but to obtain the right-of-way so there is a phased approach when development does occur. He did not want to incur debt or the cost of debt before it is time to do so. They would also like to pay for the cost, by selling off the excess property, such as the Youth Center, the Armory, or vacant lots, as Mayor Plyler suggested.

Mr. Hefton said the decision is not on the agenda for the Council's approval, but he wanted to make sure that the staff is on the right path. He asked if Council wanted him to move forward quickly before the end of the fiscal year or to pull back instead of going forward.

Council Member Steele said the area is growing and the City must stay ahead of the growth. Mr. Hefton said from a financial standpoint it is unsettling. Normally the City plans 12 to 18 months in advance for what happens in a year. But today, there are more projects on the list than there were during the budget work shop. He said these projects are expensive to construct, but are necessary for growth. He added that a City pays for growth through debt, like a mortgage.

He presented a chart of the tax rate for local and peer cities that have seen a higher growth rate than Sherman in the past. Sherman is currently at \$0.04 on the debt rate. The average on the debt rate is \$0.17. He said if Sherman needs to issue debt for these projects, there is plenty of room to do so, in a smart way. He discussed Sherman's previous property tax rates over the years. Sherman's debt is currently at \$13 million with the per capita debt at \$332.

Council Member Couch asked, with all these projects and all the projected growth, and more people wanting services, does the City have enough staff to provide services for these additional people. He said more police cars, fire trucks, and street maintenance vehicles will be needed. He did not want to be reactionary instead of staffing ahead of the growth.

Mr. Hefton said the staff is considering that, for example, if a new fire station is planned for the next five years, there would need to be three shifts of five people each. So the staff would try to add two or three people per year and build up to the required staff incrementally. He said he knew that there had been some requests for additional personnel submitted for this upcoming budget. The staff will bring back a plan to add staff incrementally, as needed, to be good stewards of the tax dollars.

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Mr. Keene said for a long time, the City has maintained a low tax rate and the mindset was to “run lean.” The staff will continue to look at things that way, but we have to be realistic in that it’s not just the sewer lines and the streets, but all the other things that it takes to sustain that.

Mr. Hefton said he would not request any additional money, supplies, or people from the Council until he was sure that the staff had “scrubbed the budget and operations” to make sure we are doing everything possible to save dollars. Whether that’s selling properties that aren’t of use to the City anymore or realigning how we do things to be more efficient. Council Member Watt said for years, the City has managed on defense, and now we have the chance to go on offense. He added that from a former employee standpoint, he really appreciated where the City was at.

Deputy Mayor Sofey said this is his fourth City budget. He said on the first one he was “all gung-ho” and the first thing was “we need to find \$1 million.” The City was also short seven police officers. He said today, knowing that public safety is in good shape and the City is growing is exciting. He said, a lot has changed in four years.

Mr. Hefton said today, he would like to know if the Council wants him to “pull back” on the plan that has been proposed. He was not asking for a vote, just a consensus that this was the direction the Council wants to go. He added that the issuance of that first \$8 million bond package may be needed before the budget work shop, knowing that the first financial impact would be in 2017.

Council Members indicated that they were in favor of the plan. Council Member Davis said it is a good plan to save money and to “run lean” but in most businesses you don’t have the power to regulate revenue. The City does have that power and it’s tempting to do, but that is a debate that the Council should have every time.

Mr. Hefton said Council Member Couch wanted to be sure the staff planned for the “people side of things,” but he asked if there were any other items that they would like to see included in the budget for the work shop, which will be held June 21, 2016.

Council Member Davis asked about the State project for the bridge over Hwy 82 at Travis Street. Mr. Hefton said the City is trying to leverage their dollars with TxDOT dollars for the Travis Street project from Hwy 82 north to Northcreek Drive, and ultimately to Hwy 691, which includes the Travis Street bridge over Hwy 82. The project has been approved by the MPO, and the City is working to make sure that they have input into the engineering design and right-of-way. He said the ultimate “build out” of Travis Street will be four lanes, undivided up to Lamberth Road. He said the project is on TxDOT’s radar and is on the MPO plan for the next two or three years.

ADJOURNMENT

There being no further business to come before the City Council, motion was duly made and approved to adjourn the Called Meeting at 1:33 p.m.

MAYOR

ATTEST

CITY CLERK



Budget Planning Meeting FY2016-17

EST.
1846
Welcome to Sherman

2016 Council Initiatives – Status

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Water Treatment Plant Expansion

- ✓ *Pilot Testing - Complete*
- ✓ *Engineering/Design - 60% complete*
- ✓ *Bid process - Summer 2016*
- ✓ *Construction - September 2016 through January 2018*

Compensation and Staffing

- ✓ *SPD & SFD compression adjustments - Complete*
- ✓ *All employees 2% COL adjustment - Complete*
- ✓ *WWTP nite shift hires - Complete*
- ✓ *Taylor St. Complex hire - Complete*
- ✓ *Communications Manager hire - Complete*
- ✓ *GIS Manager hire - Complete*
- ✓ *Tourism Manager hire - Complete*

Stormwater Management and Planning

- ✓ *Discussions with Lamar St. flood plain property owners - in progress*
- ✓ *Stormwater Utility Fund study and plan development scheduled for 2018*

FM 1417 Development Management

- ✓ *Transportation planning study - Complete*
- ✓ *Taylor Street Alignment Approval - Complete*
- ✓ *Taylor Street preliminary engineering scheduled for Summer 2016*
- ✓ *Taylor Street ROW purchase scheduled for Winter 2016*

2016 Council Initiatives – Status

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Code Enforcement and substandard structures (Demo/Clear 15 structures)

- ✓ Demo of 6 houses and 1 commercial property complete
- ✓ Backlog of an additional 10-15 houses in process

Downtown Sidewalks

- ✓ ID/prioritization of sidewalks – Complete
- ✓ Bid process and repairs planned for Summer 2016

Loy Lake Rebuild (Street sales tax, TIF, bond)

- ✓ Engineering – Complete
- ✓ Bid Process – April 2016
- ✓ Construction begins – June 2016 (dependent on relocation of Verizon utilities)
- ✓ Completion – June 2017

Optimized Space utilization

- ✓ HR Construction/Move – Complete
- ✓ Muni Court Construction/Move – Complete
- ✓ PD Construction/Move – April 2016

Water and Wastewater Improvements

- ✓ Addition of new utility crew and equipment - Complete
- ✓ WWTP headworks rebuild/repair – In Progress

Southwest Elevated Water Storage Tank

- ✓ Engineering – Complete
- ✓ State Approval – Complete
- ✓ Bid Awarded
- ✓ Construction – April 2016 through Summer 2017

2016 Council Initiatives – Status

Page 3 of 4

Solid Waste Rate adjustment – Complete

Downtown Streetscape - Ph2

- ✓ Conceptual Plan – Complete
- ✓ Engineering/Design – In Progress
- ✓ Bid – Summer 2016
- ✓ Construction – September 2016 through February 2017

Stepped up code enforcement/cleanup along Hwy 56

- ✓ Curb cleanouts – Complete
- ✓ Removal/Clean-up of substandard structures - Ongoing

Improvements to Ballroom/Kitchen

- ✓ Ballroom painting, flooring, window coverings – Complete
- ✓ Audio Visual installments – Complete
- ✓ Kitchen remodel - Complete

Improved safety along Grand Avenue

- ✓ Engineering/Design and bid– Summer 2016
- ✓ Construction – Fall 2016

Development ordinance improvements

- ✓ Proposal Development – In Progress
- ✓ Approval/Adoption – Fall 2016

Downtown incentive program

- ✓ Grant amount increased to \$50k
- ✓ First grant awarded in March 2016

Pursue Street Sales Tax – Approval Complete

2016 Council Initiatives – Status

Page 4 of 4

Development Ordinance Updates

- ✓ Large lot regulations modifications in draft form, under review
- ✓ Transportation plan for NW quadrant complete; SW quadrant upcoming
- ✓ HWY 1417 overlay modifications adopted by Council in March 2016
- ✓ Various zoning regulation changes adopted by Council in March 2016

Additional 2016 Projects/Initiatives

SFD Station #4 Relocation

- ✓ ID/Acquire location – In Progress
- ✓ Station design – In Progress
- ✓ Construction – 4Q16 to 4Q17

Carriage Estate Water System

- ✓ Annexation – Complete
- ✓ Assume ownership of system – In Progress
- ✓ Engineer system – In Progress
- ✓ Renovate system – 2Q16 through 4Q16

Hwy 56 West annexation

- ✓ Annexation complete March 2016
- ✓ Water main extension planned for 2Q/3Q 2016

Sherman Crossroads

- ✓ Staff working with property owner/developer utilizing same engineer for infrastructure
- ✓ City extending Travis Street as part of Transportation Plan project
- ✓ TIRZ (TIF) to be proposed to pay for additional infrastructure improvements
- ✓ Engineering complete 2Q 2016
- ✓ Construction expected to begin 2Q for infrastructure, 3Q for development

Pecan Grove Ballfields

- ✓ Staff in current talks with property owners to acquire ~ 25 acres ~ \$150k
- ✓ Desired close date in 2Q 2016

Additional 2016 Projects/Initiatives

Kroger Development

- ✓ Staff working with Kroger on 17 acre development at Taylor/Travis/Hwy 75
- ✓ Development to include several retail pad site + fueling station
- ✓ TIRZ warranted??

Lamberth West Development

- ✓ Staff working on planned road/utility extension of Lamberth, west to Friendship
- ✓ Developer working with engineers on layout of roads/sewer alignment

The Preserve Development

- ✓ Working with property owner to obtain ROW for Swan Ridge extension
- ✓ Expect expanded build-out of The Preserve subdivision

Covenant Development

- ✓ Conversations with Tom & Ryan Johnson – Hwy 82/Travis development for mixed use commercial/retail/residential

Hwy 1417/75 (southeast) Development

- ✓ Appraisal ordered for site
- ✓ Demolition of TxDOT building expected in 2016; Station 4 demo'd after new station built
- ✓ Site to be sold to SEDCO to pay for new Station 4

Affordable Housing policy

- ✓ Policy developed – March 2016

Financial Update



Financial Update Summary

General Fund

- FY2015 ending reserves down \$600k vs FY2014
- FY2016 net revenues projected up \$700k+ vs budget; net Panda agreement, fuel savings, other add \$200k to projected expenditures

Utility Fund

- FY2015 ending reserves up \$800k vs FY2014
- FY2016 projected revenue up \$750k vs budget

Solid Waste Fund

- FY2015 ending reserves = projections
- FY2016 projected revenues up \$160k vs. budget; fuel savings and disposal net savings of \$35k

City of Sherman GENERAL FUND

	Actual 2014-2015	Adjusted Budget 2015-2016	Projected 2015-2016
Beginning Fund Balance	\$ 8,909,217	\$ 8,707,442	\$ 8,313,394
Revenues			
Property Tax	7,325,997	7,931,000	7,939,000
Sales Tax	14,699,706	14,800,000	15,600,000
Franchise Tax	2,950,400	2,985,000	2,868,000
Other Taxes	140,115	136,000	138,000
Fines & Forfeitures	507,551	519,300	519,300
Recreation	309,210	338,000	338,000
Permits & Licenses	371,364	363,700	363,700
Rentals	57,055	66,800	66,800
Cemetery	199,110	131,400	131,400
Sales & Service	481,021	525,675	525,675
Ambulance Service	1,237,848	1,250,000	1,250,000
Interest Earned	79,708	65,000	65,000
Grant Revenue	61,801	133,700	133,700
Miscellaneous Income	210,802	159,300	159,300
Total Revenues	28,631,689	29,404,875	30,097,875
Transfers In	3,486,000	2,716,000	2,716,000
Total Revenues and Transfers In	32,117,689	32,120,875	32,813,875
Total Funds Available	41,026,905	40,828,317	41,127,269
Expenditures			
Personnel	21,814,669	22,895,189	22,974,189
Supplies	1,363,191	1,542,980	1,542,980
Maintenance	962,614	1,633,783	1,545,133
Utilities	1,300,493	1,350,570	1,350,570
Contract Wages	176,049	138,300	138,300
Information Technology	575,181	622,550	622,550
Contractual services	1,719,210	1,863,670	2,138,670
Vehicle Usage	1,326,702	1,421,820	1,261,820
Capital Expenses	241,789	780,989	869,639
Transfers Out	3,233,614	1,763,616	1,763,616
Total Expenditures	32,713,511	34,013,468	34,207,468
Excess Revenues over Expenditures	(595,823)	(1,892,593)	(1,393,593)
Ending Fund Balance	\$ 8,313,394	\$ 6,814,849	\$ 6,919,801

**City of Sherman
UTILITY FUND**

	Actual 2014-2015		Adjusted Budget 2015-2016		Projected 2015-2016
Beginning Reserve	\$ 5,382,873	\$	5,836,100	\$	6,197,450
Revenues					
Water Sales	12,655,918		12,781,000		13,215,000
Sewer Sales	7,071,873		6,969,000		7,278,000
Lab Charges	127,140		136,000		136,000
Service & Penalties	531,408		547,000		547,000
Interest Earned	33,572		20,000		20,000
Intergovernmental	546,467		289,347		289,347
Miscellaneous Income	200,169		286,500		286,500
Total Revenues	<u>21,166,548</u>		<u>21,028,847</u>		<u>21,771,847</u>
Transfers In	153,100		154,000		154,000
Total Revenues and Transfers In	<u>21,319,648</u>		<u>21,182,847</u>		<u>21,925,847</u>
Total Funds Available	26,702,520		27,018,947		28,123,297
Expenditures					
Personnel	5,019,453		5,294,229		5,334,229
Supplies	888,703		1,028,104		1,028,104
Maintenance	1,298,330		1,768,748		1,768,748
Utilities	2,415,066		2,393,200		2,393,200
Information Technology	93,733		109,710		109,710
Debt Service	4,669,959		5,999,398		6,063,544
Contractual services	1,264,110		1,593,712		1,593,712
Contract Wages	42,864		77,000		77,000
Vehicle Usage	306,600		335,690		287,690
Other	604,400		622,000		622,000
Capital Expenses	146,174		73,914		73,914
Total Expenditures	<u>16,749,390</u>		<u>19,295,705</u>		<u>19,351,851</u>
Transfers Out					
General Fund-Franch & Admin	1,747,000		1,814,000		1,814,000
General Fund-Other	1,100,000		200,000		200,000
Other Funds	600,000		1,150,000		1,150,000
Fleet	308,680		585,825		585,825
Total Transfers Out	<u>3,755,680</u>		<u>3,749,825</u>		<u>3,749,825</u>
Total Expenditures and Transfers Out	<u>20,505,070</u>		<u>23,045,530</u>		<u>23,101,676</u>
Excess Revenues over Expenditures	<u>814,577</u>		<u>(1,862,683)</u>		<u>(1,175,829)</u>
Ending Reserve	<u>\$ 6,197,450</u>	\$	<u>3,973,417</u>	\$	<u>5,021,621</u>

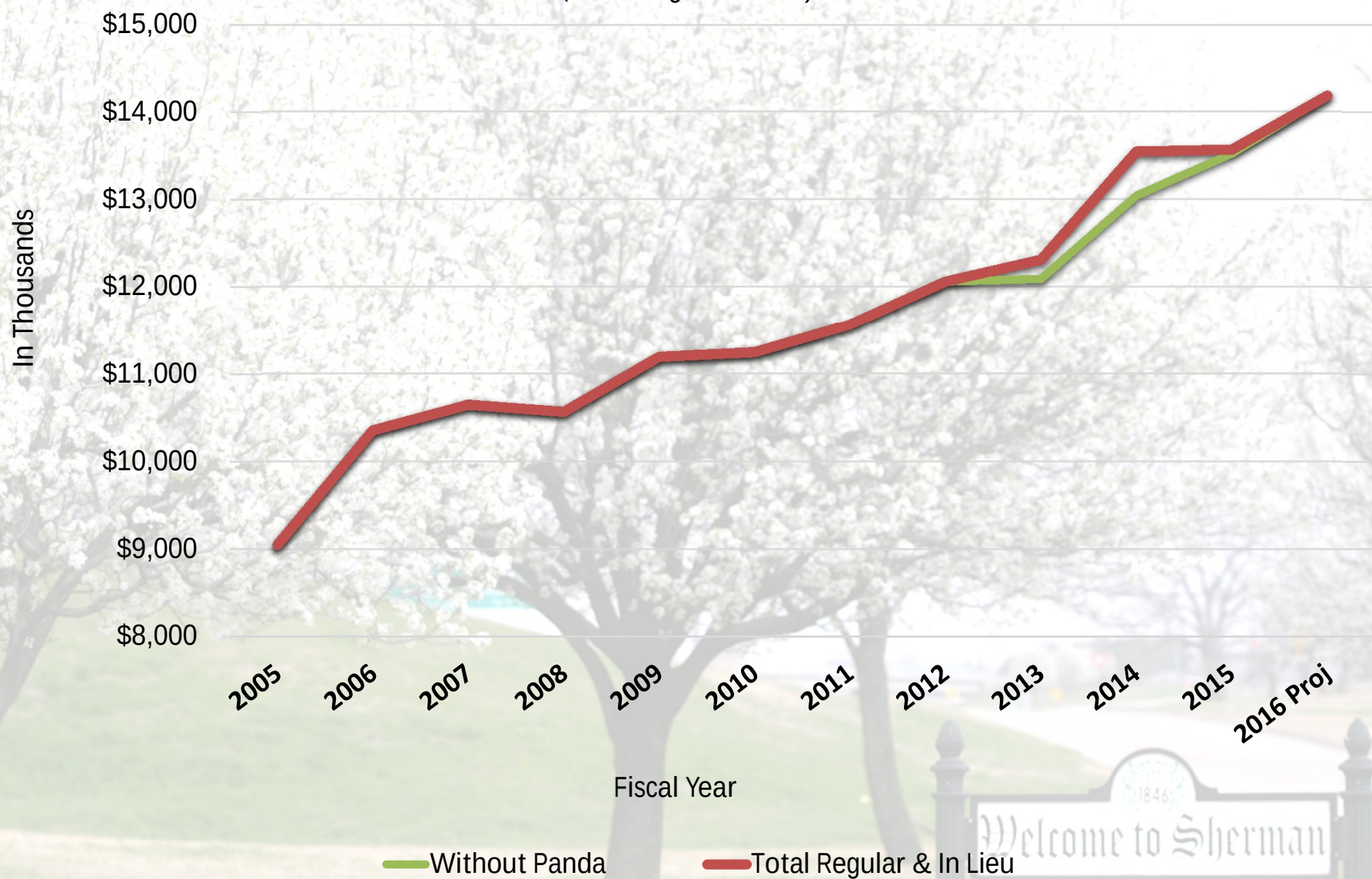
City of Sherman

SOLID WASTE FUND

	Actual 2014-2015	Adjusted Budget 2015-2016	Projected 2015-2016
Beginning Fund Balance	\$ 1,657,058	\$ 1,263,535	\$ 1,280,996
Revenues			
Solid Waste Service	5,617,422	5,904,000	6,056,000
Service & Penalties	56,698	57,000	57,000
Interest Earned	2,249	1,500	1,500
Miscellaneous Income	92,666	93,000	93,000
Transfers In	-	300,000	300,000
Total Revenues	5,769,036	6,355,500	6,507,500
Total Funds Available	7,426,095	7,619,035	7,788,496
Expenditures			
Personnel	1,590,508	1,634,342	1,634,342
Supplies	110,326	135,343	135,343
Maintenance	42,896	46,179	46,179
Utilities	23,440	21,110	21,110
Information Technology	14,912	12,760	12,760
Contractual services	1,516,758	1,546,415	1,685,415
Contract Wages	-	2,080	2,080
Vehicle Usage	845,164	939,990	766,990
Capital Expenses	51,516	300,801	300,801
Transfers Out-Franchise & Admin	639,000	702,000	702,000
Transfers Out-Billing	153,100	154,000	154,000
Transfers Out-Fleet	1,157,478	841,987	841,987
Total Expenditures	6,145,099	6,337,007	6,303,007
Excess Revenues over Expenditures	(376,062)	18,493	204,493
Ending Fund Balance	\$ 1,280,996	\$ 1,282,028	\$ 1,485,489

Sales Tax History

(excluding Street tax)



City of Sherman
GENERAL IMPROVEMENT FUND

	Adjusted Budget 2014-2015	Actual 2014-2015	Approved 2015-2016	Projected 2015-2016
Beginning Fund Balance	\$ 416,028	\$ 681,655	\$ 1,597,571	\$ 1,758,260
Revenues				
Transfers In	1,900,000	1,900,000	1,170,000	1,155,000
Intergovernmental	200,000	200,000	-	-
Grant Revenue	-	-	462,500	462,500
FEMA	-	-	-	434,850
Interest Earned	-	-	-	1,000
Miscellaneous Income	1,300,000	1,352,006	-	-
Tax Note Proceeds	-	-	1,620,000	1,806,930
Total Revenues	3,400,000	3,452,006	3,252,500	3,860,280
Total Funds Available	3,816,028	4,133,661	4,850,071	5,618,540
Expenditures				
Washington Street West	-	-	-	-
GIS System	271,870	237,983	-	28,126
Soil Conservation Emergency Action Plan Study	-	-	-	-
Neighborhood Revitalization-Fielder Park	-	-	-	-
Municipal Building Repair	240,815	245,712	-	-
Taylor Street Complex	-	-	-	-
* Loy Lake Bridge	1,300,000	1,352,006	-	-
Street Improvement Program	1,500,000	26,972	-	1,473,028
Fire Station Repairs	50,000	50,080	-	-
Houston St Property Acquisition	-	-	150,000	150,000
Ellsworth Branch Flood Study	-	-	30,000	30,000
Subdivision Ordinance Update	-	-	60,000	60,000
** Downtown Streetscape	-	-	500,000	500,000
Grand Avenue Traffic & Pedestrian Imp	-	-	60,000	60,000
Loy Lake Rd-Sara Swamy to Hwy 82	-	-	2,180,000	2,450,000
Police Dept Basement Renovation	-	-	25,000	25,000
Police Dept Communication Center Relocation	-	-	40,000	40,000
Fire Station #3 Building Repair	-	-	50,000	50,000
Fairview Park Tot Playground	-	-	50,000	50,000
Travis Street Sinkhole	-	197,622	-	247,390
Kessler Street Erosion Engineering	-	100,834	-	6,075
Hunt/Kessler Gabion Engineering	-	-	-	29,900
Fallon Drive Bridge Repair/Hunt St	190,819	163,692	-	851,496
ROW on Hwy 82 from Frisco to 1417	-	-	-	9,300
Carriage Estates Annexation	-	-	-	880
* Travis St/TxDOT Eng-Taylor to Northcreek	-	-	-	600,000
Taylor/Washington Eng Roundabout to Little	-	-	-	500,000
Swan Ridge Engineering	-	-	-	78,000
Sherman Crossroads (OB Groner/Travis) Eng	-	-	-	225,000
Canyon Creek Engineering	-	-	-	36,450
Fire Station #4 Engineering	-	-	-	275,000
* MPO/1417 design 82 to 56	-	-	-	400,000
Park Ave Realignment	-	500	-	60,000
Total Expenditures	3,553,504	2,375,401	3,145,000	8,235,645
Excess Revenues over Expenditures	(153,504)	1,076,605	107,500	(4,375,365)
Ending Fund Balance	\$ 262,524	\$ 1,758,260	\$ 1,705,071	\$ (2,617,105)

Other Projects – General CIP & TIRZ

Backup servers for PD, IT, Lab, etc
City Hall roof coating to extend useful life
Comprehensive Thoroughfare Plan
Dispatch consoles replacement
Downtown sidewalk repairs
Equipment shed-streets
Fire SCBA equipment replacement
Fire station #1 generator
Fire station #1 roof
Fire station #5 relocation
Fire station #5 remodel
FM 1417 - Taylor to US 82 (Design plus 10% of construction)
FM 1417 Houston to Taylor (Design plus 10% of construction)
FM 691 (1417 to SH 289, design & ROW)
Guttering replacement & cast stone repairs
Hawn Park skate park renovation
Houston St - Riddles west to split (ROW& design plus 10% construction costs
Incode VX (Cadillac option)
Install FV Park Stadium Lighting
Library demo additional section (foundation issues)
Library eliminate boiler system re-work HVAC
Library roof
Northeast Loop (Design & ROW costs)
OAR by Opterra
Renovate face of PD building
Repair and remodel airport terminal building
Re-work Surface of Fairview Park Field #6
Senior Citizen foundation repair
Sherman Crossroads (Howe Dr Ext/Drainage)
Southeast Loop (Design & ROW)
Taylor Street Gym

Other Potential Projects – Utility Fund

Aeration basin upgrade Phase I

AMI System

Canyon Creek Water

CGMA water

Construct brine disposal line for WTP expansion

Effluent line- 2016/2017

Ida Road ground storage tank repair / re-paint

Lab building expansion

Rehab two sludge thickeners

Remove & de-water sludge from WTP basins

Replace deteriorated W & S infrastructures (various)

Sherman Crossroads W/S

Stabilize creek banks

Swan Ridge Water

W & S oversizing costs 2017

WWTP control building upgrade

WWTP security fencing - replace/repair

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On the Radar - Stormwater Management

- Stormwater Engineering study completed
- Issues:
 - Timing of projects
 - Coordination with TxDOT projects
 - Scope and extent of projects
 - Funding projects (up to \$55 mil)
 - Stormwater fee ??
 - Fee-in-lieu-of-detention
 - Impact on development ordinances (regional detention vs on-site)

Utility Projects Update

- Elevated tower (2016/17)
- WTP expansion (2016-2018)
- WWTP renovations
 - East outfall (2015/16)
 - South Sherman relief (2015/16)
 - Headworks (2015/16)
 - Biosolids (2016/17)
- Preston Club water (2016)
- Carriage Estates/Lamberth Road water (2016/17)
 - System xfer complete in July 2016
 - Water line extension to Lamberth/Friendship to begin Spring 2016

Utility Projects Update

- Sherman Crossroads water/sewer (2016/17)
- Swan Ridge water (2017)
- Hwy 56 west (Friendship) water line (2017)
- PANDA effluent line (2017/18)
- Canyon Creek water/sewer (2017/18)
- CGMA water line (2017/18)



Looking Ahead

Critical Issues FY17 – Operations

General Fund

- SCBA replacement plan for Fire Dept
- Various large fleet requests, especially in Fire Dept and Streets
- Staffing – keeping up with growth
- Fleet maintenance facilities and operations
- Balancing the budget???

Utility Fund

- Rate increase needed??

Other

- Employee compensation and benefits – esp. salaries and group health

GENERAL FUND REVENUE PROJECTIONS - PRELIMINARY

GENERAL FUND	Projection FY 2016	Projection FY 2017
Beginning Fund Balance	\$ 9,767,573	\$ 8,373,134
Sales Tax	14,400,000	14,373,000
Street Sales Tax	1,200,000	1,198,000
One-time sales tax-Panda II	-	143,000
Property Tax Rev	7,366,922	7,817,207
Property Tax-Panda	572,078	840,028
Property Tax-Carriage Estates	-	102,459
Franchise & Other Taxes	3,006,000	2,996,000
Ambulance	1,250,000	1,250,000
Transfers	2,716,000	2,615,000
Interest	65,000	65,000
Other Revenue	2,237,875	2,237,875
Total Revenues	32,813,875	33,637,569

UTILITY FUND REVENUE PROJECTIONS - PRELIMINARY

UTILITY FUND	Projected FY 2016	Projected FY 2017
Beginning Fund Balance	\$ 6,188,339	\$ 3,911,261
Water Sales	12,112,553	12,112,553
Panda	1,009,447	1,009,447
Carriage Estates Water	68,400	136,800
Preston Club	25,000	50,000
Sewer Sales	7,278,000	7,278,000
SEDCO	289,347	288,915
Interest	33,572	33,572
Other	950,700	874,700
Transfers	154,000	157,000
Total Revenues	21,921,019	21,940,987

SOLID WASTE FUND REVENUE PROJECTIONS - PRELIMINARY

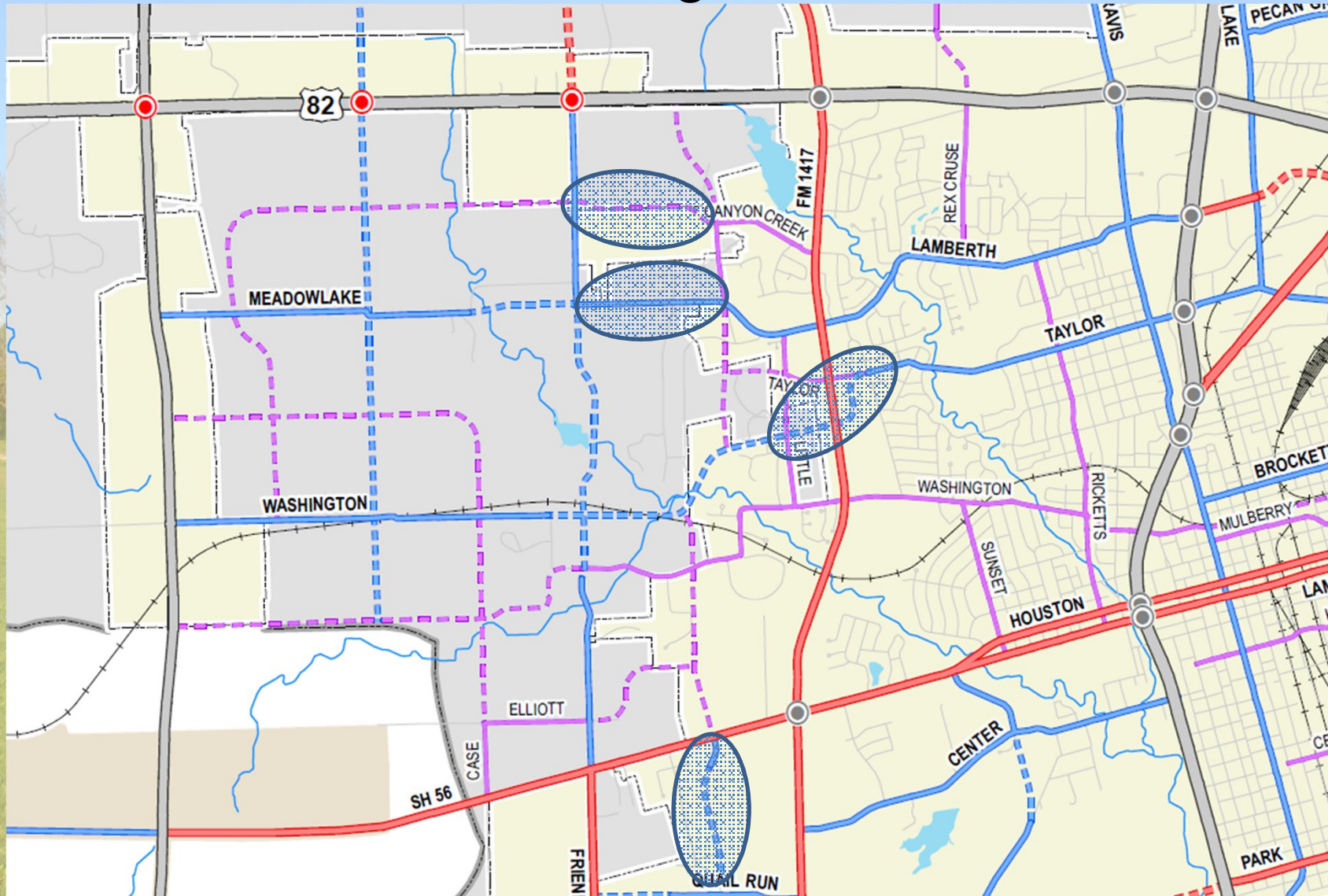
SOLID WASTE FUND

	Projected FY 2016	Projected FY 2017
Beginning Fund Balance	1,280,035	1,493,469
Commercial Solid Waste	3,419,000	3,419,000
Curbside Recycling Svcs	349,000	349,000
Residential Solid Waste	2,299,000	2,322,000
Transfers In	300,000	-
Miscellaneous Svcs	149,441	149,441
Total Revenues	6,516,441	6,239,441

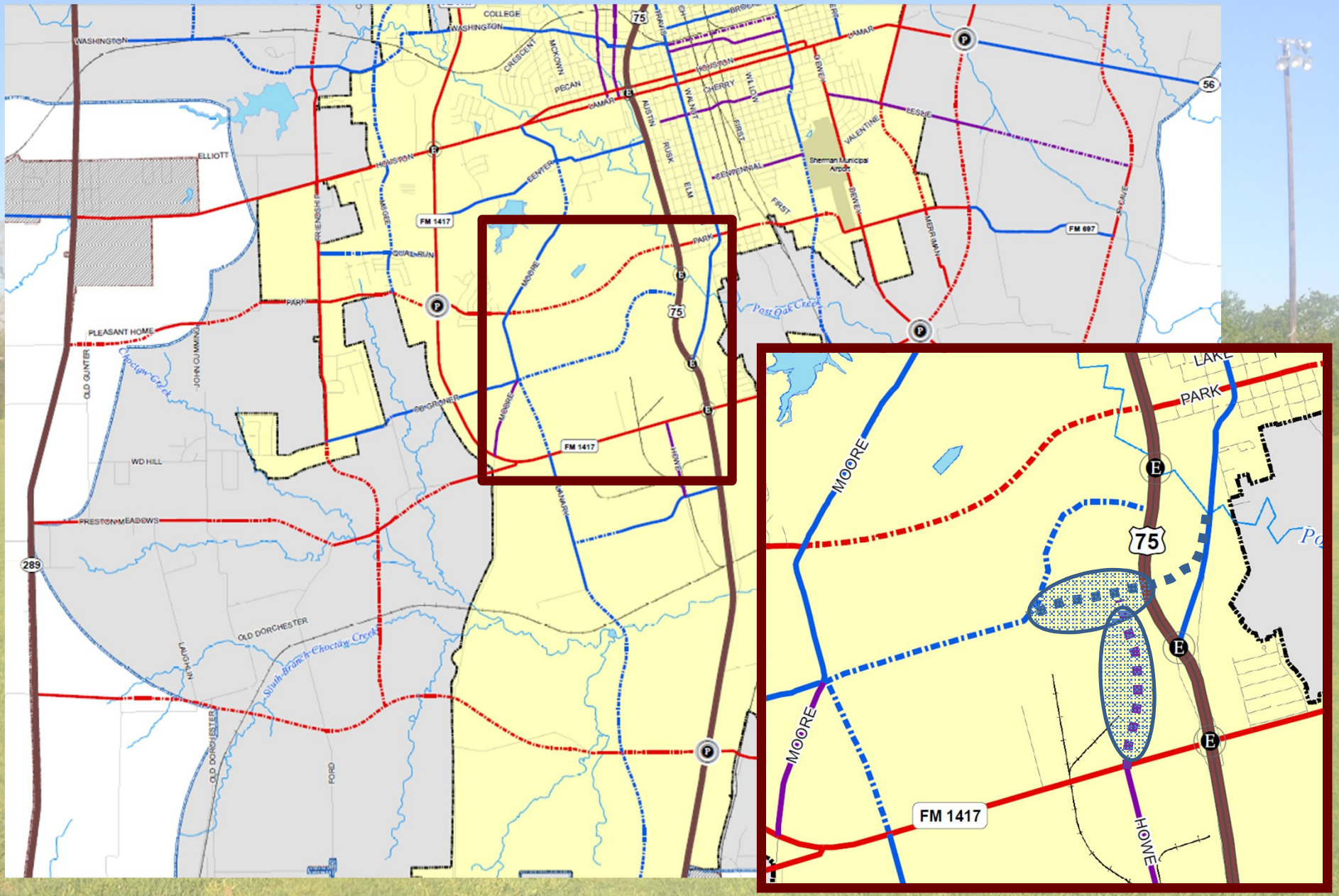
Transportation Issues – FY16 – FY17

- TxDOT enhancements
 - Working with TxDOT to leverage local \$\$
 - More active role in discussions with Paris TxDOT, esp. Hwy 1417 and Travis St
 - Debt issued to re-prioritize TxDOT projects ??
 - Clay “hired” as contract engineer to help review TxDOT project engineering
- City thoroughfare development
 - Canyon Creek Dr
 - Lamberth Rd
 - Taylor/Washington St
 - Swan Ridge Dr
 - Travis (OB Groner)/Howe Dr
 - Park St/Lake St

Refined Thoroughfare Network



South Half of the Thoroughfare Plan



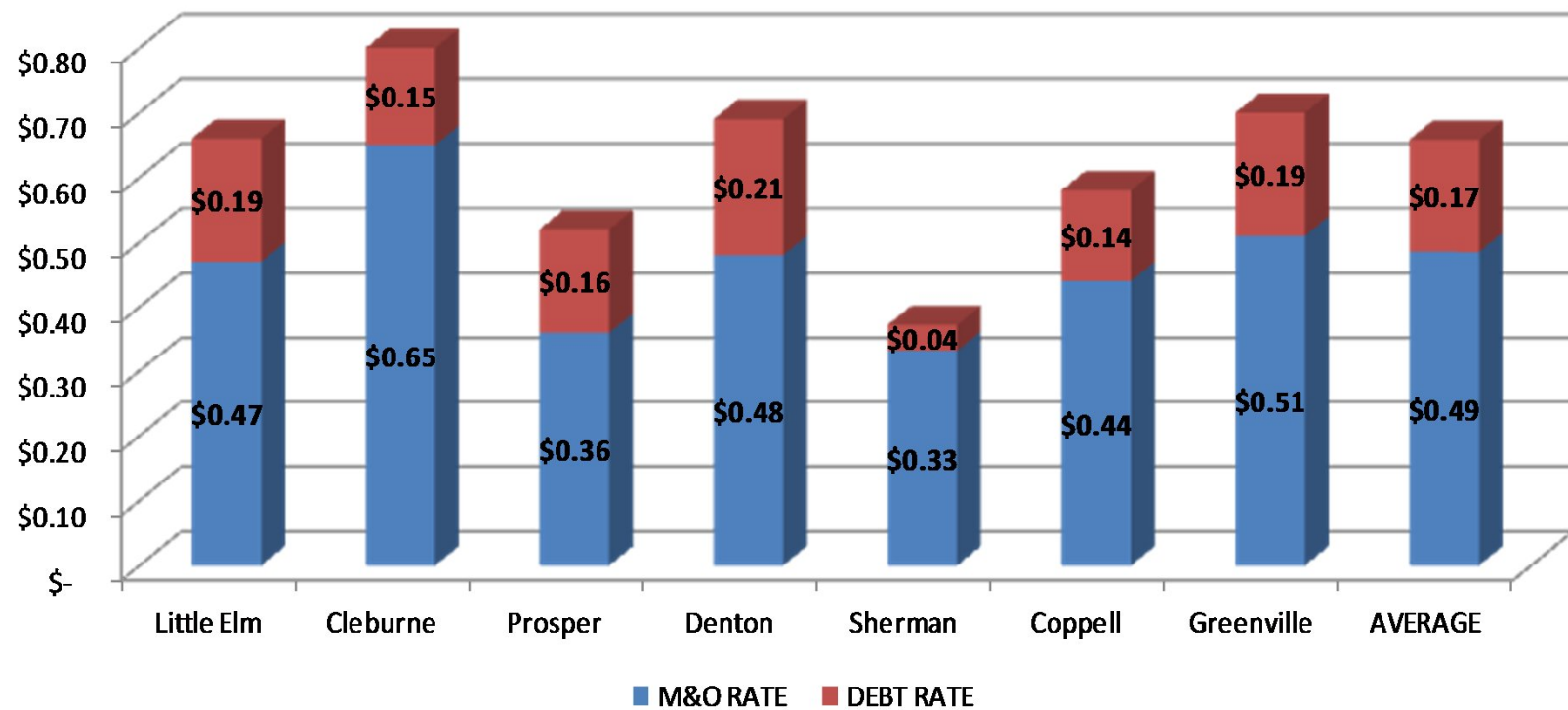
Debt Issuance Needs

	\$ Million	Est. Ann. Revenue
★ TxDOT Projects		
★ Hwy 1417 ROW and Schematics	\$ 1.0	
★ Travis Street ROW and Schematics	1.0	\$ 250,000
MPO Projects	1.5	
★ Taylor/Washington Street ROW - 1417 to 289	1.0	200,000
Engineering and Construction - Phase I	2.8	
Friendship ROW & Schematics - Hwy 56 to Lamberth	0.4	
★ Swan Ridge - Engineering & Construction	1.1	60,000
★ Sherman Crossroads		
★ Travis/OB Groner	1.5	
* Howe Drive/Other	2.0	1,000,000
Lamberth Rd - Shady Oaks to Friendship	2.0	120,000
★ Canyon Creek Drive/Pecan Grove Ballfields	1.5	80,000
Lake/Park Realignment	0.5	
Bridge Repairs	0.5	
★ Fire Station #4 (net)	1.0	
★ Library	1.0	
Other	1.2	
	<u>\$ 20.0</u>	<u>\$1,710,000</u>

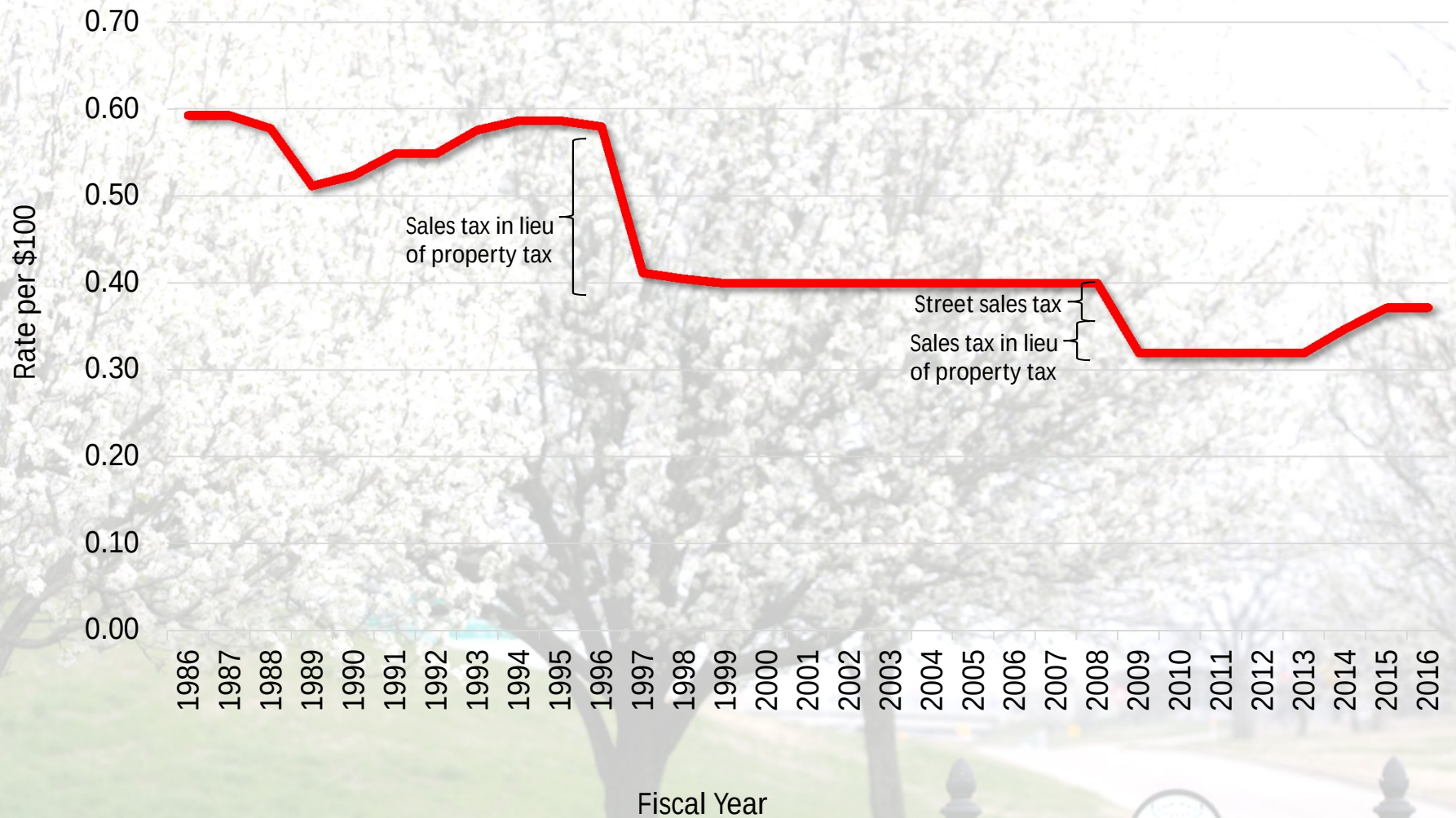
* To be paid via Tax Increment Financing Bonds

★ Engineering underway or under negotiation

Local and Peer Tax Rates



Property Tax Rate History



Welcome to Sherman

2016 TML Tax and Debt Survey

(Cities 30k – 50k)

City	2015						2015	
	Population	Total Net Taxable	Tax Rate	GO Bonds	CO Bond	Tax Notes	Total Tax Debt	Debt per capita
Wylie	45,913	\$ 2,921,053,864	0.8689000	\$ 76,670,000	\$ 18,590,000	\$ -	\$ 95,260,000	\$ 2,075
Copperas Cove	33,374	\$ 1,155,050,460	0.7979080	\$ 35,805,000	\$ 24,450,000	\$ 7,920,000	\$ 68,175,000	\$ 2,043
Deer Park	33,719	\$ 2,345,344,230	0.7143520	\$ 21,070,000	\$ 29,385,000	\$ -	\$ 50,455,000	\$ 1,496
La Porte	35,039	\$ 2,412,606,162	0.7100000	\$ 21,220,000	\$ 16,940,000	\$ -	\$ 38,160,000	\$ 1,089
Haltom City	43,913	\$ 1,682,741,323	0.6999900	\$ 32,115,000	\$ 22,150,000	\$ 1,655,000	\$ 55,920,000	\$ 1,273
Waxahachie	32,344	\$ 2,521,188,621	0.6800000	\$ 38,600,000	\$ 95,150,000	\$ -	\$ 133,750,000	\$ 4,135
Weslaco	37,601	\$ 1,637,571,276	0.6767000	\$ 2,006,250	\$ 21,110,000	\$ 6,545,000	\$ 29,661,250	\$ 789
The Colony	44,704	\$ 3,100,498,444	0.6700000	\$ 45,410,000	\$ 46,850,000	\$ -	\$ 92,260,000	\$ 2,064
Texarkana	37,442	\$ 2,402,277,418	0.6692930	\$ 23,450,000	\$ 25,340,000	\$ -	\$ 48,790,000	\$ 1,303
Little Elm	35,414	\$ 2,421,160,195	0.6616870	\$ 30,393,306	\$ 12,525,000	\$ 1,885,000	\$ 44,803,306	\$ 1,265
Hurst	38,733	\$ 2,364,745,553	0.6105600	\$ 27,945,000	\$ 6,420,000	\$ -	\$ 34,365,000	\$ 887
Farmers Branch	32,560	\$ 4,539,598,200	0.6022670	\$ 17,350,000	\$ 16,870,000	\$ -	\$ 34,220,000	\$ 1,051
Kyle	32,881	\$ 1,983,279,771	0.5848000	\$ 83,605,000	\$ 9,235,000	\$ 2,515,000	\$ 95,355,000	\$ 2,900
Coppell	40,678	\$ 6,230,715,425	0.5840000	\$ 40,320,000	\$ 25,615,000	\$ -	\$ 65,935,000	\$ 1,621
Friendswood	39,121	\$ 2,971,372,409	0.5687000	\$ 23,365,881	\$ -	\$ -	\$ 23,365,881	\$ 597
Nacogdoches	33,868	\$ 1,491,788,100	0.5681000	\$ -	\$ 6,370,000	\$ -	\$ 6,370,000	\$ 188
Bedford	48,908	\$ 3,192,632,438	0.4948330	\$ 31,900,000	\$ 16,905,000	\$ -	\$ 48,805,000	\$ 998
Schertz	36,896	\$ 3,029,803,646	0.4911000	\$ 44,545,000	\$ -	\$ 3,870,000	\$ 48,415,000	\$ 1,312
Rosenberg	34,468	\$ 1,933,380,329	0.4700000	\$ 13,975,000	\$ 48,660,000	\$ -	\$ 62,635,000	\$ 1,817
Huntsville	40,435	\$ 1,465,263,086	0.3838000	\$ 7,478,586	\$ 3,790,000	\$ -	\$ 11,268,586	\$ 279
Sherman	39,943	\$ 2,375,897,762	0.3720000	\$ 1,270,000	\$ 11,995,000	\$ -	\$ 13,265,000	\$ 332
AVERAGE		\$ 2,579,903,272	0.613	\$ 29,452,096	\$ 21,826,190	\$ 1,161,429	\$ 52,439,715	\$ 1,405

Peer Cities – Higher Growth since 2009

City	2015								Total	Population		Debt
	Population	Total Net Taxable	Tax Rate	GO Bonds	CO Bond	Tax Notes	Tax Debt	Tax Debt	Tax Debt	Growth		per capita
Bedford	48,908	\$ 3,192,632,438	0.4948330	\$ 31,900,000	\$ 16,905,000	\$ -	\$ 48,805,000			-0.3%		\$ 998
Hurst	38,733	\$ 2,364,745,553	0.6105600	\$ 27,945,000	\$ 6,420,000	\$ -	\$ 34,365,000			0.1%		\$ 887
La Porte	35,039	\$ 2,412,606,162	0.7100000	\$ 21,220,000	\$ 16,940,000	\$ -	\$ 38,160,000			0.4%		\$ 1,089
Coppell	40,678	\$ 6,230,715,425	0.5840000	\$ 40,320,000	\$ 25,615,000	\$ -	\$ 65,935,000			0.5%		\$ 1,621
Farmers Branch	32,560	\$ 4,539,598,200	0.6022670	\$ 17,350,000	\$ 16,870,000	\$ -	\$ 34,220,000			0.7%		\$ 1,051
Rosenberg	34,468	\$ 1,933,380,329	0.4700000	\$ 13,975,000	\$ 48,660,000	\$ -	\$ 62,635,000			0.7%		\$ 1,817
Nacogdoches	33,868	\$ 1,491,788,100	0.5681000	\$ -	\$ 6,370,000	\$ -	\$ 6,370,000			0.9%		\$ 188
Sherman	39,943	\$ 2,375,897,762	0.3720000	\$ 1,270,000	\$ 11,995,000	\$ -	\$ 13,265,000			1.0%		\$ 332
Texarkana	37,442	\$ 2,402,277,418	0.6692930	\$ 23,450,000	\$ 25,340,000	\$ -	\$ 48,790,000	\$ 48,790,000		1.1%		\$ 1,303
Huntsville	40,435	\$ 1,465,263,086	0.3838000	\$ 7,478,586	\$ 3,790,000	\$ -	\$ 11,268,586	\$ 11,268,586		1.2%		\$ 279
The Colony	44,704	\$ 3,100,498,444	0.6700000	\$ 45,410,000	\$ 46,850,000	\$ -	\$ 92,260,000	\$ 92,260,000		1.3%		\$ 2,064
Copperas Cove	33,374	\$ 1,155,050,460	0.7979080	\$ 35,805,000	\$ 24,450,000	\$ 7,920,000	\$ 68,175,000	\$ 68,175,000		1.4%		\$ 2,043
Haltom City	43,913	\$ 1,682,741,323	0.6999900	\$ 32,115,000	\$ 22,150,000	\$ 1,655,000	\$ 55,920,000	\$ 55,920,000		1.5%		\$ 1,273
Deer Park	33,719	\$ 2,345,344,230	0.7143520	\$ 21,070,000	\$ 29,385,000	\$ -	\$ 50,455,000	\$ 50,455,000		1.6%		\$ 1,496
Waxahachie	32,344	\$ 2,521,188,621	0.6800000	\$ 38,600,000	\$ 95,150,000	\$ -	\$ 133,750,000	\$ 133,750,000		2.3%		\$ 4,135
Wylie	45,913	\$ 2,921,053,864	0.8689000	\$ 76,670,000	\$ 18,590,000	\$ -	\$ 95,260,000	\$ 95,260,000		2.3%		\$ 2,075
Friendswood	39,121	\$ 2,971,372,409	0.5687000	\$ 23,365,881	\$ -	\$ -	\$ 23,365,881	\$ 23,365,881		2.3%		\$ 597
Weslaco	37,601	\$ 1,637,571,276	0.6767000	\$ 2,006,250	\$ 21,110,000	\$ 6,545,000	\$ 29,661,250	\$ 29,661,250		2.5%		\$ 789
Schertz	36,896	\$ 3,029,803,646	0.4911000	\$ 44,545,000	\$ -	\$ 3,870,000	\$ 48,415,000	\$ 48,415,000		2.5%		\$ 1,312
Kyle	32,881	\$ 1,983,279,771	0.5848000	\$ 83,605,000	\$ 9,235,000	\$ 2,515,000	\$ 95,355,000	\$ 95,355,000		2.7%		\$ 2,900
Little Elm	35,414	\$ 2,421,160,195	0.6616870	\$ 30,393,306	\$ 12,525,000	\$ 1,885,000	\$ 44,803,306	\$ 44,803,306		6.8%		\$ 1,265
AVERAGE		\$ 2,579,903,272	0.613	\$ 29,452,096	\$ 21,826,190	\$ 1,161,429	\$ 52,439,715	\$ 61,344,540				\$ 1,405
												\$ 1,656

2016 TML Tax and Debt Survey – Large Peer

(Cities 50k – 75k)

City	2015								
	Population	Total Net Taxable	Tax Rate	GO Bonds	CO Bond	Tax Notes	Total Tax Debt	Debt per capita	
Pharr	75,382	\$ 2,592,116,400	0.6800000	\$ 16,430,000	\$ 6,720,000		\$ 23,150,000	\$ 307	
Harlingen	74,950	\$ 2,908,536,859	0.5888270	\$ 16,390,000	\$ 25,695,000		\$ 42,085,000	\$ 562	
Temple	70,765	\$ 3,840,746,157	0.6298000	\$ 75,420,000	\$ 36,650,000	\$ 24,700,000	\$ 136,770,000	\$ 1,933	
Flow er Mound	69,650	\$ 8,650,561,360	0.4390000	\$ 51,210,000	\$ 81,010,000		\$ 132,220,000	\$ 1,898	
North Richland Hills	68,529	\$ 3,421,177,189	0.6100000	\$ 70,852,000	\$ 28,690,000		\$ 99,542,000	\$ 1,453	
New Braunfels	66,394	\$ 5,658,711,142	0.4982300	\$ 63,550,000	\$ 83,480,000	\$ 1,285,000	\$ 148,315,000	\$ 2,234	
Victoria	66,094	\$ 3,979,855,103	0.5840000	\$ 42,970,000	\$ 48,270,000		\$ 91,240,000	\$ 1,380	
Cedar Park	63,574	\$ 6,697,056,699	0.4795000	\$ 154,590,000	\$ 22,810,000		\$ 177,400,000	\$ 2,790	
Rowlett	58,407	\$ 3,587,455,377	0.7817300	\$ 73,540,000	\$ 1,105,000	\$ 1,235,000	\$ 75,880,000	\$ 1,299	
Pflugerville	54,644	\$ 3,866,723,695	0.5405000	\$ 17,730,000	\$ 165,880,000		\$ 183,610,000	\$ 3,360	
Euless	53,630	\$ 3,153,297,953	0.4675000	\$ 26,975,000	\$ 8,365,000		\$ 35,340,000	\$ 659	
Average		\$ 4,396,021,630	0.573	\$ 55,423,364	\$ 46,243,182	\$ 9,073,333	\$ 104,141,091	\$ 1,625	

Tax and Debt Survey Observations

	Tax Rate	Tax Value (\$mil)	Tax Debt (\$mil)	Tax Debt per capita
Overall Peer	\$ 0.613	\$ 2,580	\$ 52.4	\$ 1,405
High Growth Peer	\$ 0.651	\$ 2,279	\$ 61.3	\$ 1,656
Sherman	\$ 0.372	\$ 2,376	\$ 13.3	\$ 332
Large Peer	\$ 0.572	\$ 4,396	\$ 104.1	\$ 1,625

Sherman → Peer average tax debt = \$40 million = \$.12 on tax rate = \$1,334 debt/capita

Sherman → High growth peer tax debt = \$49 million = \$.14 on tax rate = \$1,559 debt/capita

What to expect:

- Peer cities with higher growth have higher debt and higher debt per capita
- Larger peer cities have significantly higher debt and higher debt per capita
- Higher tax debt = higher tax rate



Reminder – Budget Workshop

June 21-22

EST.
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Welcome to Sherman

THE REIMBURSEMENT OF THE CITY OF SHERMAN'S RATE CASE EXPENSES; SETTING A PUBLIC HEARING FOR THE PURPOSES OF DETERMINE IF THE EXISTING RATES OF ONCOR ELECTRIC DELIVERY COMPANY, LLC ARE UNREASONABLE OR IN ANY WAY IN VIOLATION OF ANY PROVISION OF LAW AND THE DETERMINATION BY THE CITY OF SHERMAN OF JUST AND REASONABLE RATES TO BE CHARGED BY ONCOR ELECTRIC DELIVERY COMPANY, LLC; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR'S LEGAL COUNSEL.

Brandon Shelby, City Attorney, said Oncor's parent company filed for bankruptcy last year and as a part of that filing, they are selling the Oncor portion of the business to some investors. The investors are splitting Oncor into two companies. They will realize some income tax benefits of between \$200 million and \$250 million annually, from the sale of the companies.

The Public Utilities Commission has approved the sale and approved the structure, and encouraged the company to share the rate savings with the customers. However, they could not force them to share the savings because it wasn't a rate case.

By way of this ordinance, this is a rate case, and is a mechanism to get them to share the tax savings with the ratepayers.

No citizens appeared before the City Council to discuss Ordinance No. 5946.

Mayor Plyler introduced Ordinance No. 5947 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 (BASEBALL TRAINING FACILITY WITH BATTING CAGES) IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 1612 BAKER DRIVE, BEING LOTS 4 THRU 9, BLOCK 1, JOE GALBREATH SUBDIVISION (EDDIE YOUNG, OWNER; TODD YOUNG, REPRESENTATIVE; AND "THE BULLPEN", CHRIS STEPHENS, TENANT); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 5947
SUP FOR
COMMERCIAL
AMUSEMENT CENTER
(1612 BAKER DR)

Scott Shadden, Director of Development Services, said a commercial amusement in a C-2 (General Commercial) District requires a Specific Use Permit. They appeared before the Planning and Zoning Commission, and the Commission recommended approval of the request.

No citizens appeared before the City Council to discuss Ordinance No. 5947.

Mayor Plyler introduced Ordinance No. 5948 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RENEWING THE DESIGNATION OF RESIDENTIAL REINVESTMENT ZONE, NUMBER 041811-1, CITY OF SHERMAN, TEXAS, FOR THE PURPOSE OF RESIDENTIAL TAX ABATEMENT.

ORD 5948
RESIDENTIAL
REINVESTMENT ZONE

Mr. Hefton said the Residential Reinvestment Zone is normally an administrative item that requires readoption and renewal every two years. The geographical areas that are used to determine eligibility for the abatements, are determined by the US Department of Housing and Urban Development census tract.

In the past, the low-to-moderate income locations have been generally located east of Hwy 75. The census tracts are updated every five years, and since the last update the map has changed and there are now two or three areas of low-to-moderate homes that aren't considered in the low-to-moderate target area.

Mr. Hefton said there is no determination from HUD as to why that happened, but he felt it was due to community efforts to revitalize, provide tax abatements, and encourage reinvestment, or gentrification, that has removed those low-to-moderate areas out of that status. He added that the City's efforts for redevelopment are having a positive effect in those areas.

However, he added, the citizens in those areas that were being redeveloped with tax abatements, will no longer qualify to receive tax abatements. The area will again be reviewed in five years, when HUD updates their census tract maps.

Mr. Hefton said the current ordinance concerns the adoption of the new map. He did point out that, because of the map changes, there are now some low-to-moderate areas west of Hwy 75, in very affluent areas of Sherman. Because of this, a \$100,000 "cap" was added into the ordinance.

Therefore, to be eligible for a residential tax abatement, the value of the improvements must be less than \$100,000. This cap will be in effect for two years, until the renewal is considered.

Council Member Davis asked if there was a price limit prior to this renewal. Mr. Hefton said there was previously no need for the price limit. Now the low-to-moderate areas include houses that might be worth \$70,000 but also some that are work \$770,000.

Deputy Mayor Sofey asked how long the City has been providing residential tax abatements and what the dollar amount is so far. Mr. Hefton said the City has been offering residential tax abatements for 10 to 12 years and approximately 250 have been granted. The residential tax abatements have added \$23 million back to the tax rolls.

No citizens appeared before the City Council to discuss Ordinance No. 5948.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 5946

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DIRECTING ONCOR ELECTRIC DELIVERY COMPANY, LLC TO FILE CERTAIN INFORMATION WITH THE CITY OF SHERMAN, TEXAS; SETTING A PROCEDURAL SCHEDULE FOR THE GATHERING AND REVIEW OF NECESSARY INFORMATION IN CONNECTION THEREWITH; SETTING DATES FOR THE FILING OF THE CITY'S ANALYSIS OF THE COMPANY'S FILING AND THE COMPANY'S REBUTTAL TO SUCH ANALYSIS; RATIFYING THE HIRING OF LEGAL COUNSEL AND CONSULTANTS; RESERVING THE RIGHT TO REQUIRE THE REIMBURSEMENT OF THE CITY OF SHERMAN'S RATE CASE EXPENSES; SETTING A PUBLIC HEARING FOR THE PURPOSES OF DETERMING IF THE EXISTING RATES OF ONCOR ELECTRIC DELIVERY COMPANY, LLC ARE UNREASONABLE OR IN ANY WAY IN VIOLATION OF ANY PROVISION OF LAW AND THE DETERMINATION BY THE CITY OF SHERMAN OF JUST AND REASONABLE RATES TO BE CHARGED BY ONCOR ELECTRIC DELIVERY COMPANY, LLC; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR'S LEGAL COUNSEL.

ORD 5946
ONCOR ELECTRIC
RATES

Ordinance 5947

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 (BASEBALL TRAINING FACILITY WITH BATTING CAGES) IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 1612 BAKER DRIVE, BEING LOTS 4 THRU 9, BLOCK 1, JOE GALBREATH SUBDIVISION (EDDIE YOUNG, OWNER; TODD YOUNG, REPRESENTATIVE; AND "THE BULLPEN", CHRIS STEPHENS, TENANT); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 5947
SUP FOR
COMMERCIAL
AMUSEMENT CENTER
(1612 BAKER DR)

Ordinance 5948

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RENEWING THE DESIGNATION OF RESIDENTIAL REINVESTMENT ZONE, NUMBER 041811-1,

ORD 5948
RESIDENTIAL
REINVESTMENT ZONE

CITY OF SHERMAN, TEXAS, FOR THE PURPOSE OF
RESIDENTIAL TAX ABATEMENT.

ACTION TAKEN.

Motion by Deputy Mayor Sofey to adopt Ordinance Nos.
5946, 5947, and 5948, as presented. Second by Council
Member Davis.

VOTING AYE: Couch, Davis, Johnson, Sofey, Steele.

VOTING NAY: None.

MOTION CARRIED.

CONSENT AGENDA

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

CONSENT AGENDA

RESOLUTIONS

RESOLUTION NO. 6074 – AWARDING A BID TO AND
AUTHORIZING EXECUTION OF A CONTRACT WITH AUSTIN
ASPHALT, LP FOR AN ANNUAL SUPPLY OF HOT MIX
ASPHALT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SHERMAN, TEXAS, AWARDING A BID TO AND
AUTHORIZING EXECUTION OF A CONTRACT WITH AUSTIN
ASPHALT, LP FOR AN ANNUAL SUPPLY OF HOT MIX
ASPHALT.

CONSENT AGENDA.

RES 6074
ANNUAL SUPPLY
HOT MIX ASPHALT

RESOLUTION NO. 6075 – AUTHORIZING EXECUTION OF AN
AGREEMENT WITH JOEY AND LYNN WOMBLE FOR THE
ABATEMENT OF AD VALOREM PROPERTY TAXES FOR
THE CONSTRUCTION OF A NEW SINGLE-FAMILY
RESIDENCE AT 1012 NORTH HARRISON AVENUE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN
AGREEMENT WITH JOEY AND LYNN WOMBLE FOR THE
ABATEMENT OF AD VALOREM PROPERTY TAXES FOR
THE CONSTRUCTION OF A NEW SINGLE-FAMILY
RESIDENCE AT 1012 NORTH HARRISON AVENUE.

CONSENT AGENDA.

RES 6075
RESIDENTIAL TAX
ABATEMENT
(1012 N. HARRISON)

REQUEST TO ADVERTISE

CONSTRUCTION OF A BIOSOLIDS DEWATERING FACILITY
AT THE SHERMAN WASTEWATER TREATMENT PLANT

Mark Gibson, Director of Utilities, said the Biosolids
Dewatering Facility at the Wastewater Treatment Plant is a
new Capital Improvement Project with an estimated cost of
\$1.8 million.

REQ TO ADVERTISE
BIOSOLIDS
DEWATERING
FACILITY

This is the second major project at the Wastewater
Treatment Plant, with the other being the new headworks
facilities.

Mr. Gibson said, with the Council's permission, they would
take bids by the end of May 2016 and award the contract by

the end of June 2016. Construction for the project should start by the end of July 2016, and will take approximately 12 to 13 months to complete.

Over the last several years, the City has hired a contractor to process the biosolids and has paid him over \$275,000 annually for the service. This project will save the City a considerable amount of money and give the City complete control over the processing and disposal of the biosolids.

Council Member Steele recognized Mr. Gibson for coming up with a creative way to save the City money and provide excellent service at the same time.

ACTION TAKEN.

Motion by Council Member Steele to approve the request to advertise for a Biosolids Dewatering Facility at the Wastewater Treatment Plant, as presented. Second by Council Member Davis.

VOTING AYE: Couch, Davis, Johnson, Sofey, Steele.

VOTING NAY: None.

MOTION CARRIED.

OTHER BUSINESS

CONSIDER REQUEST OF THE SHERMAN TOURISM/MAIN STREET MANAGER TO TEMPORARILY CLOSE CERTAIN STREETS AND USE CERTAIN CITY FACILITIES AND SERVICES FOR THE “7TH ANNUAL LIGHTS ON THE LAKE” ON SATURDAY, JULY 2, 2016

Sarah McRae, Tourism/Main Street Manager, asked the City Council to approve the request to temporarily close certain streets and use City facilities and services for the “7th Annual Lights on the Lake” event on July 2, 2016, at Pecan Grove Park.

**CLOSE STREETS
FOR LIGHTS ON
THE LAKE
(JULY 2, 2016)**

This year the event gates will open at 3:00 p.m. instead of 5:00 p.m. to better facilitate traffic and parking. Parking will also be expanded as additional lots will be added, however there will be no bus service by the Texoma Area Paratransit Service. Additional golf carts will be added to assist handicapped visitors.

This year, the event will include a concert by Foghat, fireworks by Illumination Fireworks of Dallas, vendors, and bounce houses.

Mayor Plyler verified the location of the new parking lot and that there will be a \$5 charge for parking in all lots this year. Mr. Hefton said there will also be additional parking on the west side of Shady Oaks Drive. He said hundreds of parking spots close to the park will be added.

ACTION TAKEN.

Motion by Council Member Johnson to approve the request to temporarily close certain streets and use City facilities for the “7th Annual Lights on the Lake” on July

2, 2016, as presented. Second by Deputy Mayor Sofey.
VOTING AYE: Couch, Davis, Johnson, Sofey, Steele.
VOTING NAY: None.
MOTION CARRIED.

APPROVE QUARTERLY INVESTMENT REPORT FOR
QUARTER ENDED MARCH 31, 2016

QUARTERLY
INVESTMENT REPORT

The City Council approved the Quarterly Investment Report for the quarter ended March 31, 2016. Beginning this quarter, a separate report was included for the Tax Note proceeds that were received in February, as required by the Investment Policy.

As of March 31, 2016, the portfolios were in compliance with applicable State laws and the Investment Policy. The Operating investment portfolio had a book value of about \$20.5 million, an increase of about \$4.8 million from the prior quarter of \$15.7 million. The increase was due to purchases of State of Texas Obligations, a Certificate of Deposit, U.S. Agency securities and the Local Government Investment Pools.

The underlying investments were adequately diversified among four different types of securities. This portfolio is appropriately liquid, and its weighted-average maturity was about 498 days, up from 487 days last period.

The portfolio yield of 0.855% for the quarter is higher than the benchmark yield of 0.59%. The portfolio value on the City's books is essentially equal to the market value of the overall portfolio.

The CO debt proceeds portfolio balance of \$1.8 million was invested in a Local Government Investment Pool with a maturity of one day. The yield of .32% was above the benchmark yield of .18% for this portfolio. Book value and market value were about the same.
CONSENT AGENDA.

CITIZENS REQUESTS

CITIZENS REQUESTS

There were no citizens requests.

MEDIA QUESTIONS

MEDIA QUESTIONS

There were no media questions.

COUNCIL COMMENTS

CRAFT THE NIGHT AWAY

CRAFT THE
NIGHT AWAY

Council Member Couch thanked Downtown Sherman Preservation & Revitalization and the volunteers that participated in "Craft the Night Away," held this weekend in the downtown area. He said there were quite a few breweries that came from the Dallas area. He also recognized local brewery 903 Brewers.

TEXOMA AREA PARATRANSIT SYSTEM

TAPS

Council Member Steele said as of 6:00 a.m. this morning,

TAPS has officially opened again for business. He said they are providing “demand” services.

TEXOMA AREA PARATRANSIT SYSTEM

Council Member Davis thanked Council Member Steele for his work on the TAPS Board of Directors through this closing, reorganization, and new contract.

TAPS

TAX ABATEMENT PROGRAM

Deputy Mayor Sofey recognized another residential tax abatement that was on tonight’s agenda and commented on the importance of the program.

TAX ABATEMENT
PROGRAM

TEXOMA EARTH DAY

Deputy Mayor Sofey congratulated the organizers and participants of the Texoma Earth Day Festival, recognizing their 8th anniversary.

TEXOMA EARTH DAY

MAIN STREET PROGRAM

Council Member Johnson said the City is going in a great direction and she was glad the Tourism/Main Street Manager position has been filled. She said she was excited to see what direction they would go.

MAIN STREET
PROGRAM

ANNOUNCEMENTS

Mayor Plyler announced the following:

- On April 22, 2016, Austin College will dedicate a new Veteran’s Memorial. Congressman John Ratcliffe will speak at 10:30 a.m. in Mabee Hall.
- On May 4, 2016, at 1:00 p.m., Texas First Lady, Cecilia Abbott, will attend a formal dedication ceremony for Sherman’s designation as a Main Street City. After the ceremony, a reception will be held at the Old Iron Post Restaurant.

ANNOUNCEMENTS

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

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.

EXECUTIVE SESSION

SECTION 551.071

CONSULTATION WITH CITY
ATTORNEY CONCERNING
PENDING OR CONTEMPLATED
LITIGATION:
RECEIVE THE CITY ATTORNEY’S
BRIEFING ON PENDING OR
CONTEMPLATED LITIGATION

SECTION 551.074

PERSONNEL MATTERS:
CONSIDER THE
QUALIFICATIONS, APPOINTMENT

AND REMOVAL OF MEMBERS TO
BOARDS AND COMMISSIONS:
SHERMAN HIGHER EDUCATION
FINANCE CORPORATION (7)

SECTION 551.087

DELIBERATE REGARDING
ECONOMIC DEVELOPMENT
NEGOTIATIONS:
DELIBERATE REGARDING
COMMERCIAL OR FINANCIAL
INFORMATION THAT THE CITY
HAS RECEIVED FROM A
BUSINESS PROSPECT AND
DELIBERATE ANY OFFERS OR
INCENTIVES TO THE BUSINESS
PROSPECT

On Motion duly made and carried, the Open Meeting
recessed and reconvened in Executive Session at 5:28 p.m.

On Motion duly made and carried, the Executive Session
recessed at 5:53 p.m. and reconvened in Open Meeting.

OPEN MEETING

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

OPEN MEETING

SHERMAN HIGHER EDUCATION FINANCE CORPORATION
(7)

ACTION TAKEN.

Motion by Council Member Johnson to reappoint Dr. Al
Hambrick, Rad Richardson, Sheryl Bradshaw, Delinda
Lough, George Rowland, Paul Bean, and Anna Laura
Page to the Sherman Higher Education Finance
Corporation Board of Directors, for a term from April 18,
2016 to April 18, 2018. Second by Deputy Mayor Sofey.

VOTING AYE: Couch, Davis, Johnson, Sofey, Steele.

VOTING NAY: None.

MOTION CARRIED.

SHERMAN HIGHER
EDUCATION
FINANCE CORP

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at
5:54 p.m.

ADJOURNMENT

MAYOR

CITY CLERK



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. B. 1.

Meeting Date: 05/02/2016

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

PROCLAMATION

"Mental Health Awareness Month" – May 2016

Issue:

To present a proclamation designating May 2016 as "Mental Health Awareness Month" in Sherman

Background:

For many years, May has been designated as "National Mental Health Awareness Month" to raise awareness of mental health issues and to encourage early, effective treatment and appropriate, accessible services to all people.

Origination:

The request originated with the Texoma Community Center.

Financial Consideration:

There is no financial consideration.

Staff Recommendation:

It is recommended that the City Council present a proclamation designating May 2016 as "Mental Health Awareness Month" in Sherman.

Alternatives:

The Council could choose not to present the proclamation.

Attachments

"Mental Health Awareness Month" Proclamation

Proclamation

WHEREAS, mental health is essential to everyone's overall health and well-being, and

WHEREAS, all Americans experience times of difficulty and stress in their lives, and

WHEREAS, prevention is an effective way to reduce the burden of mental health conditions, and

WHEREAS, there is a strong body of research that supports specific tools that all Americans can use to better handle challenges, and protect their health and well-being, and

WHEREAS, mental health conditions are real and prevalent in our nation, and

WHEREAS, with early and effective treatment, those individuals with mental health conditions can recover and lead full, productive lives, and

WHEREAS, each business, school, government agency, healthcare provider, organization, and citizen shares the burden of mental health problems and has a responsibility to promote mental wellness and support prevention efforts.

NOW THEREFORE, I, David Plyler, Mayor of the City of Sherman, Texas, by the authority vested in me, do hereby proclaim May 2016

MENTAL HEALTH AWARENESS MONTH

in the City of Sherman and urge all citizens, government agencies, public and private institutions, businesses, and schools in Sherman to recommit our community to increasing awareness and understanding of mental health, the steps our citizens can take to protect their mental health, and the need for appropriate and accessible services for all people with mental health conditions.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Sherman to be affixed, this the 2nd day of May, 2016.

Mayor

ATTEST:

Ginda Ashley
City Clerk





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. B. 2.

Meeting Date: 05/02/2016

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

PROCLAMATION

"Motorcycle Safety and Awareness Month" – May 2016

Issue:

The Texoma Chapter of ABATE ("American Bikers Aimed Towards Education") has requested a proclamation designating May as "Motorcycle Safety and Awareness Month."

Background:

Each year in May, Texas ABATE celebrates "Motorcycle Safety and Awareness Month"; and they request a proclamation to publicize their awareness campaign.

Origination:

The request originated with the Texoma Chapter of ABATE.

Financial Consideration:

There is no financial consideration to the City.

Staff Recommendation:

It is the recommendation of the staff to present a proclamation designating May 2016 as "Motorcycle Safety and Awareness Month" in Sherman.

Alternatives:

The Council could choose not to present the proclamation.

Attachments

"Motorcycle Safety and Awareness Month" Proclamation



Proclamation

WHEREAS, our beautiful roadways and twelve-month riding season contribute to Texas having one of the nation's largest motorcycling populations, and

WHEREAS, motorcycle awareness is necessary to increase public awareness about motorcycle use on our roadways, and encourage their safe and proper use among motorcycle riders, and

WHEREAS, campaigns have helped inform riders, and motorists alike, on motorcycle safety issues that can reduce motorcycle related risks, injuries, and most of all, fatalities, and

WHEREAS, it is the responsibility of everyone who gets behind the wheel to become aware of motorcyclists, regarding them with the same respect as any other vehicle traveling the highways of this community, and it is the responsibility of riders, and motorists alike, to obey all traffic laws and safety rules, and

WHEREAS, urging all citizens of our community to become more aware of the inherent danger involved in operating a motorcycle, and for riders and motorists alike, to give each other the mutual respect and privileges they deserve.

NOW THEREFORE, I, David Pyle, Mayor of the City of Sherman, Texas, by the authority vested in me, do hereby proclaim May 2016

MOTORCYCLE SAFETY AND AWARENESS MONTH

in the City of Sherman and urge all citizens to do their part to increase motorist safety, show mutual respect for all motorists, and to increase motorcycle awareness in our community.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Sherman to be affixed, this the 2nd day of May 2016.

Mayor

ATTEST:

Sinde Ashby
City Clerk





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. C. 1.

Meeting Date: 05/02/2016

Prepared By: Brandon Shelby, City Attorney

Approved By: Robby Hefton, City Manager

Caption:

PUBLIC HEARING

Conduct the First Public Hearing Concerning the Annexation of a 0.777 Acre Tract of Land on Sistrunk Street, Adjacent to the Sherman City Limits and in the City of Sherman's Extra Territorial Jurisdiction

Issue:

To conduct the first public hearing concerning the annexation of a 0.777 acre tract of land on Sistrunk Street, north of Hilltop Drive, east of Texoma Parkway, south of Fallon Drive, adjacent to the Sherman City Limits, and in the City's extra territorial jurisdiction (ETJ), in accordance with state law and the City Charter

Background:

It is the City's intention to annex specifically identified individual areas in the City's ETJ, in accordance with state law and the City Charter. At its April 4th meeting, the City Council approved the schedule for annexation of this property, which sets this public hearing, a second public hearing for the May 16th regular Council meeting, and introduction and adoption of the Ordinance to annex the subject property at the June 6th regular Council meeting.

Origination:

Property Owner Arden Tocquigny

Financial Consideration:

The additional property taxes raised from this annexation are estimated at about \$150 annually, which approximates the estimated costs associated with providing general City services.

Staff Recommendation:

It is recommended that the City Council conduct its first public hearing concerning the possible annexation of this property.

Alternatives:

As directed by the City Council

Attachments

Request for Annexation

Annexation Schedule

Surveyor's Field Notes

Municipal Service Plan

Location Map

RECEIVED
MAR 21 2016

Feb. 1, 2016

BY:

Robbie Hefton
City of Sherman
Sherman Tx. 75090

Mr. Hefton,

I request that my property at the north end of Sistrunk St. be annexed into the city of Sherman for the purpose of obtaining city water service.

The legal description of property is:

Hilltop Estate S/D

Block 1, Lot 1 & 2 & N 60' 4"

MH Label # RAD 0121218

Respectfully,

Arden Tocquigny

Arden Tocquigny
4748 Sistrunk St.

Sherman, Tx. 75090

ANNEXATION SCHEDULING PLAN

Annexation of 0.777 Acres of Land Adjacent to the City Limits on the North End of Sistrunk Street, Being More Specifically Described as: Hilltop Estate S/D, Block 1, Lots 1 & 2, & North 60 feet 4, MH Label # RAD0121218

Wednesday, April 20, 2016.....	Send written notice to property owners in the area to be annexed, public or private entities that provide services in that area, and any railroads with a right of way in the area to be annexed. The Department of Engineering Services will prepare a service plan that details the specific Municipal Services that will be provided to the area after it is annexed.
Thursday, April 21, 2016.....	Post notice on City's website, newspaper and City Hall for City Council's 1 st Public Hearing on intent to annex. Send written notice to each public school district in the area to be annexed. Send by certified mail a second written notice to any railroads with a right of way in the area to be annexed. Obtain required affidavit of publication from newspaper.
Thursday, April 28, 2016.....	Post notice of 1 st Public Hearing under the Open Meetings Act.
Monday, May 2, 2016.....	City Council's 1 st Public Hearing on intent to annex and service plan.* (Regular Council Meeting)
Thursday, May 5, 2016	Post notice on City's website, newspaper and City Hall for City Council's 2 nd Public Hearing on intent to annex. Obtain required affidavit of publication from newspaper.
Thursday, May 12, 2016.....	Post notice of 2 nd Public Hearing under the Open Meetings Act.
Monday, May 16, 2016.....	City Council's 2 nd Public Hearing on intent to annex and service plan.* (Regular Council Meeting)
Thursday, June 2, 2016.....	Post notice on City's website, newspaper and City Hall for introduction of annexation ordinance and adoption of the ordinance. Posting will also be in compliance with the Open Meetings Act.*
Monday, June 6, 2016.....	City Council Public Hearing for introduction and consideration of adoption of annexation ordinance.* (Regular Council Meeting)

* If more than twenty (20) adults who are residents of the area to be annexed protest within ten (10) days of the notice by publication, then one (1) of the public hearings must be held in the area to be annexed.



Situated in the County of Grayson, State of Texas being Lots 1, 2 and the north 60 feet of Lot 4, Block 1, Hilltop Estates Subdivision, an addition to Grayson County as recorded in Volume 662, Page 379, Deed Records, Grayson County, Texas, also being those tract of land conveyed to Arden M. Tocquigny as recorded in Volume 2567, Page 110 and Volume 1928, Page 276, Deed Records, Grayson County, Texas and being described by metes and bounds as follows:

Beginning at the northwest corner of said Lot 1, said corner also being in the south line of Tract 2 as conveyed to Southwestern Baptist Theological in Warranty Deed recorded in Volume 5467, Page 776 of said deed records;

Thence South $88^{\circ}54'28''$ East with the south line of said Tract 2 and the north line said Lot 1 and continuing with the north line of said Lot 2 a distance of 168.14 feet to the northeast corner of said Lot 2;

Thence South $01^{\circ}27'48''$ West with the east line of said Lot 2, passing its southeast corner at a distance of 138.34 feet, continuing with the east line of said Lot 4 a total distance of 198.34 feet to a point;

Thence North $88^{\circ}44'50''$ West a distance of 120.72 feet to a point in the west line of said Lot 4;

Thence North $10^{\circ}43'40''$ East with said west line a distance of 60.83 feet to a point, the common corner of Lots 1,2,3 and 4 of said Block 1;

Thence North $88^{\circ}44'50''$ West with the south line of said Lot 1, a distance of 110.64 feet to the southwest corner of said Lot 1;

Thence North $22^{\circ}37'08''$ East with the west line of said Lot 1, a distance of 148.05 feet to a point to the Point of Beginning and containing 0.777 acres of land.

**City of Sherman
Municipal Service Plan
4798 Sistrunk St.**

INTRODUCTION:

The annexation is the site of 4798 Sistrunk St. lying adjacent to the City of Sherman existing city limits.

This annexation is a step in the process of providing for the orderly growth and development of the City, to protect the City from substandard development and to provide for the enlargement of the city limits by including developments and improvements that are logically a part of the City and receive city utilities.

MUNICIPAL SERVICES TO BE PROVIDED:

POLICE PROTECTION: Patrolling, radio responses to calls, and other routine police services, using present personnel and equipment will be provided on the effective date of annexation.

FIRE PROTECTION: Fire protection by the present personnel and equipment of the fire fighting force will be provided on the effective date of annexation.

SOLID WASTE: The same solid waste collection and disposal service now provided within the City of Sherman will be extended to the annexed area on the effective date of annexation.

BULK WASTE PICKUP: Free monthly bulk trash and brush pickup would be available on the effective date of annexation.

STREETS AND BRIDGES: All roads shall be accepted in current as-is conditions and shall be maintained by City of Sherman. Any future streets or improvements will be developed by the standard provisions of the Developer's Ordinance with future maintenance by the City of Sherman. Street lighting will be established according to city guidelines.

PARKS: No public parks exist in the area to be annexed.

CONSTRUCTION INSPECTIONS: Building inspection activities will be available upon annexation.

ENVIRONMENTAL HEALTH AND HEALTH CODE ENFORCEMENT: Enforcement of the City's environmental health ordinances and regulations shall be provided within this area on the effective date of the annexation ordinance.

ANIMAL CONTROL: Animal control services will be provided by the City on the effective date of annexation.

PLANNING AND ZONING: The Planning and Zoning jurisdiction of the City will extend to this area on the effective date of this annexation. All areas will be annexed as an R-A on the effective date of the annexation ordinance.

CAPITAL IMPROVEMENTS:

WATER SERVICE: Upon completion of the annexation, the City of Sherman will provide water services to property.

SEWER SERVICE: All properties within the annexation area are served by individual and privately owned septic systems. Therefore, the City of Sherman will not provide sewer services to this area.



Sherman
ENGINEERING DEPT.
220 W. MULBERRY
SHERMAN, TX 75090



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. C. 2.

Meeting Date: 05/02/2016

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

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

Issue:

D. 3. * RESOLUTION NO. 6078

Abandoning a Fifteen Foot (15') City Drainage and Utility Easement located on Lot 4, Block B of the North Haven Addition to the City of Sherman, Texas, which Plat is Recorded in Volume 18, Pages 171-172 of the Plat Records of Grayson County, Texas

D. 4. * RESOLUTION NO. 6079

Awarding a Bid to and Authorizing Execution of an Agreement with Josh Willeford for an Agricultural Lease at the Sherman Wastewater Treatment Plant



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 1.

Meeting Date: 05/02/2016

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6076

Expressing Support for the Construction of a Kroger Marketplace in Sherman, Grayson County, Texas

Issue:

The proposed construction of a Kroger Marketplace in Sherman, Grayson County, Texas

Background:

On April 21, 2016, the Tax Reinvestment Committee, comprised of representatives from the City of Sherman, Grayson County, Grayson College, the Sherman Independent School District and the Sherman Economic Development Corporation, met with Ms. Rita Williams and Ms. Jackie Kreda of Kroger Texas L.P. The Kroger representatives made a presentation on the largest and newest model of a Kroger Marketplace that is proposed to be constructed at the northwest corner of East Taylor Street and U.S. Highway 75 in Sherman, Grayson County, Texas. The Kroger Marketplace would employ approximately 250 employees, both full-time and part-time. Kroger would invest over \$10 million in real and personal business property. In addition, Kroger proposes to continue the operation of its current facility on Loy Lake Road until such time as its new Marketplace is operational.

The Mayor was asked to bring a resolution forward in support of this initiative.

Origination:

Mayor David Plyler
Tax Reinvestment Committee
Kroger Texas L.P.

Financial Consideration:

There is no financial impact to approving this resolution.

Staff Recommendation:

It is recommended that the Council approve the resolution and pledge its support for this project.

Alternatives:

No alternatives are recommended.

Attachments

Resolution No. 6076

RESOLUTION NO. 6076

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, EXPRESSING SUPPORT FOR THE CONSTRUCTION OF A KROGER MARKETPLACE IN 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.

WHEREAS, on April 21, 2016, the Tax Reinvestment Committee, comprised of representatives from the City of Sherman, Grayson County, Grayson College, the Sherman Independent School District and the Sherman Economic Development Corporation, met with representatives from Kroger Texas L.P.; and

WHEREAS, Kroger Texas L.P. is proposing to purchase land, construct and operate a 123,500 square foot Kroger Marketplace at the northwest corner of East Taylor Street and U.S. Highway 75 in Sherman, Grayson County, Texas; and

WHEREAS, Kroger would continue to operate its current facility on Loy Lake Road in Sherman until such time as the new Kroger Marketplace is operational; and

WHEREAS, the Kroger Marketplace would employ approximately 250 full-time and part-time employees and invest over \$10 million in real and personal business property; and

WHEREAS, following Kroger's presentation, the Committee elected to recommend incentives for this project to the Sherman City Council and to the governing bodies of Grayson County and the other taxing entities;

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

SECTION 1. That the findings and recitations set out in the preamble to this resolution are found to be true and correct and are hereby adopted by the Sherman City Council and made a part hereof for all purposes.

SECTION 2. That the Sherman City Council hereby pledges its support for Kroger Texas L.P.'s proposed project to develop and operate a Kroger Marketplace in Sherman, Grayson County, Texas.

SECTION 3. That the City Manager is hereby directed to provide a copy of this Resolution of Support to Kroger Texas L.P. and to representatives of the Tax Reinvestment Committee.

SECTION 4. 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 _____, 2016.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 2.

Meeting Date: 05/02/2016

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6077

Authorizing the Early Turnover of Delinquent 2016 Business Personal Property Accounts Beginning on April 1, 2017, as Authorized by Section 6.30 and Section 33.11 of the Texas Tax Code

Issue:

The early turnover of business personal property accounts that become delinquent on or after February 1st and remain delinquent on the 60th day thereafter as permitted by Sections 6.30 and 33.11 of the Texas Tax Code

Background:

By letter of March 8, 2016, Grayson County Tax Assessor-Collector Bruce Stidham is seeking approval from the City of Sherman and all of the other tax entities within Grayson County to allow delinquent business personal property accounts to be turned over to our delinquent tax collection firm, Linebarger, Goggan, Blair & Sampson, LLP, on April 1st instead of on July 1st. This is an option authorized by the Texas Tax Code.

Mr. Stidham is requesting the City Council's approval of the attached resolution no later than June 30, 2016 in order for this April 1st collection date to take effect on April 1, 2017.

Origination:

Bruce Stidham, Tax Assessor-Collector of Grayson County, Texas

Financial Consideration:

Earlier collection could decrease the penalty and interest revenue for the City, reducing the amount paid by the taxpayer. The potential estimated decrease in penalty and interest revenue is less than \$10,000.00. Total tax collections could improve, since typically older balances are less likely to be collected.

Staff Recommendation:

It is the staff's recommendation for the City Council to approve the resolution and authorize the early turnover of delinquent business personal property tax accounts for collection.

Alternatives:

The Council could choose not to approve the resolution.

Attachments

Resolution No. 6077

Grayson County Tax Assessor-Collector's request dated March 8, 2016

RESOLUTION NO. 6077

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EARLY TURNOVER OF DELINQUENT 2016 BUSINESS PERSONAL PROPERTY ACCOUNTS BEGINNING ON APRIL 1, 2017, AS AUTHORIZED BY SECTION 6.30 AND SECTION 33.11 OF THE TEXAS TAX CODE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Sherman wishes to provide that taxes imposed on tangible business personal property that become delinquent on or after February 1 of a year incur an additional penalty on a date that occurs before July 1 of the year in which the taxes become delinquent as authorized by Texas Tax Code Section 33.11; and

WHEREAS, under said Section 33.11, the City Council of the City of Sherman is empowered to authorize the additional collection penalty before July 1 of the year in which the tax becomes delinquent and in an amount that does not exceed the amount of the compensation specified in the contract between Grayson County and Linebarger Goggan Blair & Sampson, LLP pursuant to Tax Code Section 6.30; and

WHEREAS, the City Council of the City of Sherman desires to impose the additional collection penalty on delinquent tangible business personal property taxes 60 days after the date the taxes become delinquent;

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

SECTION 1. That the recitals set forth in the preamble to this resolution are hereby found to be true and correct.

SECTION 2. That an additional penalty on delinquent business personal property taxes for tax years 2016 and subsequent years is hereby authorized and imposed, as provided by Section 33.11, Texas Tax Code, and as provided in the contract between Grayson County and Linebarger Goggan Blair & Sampson, LLP, said penalty is incurred if the tax becomes delinquent on February 1 of a year and remains delinquent on the 60th day thereafter.

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

PASSED AND APPROVED on this the ____ day of _____, 2016.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**



Bruce Stidham

*Tax Assessor-Collector
Grayson County, Texas*

Mr. Robby Hefton
City Manager, City of Sherman
P.O. Box 1106
Sherman, TX 75091

8 March 2016

RE: Resolution Authorizing April 1st Personal Property Turnover

Dear Mr. Hefton:

After discussions with your collection attorneys at Linebarger, Goggan, Blair & Sampson, LLP, I am making a request of the board to grant approval and allow the personal property accounts, which include business and mobile homes, to be turned over to the firm for collection activity on April 1st instead of the current date of July 1st.

This option is available to each taxing entity under Sec. 33.11 of the Texas Property Code and has been adopted by a majority of taxing units throughout the state. Granting of the option will allow revenue on personal property to be collected 3 months earlier, thus giving you some help with your budget planning.

We are making the same request of each taxing entity within the county. In order for this to take effect on **April 1, 2017**, a resolution from your board should be approved by June 30, 2016.

If you have any questions, please don't hesitate to give me a call. We would also be happy to answer any questions, in person, at your next board meeting.

Respectfully,

Bruce Stidham

BS:kb

cc: Hon. David Plyler
Mayor, City of Sherman

100 W Houston, 1st Floor • Sherman, TX 75090

Office: 903-813-4269 • Fax: 903-893-4973

Email: stidhamb@co.grayson.tx.us • www.co.grayson.tx.us



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 3.

Meeting Date: 05/02/2016

Prepared By: Clay Barnett, Director of Public Works and Engineering

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6078**

Abandoning a Fifteen Foot (15') City Drainage and Utility Easement located on Lot 4, Block B of the North Haven Addition to the City of Sherman, Texas, which Plat is Recorded in Volume 18, Pages 171-172 of the Plat Records of Grayson County, Texas

Issue:

To consider the abandonment of a 15' foot Drainage and Utility Easement lying along the south property line of Lot 4, Block B of the North Haven Addition in the City of Sherman, Texas

Background:

The easement along the south property line of this tract is not being utilized and is no longer deemed necessary.

Origination:

Property Owner

Financial Consideration:

None

Staff Recommendation:

Staff recommends approval of the 15' foot Drainage and Utility Easement abandonment.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6078

Release and Abandonment of Easement

Exhibit "A" - Location Map

RESOLUTION NO. 6078

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A FIFTEEN FOOT (15') CITY DRAINAGE AND UTILITY EASEMENT LOCATED ON LOT 4, BLOCK B OF THE NORTH HAVEN ADDITION TO THE CITY OF SHERMAN, TEXAS, WHICH PLAT IS RECORDED IN VOLUME 18, PAGES 171-172 OF THE PLAT RECORDS OF 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.

WHEREAS, the City Council is of the opinion that the abandoning, vacating and closing of said drainage and utility easement as depicted on the attached map is in the public interest and is approved;

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

SECTION 1. That the fifteen foot (15') City drainage and utility easement located on Lot 4, Block B of the North Haven Addition to the City of Sherman, Texas, said plat being recorded in Volume 118, Pages 171-172 of the Plat Records of Grayson County, Texas, as depicted in Exhibit "A" attached hereto, be and is hereby extinguished, vacated, closed, and permanently abandoned as an easement for public use.

SECTION 2. That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Release and Abandonment of Easement in the same or substantially same form as the contract document attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2016.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON SHELBY,
CITY ATTORNEY**

RELEASE AND ABANDONMENT OF EASEMENT

DATE: MAY 2nd, 2016

PROPERTY:

BEING THE REPLAT OF LOT FOUR, BLOCK "B", NORTH HAVEN ADDITION (VOL. 18, PGS. 171 & 172) AND LOT 2-R OF THE REPLAT OF LOTS ONE, TWO, AND THREE, BLOCK "B", NORTH HAVEN ADDITION (VOL. 20, PGS. 164 & 165) TO THE CITY OF SHERMAN, TEXAS, AS SHOWN BY PLAT OF RECORD IN VOLUME 23, PAGES 104 & 105, PLAT RECORDS, GRAYSON COUNTY, TEXAS.

WHEREAS, the above described property is a result of a replat of Lot 4, Block B of North Haven Addition to the City of Sherman, Texas, which plat is of record in Volume 18, Pages 171 and 172, of the Plat Records of Grayson County, Texas.

WHEREAS, said plat set out a 15 foot Drainage and Utility Easement along the south property line of said Lot 4, Block B.

WHEREAS, said 15 foot Drainage and Utility Easement was to have been abandoned and/or released by the Replat recorded in Volume 23, Page 104 and 105, of the Plat Records of Grayson County, Texas.

WHEREAS, the City of Sherman, Texas, does hereby abandon, relinquish and vacate its interest in and to the easement described above.

THE CITY OF SHERMAN, TEXAS

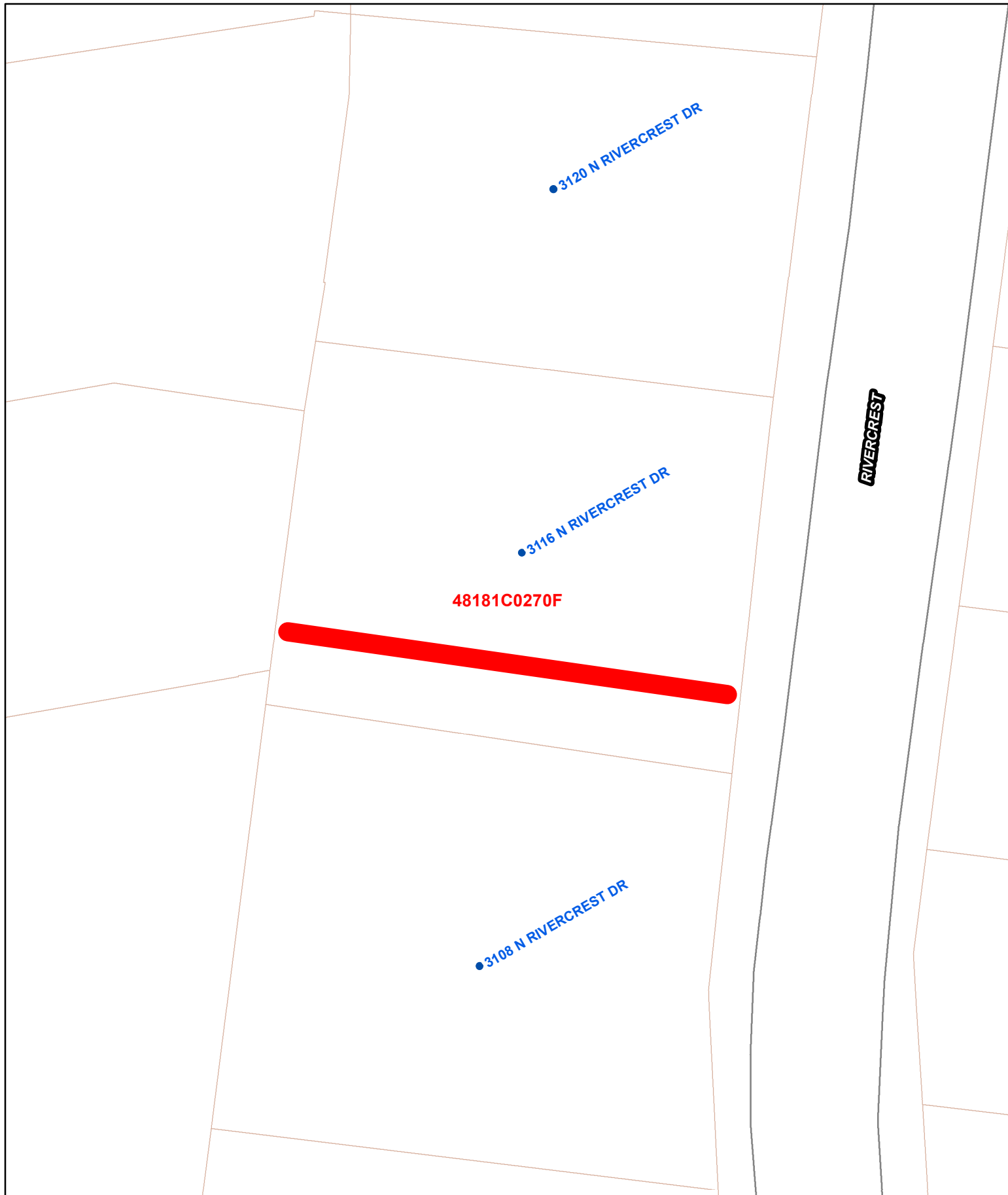
By: _____

Title: _____

STATE OF TEXAS }
COUNTY OF GRAYSON }

This instrument was acknowledged before me on the _____ day of May, 2016, by _____, as _____ of THE CITY OF SHERMAN, TEXAS.

Notary Public – State of Texas





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 4.

Meeting Date: 05/02/2016

Prepared By: Mark Gibson, Director of Utilities

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6079**

Awarding a Bid to and Authorizing Execution of an Agreement with Josh Willeford for an Agricultural Lease at the Sherman Wastewater Treatment Plant

Issue:

Approving an agreement for the agricultural lease of approximately 200 acres of City property at the Wastewater Treatment Plant

Background:

The 200-acre tract adjacent to the Wastewater Treatment Plant has been leased for agricultural production for the past three years. The lease was rebid this year per contract requirements. Two (2) bidders responded to the request for bids, with Mr. Josh Willeford of Sherman being the high bidder. A bid tabulation is attached.

Origination:

Utilities Administration

Financial Consideration:

Mr. Willeford will pay the City \$14,000.00 for lease of the property over the first eighteen (18) months; then he will pay \$9,333.36 annually for two (2) renewals.

Staff Recommendation:

It is recommended that the Agricultural Lease Agreement be awarded to Mr. Josh Willeford and that the City Manager be authorized to execute the required contract documents.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6079

Agricultural Lease Agreement

Bid Tabulation and Summary Sheets

Exhibit "A" - Ag Lease Area

Exhibit "B" - Insurance Requirements

Project Location Map

RESOLUTION NO. 6079

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF AN AGREEMENT WITH JOSH WILLEFORD FOR AN AGRICULTURAL LEASE AT THE SHERMAN WASTEWATER TREATMENT PLANT; 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 Josh Willeford of Sherman, Texas, is hereby awarded the bid for an agricultural lease at the Sherman Wastewater Treatment Plant in the total amount of Fourteen Thousand Dollars and Zero Cents (\$14,000.00) for the first eighteen (18) months and Nine Thousand Three Hundred Thirty-Three Dollars and Thirty-Six Cents (\$9,333.36) annually for two (2) twelve-month renewals; and that the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an agreement with Josh Willeford for an agricultural lease at the Sherman Wastewater Treatment Plant, in accordance with the terms and provisions of the contract documents attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2016.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
DAVID PLYLER, MAYOR

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

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

AGRICULTURAL LEASE AGREEMENT

THIS AGREEMENT is between the **CITY OF SHERMAN, TEXAS**, a municipal corporation of the State of Texas, hereinafter called "LESSOR", and **JOSH WILLEFORD** of Sherman, Texas, hereinafter called "LESSEE".

W I T N E S S E T H:

That the said LESSOR does by these presents lease unto LESSEE for the purpose of raising and harvesting agricultural products, 199 acres, more or less, located on the Sherman Wastewater Treatment Plant Property, located at 1800 East F.M. 1417 and more particularly described on Exhibit "A", attached hereto and made a part hereof for all purposes. LESSEE is and shall remain an independent contractor having the sole discretion as to how he will perform the purposes of this lease.

TERMS OF LEASEHOLD

The lease shall commence on the 17th day of May, 2016, and extend through the 14th day of November, 2017, a term of eighteen (18) months. LESSEE may renew this lease upon the same prices, terms and conditions for two (2) additional twelve-month renewals, provided LESSOR receives written notice of intent to renew sixty (60) days prior to the expiration of the primary term hereof. Written notice for option shall be due no later than the 17th day of September, 2017 and September, 2018, respectively. In the event LESSEE fails to notify LESSOR of his intent to exercise this option, said option shall be null and void.

The initial bid will be for an eighteen-month lease. The twelve-month renewal cost will be determined by dividing the initial bid for an eighteen-month rental by eighteen (18) to obtain a

monthly cost; then by multiplying the monthly cost by twelve (12) to obtain the annual renewal cost.

LESSEE specifically covenants and agrees with LESSOR that, in the event LESSOR has an opportunity to lease all or any part of these agricultural grounds to a third party for oil/gas exploration or production activities, LESSOR may cancel this lease in whole or in part by giving to LESSEE ninety (90) days written notice that LESSOR wishes to re-enter and lease for oil/gas exploration all or any part of the property set out in Exhibit "A" attached hereto and made a part hereof by reference.

In the event LESSOR voids or nullifies any part of this lease, the rents for the portion of the property re-entered shall be prorated from the date of re-entry by LESSOR.

RENTALS AND FEES

As consideration for this lease, LESSEE covenants and agrees to pay in advance the first eighteen (18) months; however, in all subsequent years, LESSEE agrees to pay prior to November 17th of each year, in the office of the City Manager of the City of Sherman, rentals and fees as set out below:

LESSEE agrees to pay Fourteen Thousand Dollars and Zero Cents (\$14,000.00) as rent for the first eighteen (18) months and Nine Thousand Three Hundred Thirty-Three Dollars and Thirty-Six Cents (\$9,333.36) as rent for the next two (2) 12-month renewal periods on the total net acres in the tract as described in Exhibit "A" attached hereto and made a part hereof for all purposes.

GENERAL PROVISIONS

1. LESSEE agrees to use the premises for the sole purpose of raising and harvesting agricultural products, and specifically agrees not to graze livestock of any type or description on this property. LESSEE further agrees that these premises shall not be used for any purpose that

constitutes a nuisance or may be objectionable to the use of the adjoining land.

2. LESSEE specifically agrees not to burn said grassland, or in any way allow smoke, fumes, gases, or any other substance to burn or explode on said premises.

3. LESSEE agrees and covenants that LESSEE will, at LESSEE'S own expense, make all repairs necessary to keep the land from deteriorating in value or condition, and will not break up established waterways, ditches, terraces, or undertake any other operation that will injure the leased premises. Additionally, LESSEE agrees to keep open and in good state of repair all ditches, tile drains, grass waterways and terraces where present.

4. LESSEE specifically agrees not to assign or sublet the leased premises without the express written authority of the LESSOR.

5. LESSEE specifically grants to LESSOR the right of re-entry upon these premises at any time.

6. LESSEE agrees and covenants that, in the event of a breach by LESSEE of any of the covenants contained herein, LESSOR may, at its option, declare this lease forfeited and terminated as to the balance of the terms thereof. Upon any such declaration, forfeiture or termination of this lease by LESSOR, LESSEE agrees and covenants to give and declare immediate possession of the premises to the LESSOR. LESSEE agrees that, in the event of a termination or forfeiture of this lease as herein provided, LESSEE shall indemnify LESSOR for all losses or damage which LESSOR may incur or suffer during the remainder of the period of time covered by this lease, whether such loss shall be through decreased rentals or otherwise. LESSEE further agrees and covenants that LESSEE will, at the termination of this lease, peacefully deliver up to LESSOR the demised premises and appurtenances or additions thereto in as good condition and state of repair as same are now in, fair wear and tear only excepted, and vacate in good tenantable order.

7. LESSEE agrees and covenants that LESSEE will not make or suffer any unlawful, improper, illegal or offensive use of the subject premises or any part thereof. LESSEE further agrees and covenants that he shall conform to and comply with all rules and regulations of the United States, State of Texas and codes or ordinances of the City of Sherman, or be in default of this lease.

8. LESSEE COVENANTS AND AGREES TO INDEMNIFY, HOLD HARMLESS, AND DEFEND LESSOR, ITS OFFICERS, AGENTS, SERVANTS AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS FOR PROPERTY DAMAGE OR PERSONAL INJURIES, INCLUDING DEATH, CAUSED DIRECTLY OR INDIRECTLY BY LESSEE AND NOT CAUSED BY LESSOR, TO PERSONS OR PROPERTY ARISING OUT OF OR INCIDENTAL TO THE LEASING OF OR THE USE AND OCCUPANCY OF THE PREMISES BY LESSEE, AND LESSEE HEREBY ASSUMES ALL LIABILITY AND RESPONSIBILITY FOR INJURIES, CLAIMS OR SUITS FOR DAMAGES TO PERSONS OR PROPERTY OF WHATEVER KIND OR CHARACTER, WHETHER REAL OR ASSERTED, OCCURRING DURING THE TERM OF THIS LEASE BY REASON OF THE USE OR OCCUPANCY OF PREMISES BY LESSEE, ITS AGENTS, SERVANTS OR EMPLOYEES, CONTRACTORS OR SUB-CONTRACTORS. THIS INDEMNIFICATION AND HOLD HARMLESS SHALL APPLY TO ANY IMPUTED OR ACTUAL JOINT ENTERPRISE LIABILITY.

9. LESSEE FURTHER INDEMNIFIES AND HOLDS HARMLESS THE CITY OF SHERMAN AND ASSUMES ALL LIABILITY AND RESPONSIBILITY ASSOCIATED WITH THE CROPS PRODUCED AT THE SHERMAN WASTEWATER TREATMENT PLANT SITE.

10. LESSEE shall promptly, at the execution of this lease, provide proper liability insurance for personal injuries or death growing out of any one accident or other cause in a minimum sum of not less than \$1,000,000 each occurrence and \$3,000,000 General Aggregate limit insuring

the LESSEE against liability arising from premises, operations, independent contractors, personal injury in accordance with Insurance Requirements contained in Exhibit "B". LESSEE shall maintain said insurance with insurance underwriters licensed to do business in the State of Texas and approved by LESSOR. LESSEE shall furnish LESSOR with a certificate from the insurance carrier showing such insurance to be in full force and effect during the entire term of this lease or shall deposit with LESSOR copies of said policies. Said policies or certificates shall contain a provision that written notice of cancellation or of any material change in said policies by the insurer shall be delivered to LESSOR thirty (30) days in advance of the effective date thereof.

11. LESSEE acknowledges that it has inspected the premises leased herein and accepts the same in their present condition with no implied or express warranties as to their fitness.

12. LESSEE agrees and covenants that LESSOR retains the use and enjoyment of all easements of whatsoever nature in and about or in whatever manner located on the above described premises.

13. LESSEE acknowledges that portions of the leased property are located in the floodplain of Choctaw and Post Oak Creeks. LESSOR shall not be responsible for the removal of debris deposited by floodwaters or damage of any type resulting from the deposition of debris on the site.

14. Access to the leased property shall be exclusively by means of the main gate to the Wastewater Treatment Plant located at 1800 East F.M. 1417. No other access to the property shall be allowed. The LESSEE shall provide twenty-four (24) hour notice to the Wastewater Treatment Plant for any access to the site.

15. The LESSEE shall farm the premises in accordance with the standard agricultural practices common to Grayson County, Texas. LESSEE may apply chemicals to the premises, in

accordance with good agricultural practices to promote crop production. The LESSOR, through its wastewater superintendent, shall approve, prior to application, all chemicals and the method of application. No chemical may be applied without LESSOR approval.

16. LESSEE will not construct any buildings or sheds on the site or surrounding area.

17. Should the leased property be utilized for the production of hay, all hay bales must be removed from the site immediately following the baling operation. No storage of hay bales on the site is permitted.

TERMINATION OF SAID LEASE

1. CANCELLATION BY LESSOR. The lease shall be subject to cancellation by LESSOR in the event LESSEE shall:

- a.** File a voluntary petition in bankruptcy;
- b.** Abandon the premises;
- c.** Make voluntary assignments for the benefit of creditors;
- d.** Be in arrears in payment of the whole, or any part, of rent thirty (30) days after the time such payments become due and payable to LESSOR;
- e.** Default in the performance of any covenants and conditions required herein to be kept and performed by LESSEE, with the exception of the insurance liability provision, and such default continues for a period of thirty (30) days after receipt of written notice by LESSEE from LESSOR of said default. As to the insurance provision, LESSEE shall have seven (7) days in which to correct any default.

Failure of LESSOR to declare this lease terminated upon the default of LESSEE for any of the reasons set out shall not operate to bar or destroy the right of the LESSOR to cancel this lease by

reason of any subsequent violations of the terms hereunder.

All the terms, covenants and agreements herein contained shall be binding upon and shall inure to the benefit of the successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties have hereunto set their hands at Sherman, Grayson County, Texas, this the _____ day of _____, 2016.

LESSEE:
JOSH WILLEFORD

LESSOR:
CITY OF SHERMAN, TEXAS

BY: _____
JOSH WILLEFORD
934 PRESTON MEADOWS RD.
SHERMAN, TEXAS 75092

BY: _____
ROBBY HEFTON,
CITY MANAGER
220 WEST MULBERRY STREET
SHERMAN, TEXAS 75090

ATTEST:

BY: _____
LINDA ASHBY,
CITY CLERK

APPROVED AS TO FORM AND
CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

BID TABULATION

SHERMAN WASTEWATER TREATMENT PLANT AGRICULTURAL LEASE

BIDS TAKEN APRIL 22, 2016

<u>Bidder</u>	<u>18-Month Bid</u>	<u>12-Month Bid</u>
Josh Willeford	\$14,000.00	\$9,333.36
Gerald Russell	\$9,074.50	\$6,049.68

SUMMARY SHEET
BID FOR LEASING OF SHERMAN WASTEWATER TREATMENT PLANT
PROPERTY FOR AGRICULTURAL PRODUCTION

Opening and Award:

Bids for the leasing of the Sherman Wastewater Treatment Plant for agricultural production will be held at the following location: Engineering Offices; City Hall; 220 W. Mulberry; Sherman, Texas 75091.

Proposal may be submitted by mail to the following address: Director of Utilities, Sherman; 220 W. Mulberry Street, Sherman, Texas 75091.

Person Submitting Bid:

Name:

Josh Willeford

Address:

934 PRESTON MEADOWS Rd.

City, State, Zip:

SHERMAN, TX 75092

Telephone Number:

903-815-0392

Bid Amount For Initial Eighteen (18) Months:
(Minimum Bid \$4,500)

\$14,000.00

By signing this form, the undersigned represents that he/she has full authority to bind to the terms contained in the bid:

Name of authorized:

Josh Willeford

Signature:

[Signature]

Date of signature:

4/22/16

Attach Exhibit B to this Bid Form.

SUMMARY SHEET
BID FOR LEASING OF SHERMAN WASTEWATER TREATMENT PLANT
PROPERTY FOR AGRICULTURAL PRODUCTION

Opening and Award:

Bids for the leasing of the Sherman Wastewater Treatment Plant for agricultural production will be held at the following location: Engineering Offices; City Hall; 220 W. Mulberry; Sherman, Texas 75091.

Proposal may be submitted by mail to the following address: Director of Utilities, Sherman; 220 W. Mulberry Street, Sherman, Texas 75091.

Person Submitting Bid:

Name: Gerald E Russell
Address: 2773 FM 697
City, State, Zip: Sherman TX 75090
Telephone Number: 903-821-7508

Bid Amount For Initial Eighteen (18) Months: 9,074.⁵⁰
(Minimum Bid \$4,500)

By signing this form, the undersigned represents that he/she has full authority to bind to the terms contained in the bid:

Name of authorized: Gerald E Russell
Signature: Gerald E Russell
Date of signature: 4-16-16

Attach Exhibit B to this Bid Form.



City of Sherman, Texas
Engineering Department

EXHIBIT A AGRICULTURAL LEASE AREA WASTEWATER TREATMENT PLANT



0 200 400 800 Feet

EXHIBIT B

CONTRACTOR INSURANCE REQUIREMENTS AND AGREEMENT

Commercial General Liability Insurance

LESSE shall maintain General liability with limit of not less than \$100,000.00 each occurrence, \$300,000.00 General Aggregate limit, insuring the Lessee against liability arising from premises, operation, independent contractors, personal injury and liability assumed under an assumed contract. Insurance shall be written in ISO Occurrence Forms CG 00 01 10 93 (or substitute form providing equivalent coverage) shall cover liability arising from premises, operations, independent contractors, personal injury and liability assumed under an assumed contract (including the tort liability of another assumed and a business contract). The City of Sherman shall be named as an insured using an additional insured endorsement Form. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to the City of Sherman. The lessee shall waive all rights of subrogation against the City of Sherman and its officials and employees for recovery of damages to the extent these damages are covered by insurance required above.

Miscellaneous

All insurance policies shall be written with insurers that are licensed to write insurance coverage in the state of Texas and who have consistently maintained an AM Best Rating of A-, A, A+ or A++ since 1/1/09. Prior to commencing work, the lessee shall furnish the City of Sherman with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with each of the insurance requirements set forth. The certificate(s) should be provided to the City of Sherman, Legal Department. All certificates shall provide for 30 days written notice to the City of Sherman prior to cancellation or material change of any insurance referred to therein. Failure of the City of Sherman to demand such certificate or other evidence of full compliance with these insurance requirements or the failure of the City of Sherman to identify a deficiency from evidence that is provided shall not be construed as a waiver of the lessee's obligation to maintain such insurance. The City of Sherman shall have the right, but not the obligation, of prohibiting the lessee from initiating services to the City until such certificates or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by the City of Sherman. Failure to maintain the required insurance may result in termination of this contract at the City's option. If the lessee fails to maintain the insurance as set forth herein, the City of Sherman shall have the right, but not the obligation, to purchase said insurance at the lessee's expense. The lessee shall provide certified copies of all insurance policies required above within 10 days of the City of Sherman's written request for said copies. By requiring insurance herein, the City of Sherman does not represent the coverage or limits that will necessarily be adequate to protect the lessee, and such coverage and limits shall not be deemed as a limitation on the lessee under any indemnity agreements granted to the City of Sherman by the lessee.

By requiring insurance herein, the City does not represent that coverage and limits will necessarily be adequate to protect the Lessee, and such coverage and limits shall not be deemed as a limitation on the Lessee'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.

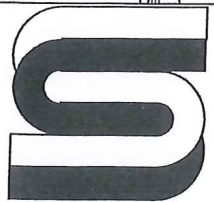
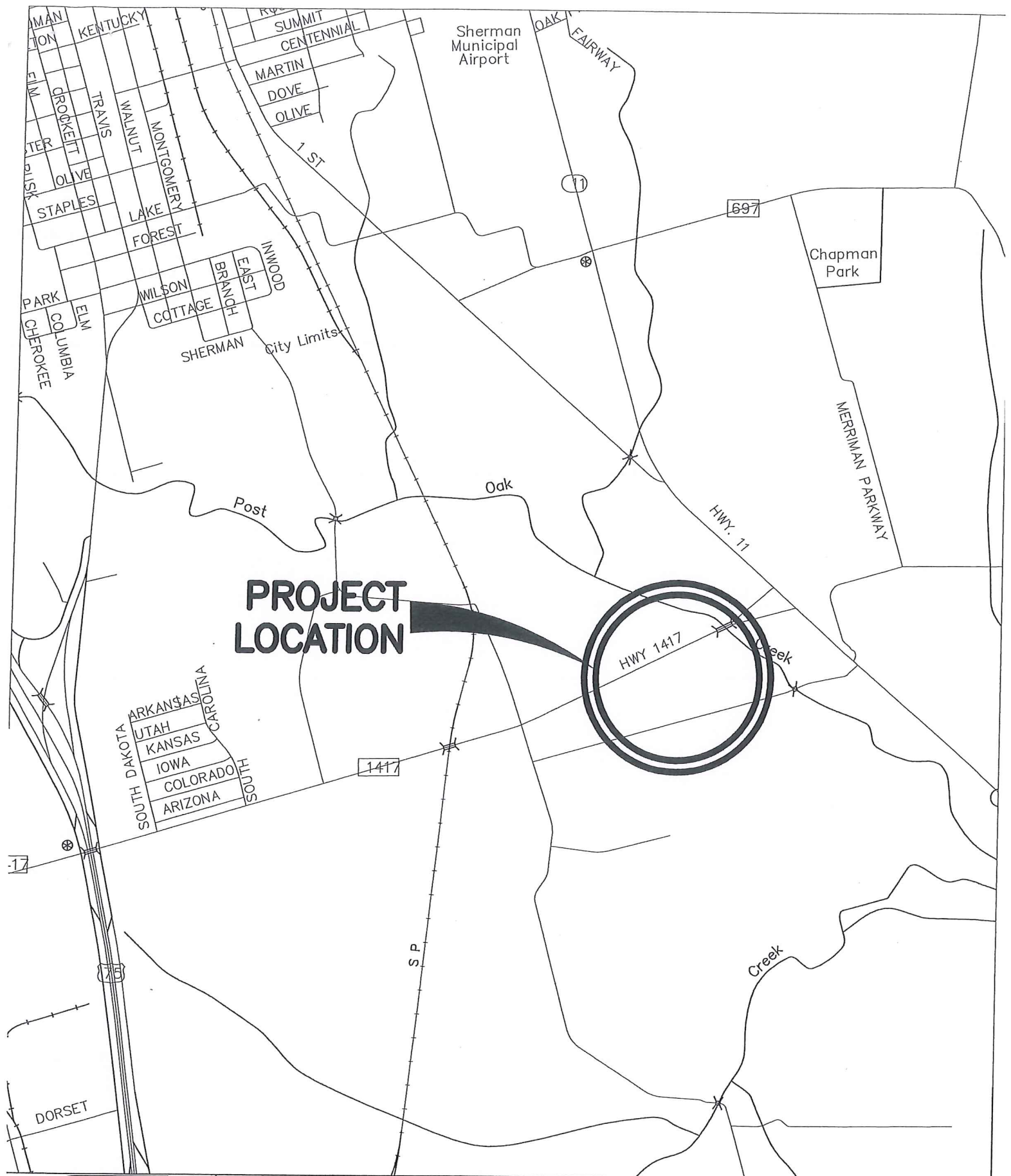
AGREEMENT

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 commencing work:

Company: _____

Printed name: _____

Signature: _____ Date: _____



City of Sherman, Texas
**AGRICULTURAL LEASE
WASTEWATER TREATMENT PLANT**

PROJECT LOCATION MAP





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. E. 1.

Meeting Date: 05/02/2016

Prepared By: Steve Ayers, Director of Community and Support Services

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Consider Request of the Sherman Tourism/Main Street Manager to Temporarily Close Certain Streets and Use Certain City Facilities and Services for the "34th Annual Sherman Autumn and Arts Fest" on Saturday, September 17, 2016

Issue:

A request has been received from Sarah McRae, Sherman's Tourism/Main Street Manager for this year's "Autumn and Arts Fest". In order to accommodate the 5K/10K/Color K race and the festival itself, Ms. McRae requests street closures in Downtown and around the Municipal Building. She also requests the utilization of City services, including additional barricades, traffic control, trash carts, dumpsters, access to tables and chairs, and the sweeping of various City streets.

Background:

Annually, the "Sherman Autumn and Arts Fest" is held in the Municipal Ballroom and on the Municipal Building grounds. For the 34th year, the Oliver Dewey Mayor Outdoor Theater, the Municipal Ballroom and grounds, and the Kidd-Key Auditorium have been reserved to house the activities of this event.

Origination:

Sarah McRae, Sherman's Tourism/Main Street Manager

Financial Consideration:

Labor and equipment will be needed to assist with the control of traffic and the implementation of barricades, placement of trash carts and dumpsters, sweeping of streets in the area, and use of City facilities.

Staff Recommendation:

It is recommended that the City Council approve the request to utilize the Municipal Building grounds, facilities, and City services to host this annual event.

Alternatives:

As directed by the Council

Attachments

Request Letter

Location Map

5K Route Map

10K Route Map

Color K Route Map



memorandum

DATE: April 6, 2016
TO: Steve Ayers, Director of Community and Support Services
FROM: Sarah McRae
SUBJECT: Arts Fest

The Sherman Tourism & Main Street Department would like to reserve the grounds, including the gazebo, ballroom, auditorium and all the tables and chairs that you have made available in the past from mid-morning on Wednesday, September 14 through Saturday, September 17, 2016 at 11:00 p.m. We are continuing to place the vendors around the block and the children will use the municipal lawn.

Attached are the requested street closures that allow for the 5k and 10k races, and the Festival itself. Some help will be needed from the Police Department to insure a safe route for the races.

As in the past, the Street Department will need put up the barricades on the sidewalk/shoulder adjacent to the intersections on Friday afternoon, we will block the streets at 5:00 a.m. on Saturday morning. We will return the barricades to the sidewalks/shoulders Saturday evening.

Tents:

- Tourism is providing the gatekeeper tents, which will be set up Friday evening or very early Saturday. We are asking y'all to provide barricades to surround these tents - which will be taken down Saturday after 5 p.m. We will, of course, try to place the tents outside of traffic lanes, but this will require one be in the middle of Rusk just South of Washington.
- We will be getting a 20x30 tent for the dining area. The Grounds Maintenance department will need to clearly mark the irrigation and electrical lines, as this will guarantee that the tent will not hit the lines if they are marked.

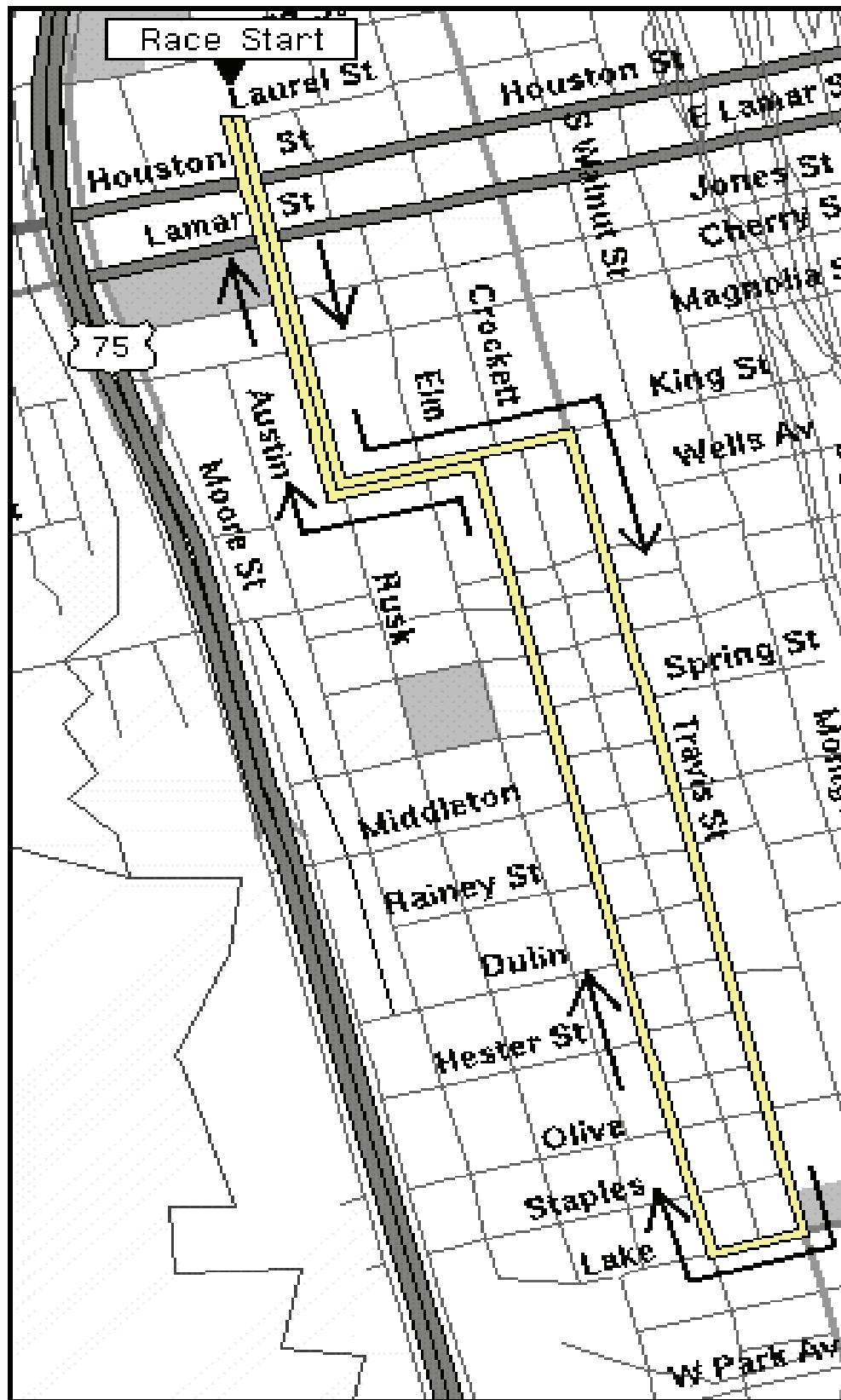
This year, the festival is planned to start at 9:00 a.m. which would allow the set up to be completed on Saturday morning. Banners, tents, portapotties, etc. will be set up Friday night. No security or street closures will be required until early Saturday morning.

Thank you, in advance, for all the hours and effort you and your staff put into supporting this event! If you have any questions, please contact me.

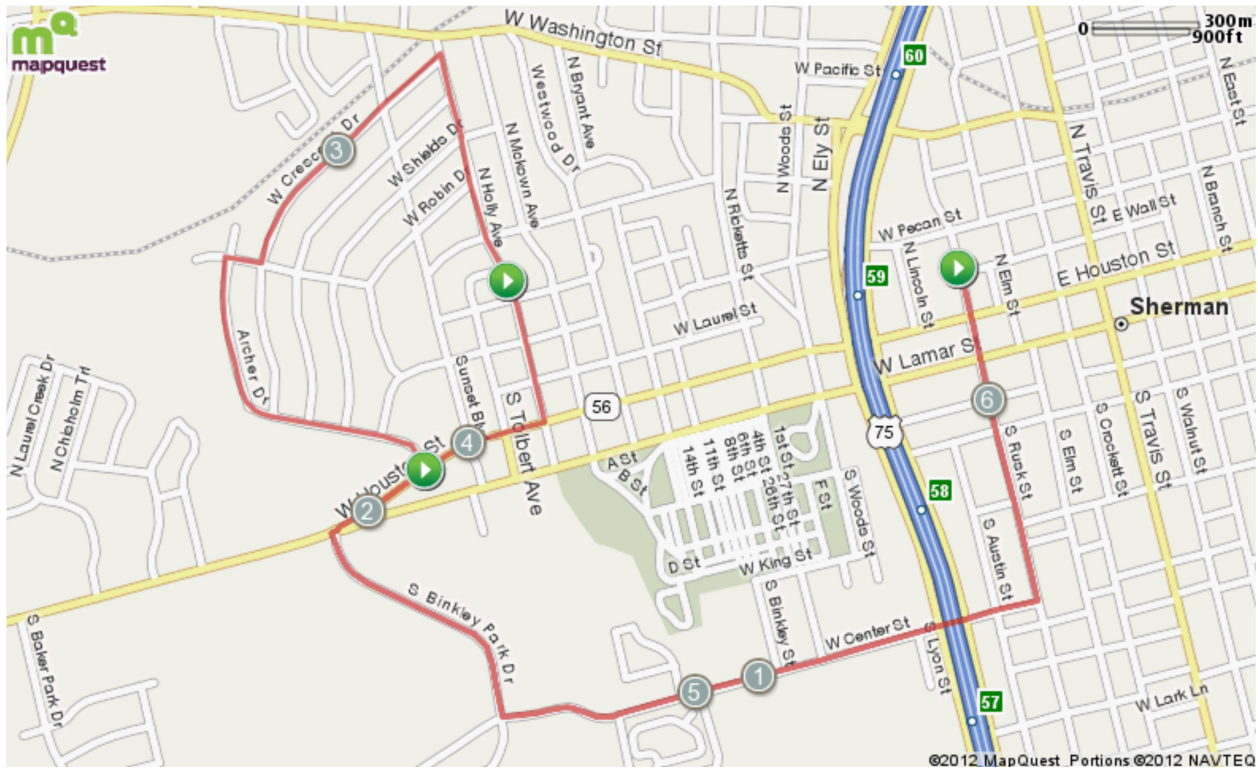
Washington St



5K Run Route



2016 Autumn and Arts Fest 10K



Notes		
AT	FOR	NOTES
START	 2240ft	Head south on N Rusk St toward W Laurel St
0.42 mi.	 716ft	Head south on S Rusk St toward W King St
0.56 mi.	 4987ft	Turn right onto Center St
1.5 mi.	 701ft	Turn right onto Binkley Park Dr
1.64 mi.	 1692ft	Head northwest on Binkley Park Dr toward W Houston St
1.96 mi.	 56ft	Turn right onto W Houston St
1.97 mi.	 628ft	Slight left to stay on W Houston St
2.09 mi.	 339ft	Head northeast on W Houston St toward Archer Dr/ Archer Cir
2.15 mi.	 1207ft	Turn left onto Archer Dr/ Archer Cir
2.38 mi.	 1262ft	Head west on Archer Dr/ Archer Cir toward Crescent Dr

Notes			
AT		FOR	NOTES
2.62 mi.		611ft	Head north on Archer Dr/ Archer Cir toward Sandra Dr
2.73 mi.		334ft	Turn right onto Sandra Dr
2.8 mi.		1240ft	Turn left onto Crescent Dr
3.03 mi.		1228ft	Head northeast on Crescent Dr toward Sunset Blvd
3.27 mi.		741ft	Turn right onto N Holly Ave
3.41 mi.		10ft	Head west on W Shields Dr toward N Holly Ave
3.41 mi.		1324ft	Turn left onto N Holly Ave
3.66 mi.		397ft	Head southeast on N Holly Ave toward W Mulberry St

Notes			
AT		FOR	NOTES
3.73 mi.		355ft	Head south on N Holly Ave toward W Pecan St
3.8 mi.		355ft	Head south on N Holly Ave toward W Laurel St
3.87 mi.		155ft	Head south on N Holly Ave toward W Houston St
3.9 mi.		511ft	Turn right onto W Houston St
3.99 mi.		1668ft	Head west on W Houston St toward Sunset Blvd
4.31 mi.		2393ft	Turn left onto Binkley Park Dr
4.76 mi.		630ft	Turn left onto W Center St
4.88 mi.		4356ft	Head east on W Center St toward Holly Ave
5.71 mi.			Head north on S Rusk St toward Walcott St

runningmap.com

distance: 0.45 mi.
x 2 = .90

402 W. Pecan, Sherman Tx

Color-K Start - continues west to Lincoln Street

Temple I
Emeth S

Color-Toss Location Route continues south to Houston, left on sidewalk alongside Houston to Rusk.

Covenant
Presbyterian Church

Color-Toss Party Location at end of event At completion of second loop, the route is complete and runners gather at the southern end of Piner gym parking lot.

Piner Middle School

Color-Toss Location Route continues north back to Pecan to complete first loop

Nelson's Auto
Sound & Security

W Houston St

Thompson's
Frame & WheelThis HTML5 version is Beta. Send us some feedback to info@runningmap.com. Thanks!

Map Report a map error



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. H. 1.

Meeting Date: 05/02/2016

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

- (a) Parks and Recreation Advisory Board (2)

Issue:

There are currently two vacancies on the Parks and Recreation Advisory Board. We have received applications from Sholdon Daniels and Sarah Pierce for service on the Board.

Background:

The Parks and Recreation Advisory Board advises the City Council on long-range planning and the implementation of programs and activities conducted by the Parks and Recreation Department.

Origination:

The appointments originated with the City Clerk's Office.

Financial Consideration:

There is no financial consideration.

Staff Recommendation:

It is recommended that the City Council consider appointments to the Parks and Recreation Advisory Board.

Alternatives:

The alternative is to delay appointments to the Board.

Attachments

Roster

Fact Sheet

Applicant List

Sholdon Daniels Application

Sarah Pierce Application

MEMBERSHIP ROSTER

PARKS & RECREATION BOARD

LENGTH OF TERMS: TWO YEARS

Ord. 4112 Consecutive Term Limit (3)*effective 7/24/89

MEMBER	DISTRICT	TERM BEGINS	TERM EXPIRES	TERMS	MEMBERSHIP REQUIREMENTS
Brian Jones	1	A 5/19/2015	5/19/2017	1	
Rhonda McCollum	1	A 10/2/2012 R 10/2/2014	10/2/2014 10/2/2016	1 2	
Vacant			5/17/2017		
Vacant					
Rhonda Lockett	1	A 11/17/2015	11/17/2017	1	
Michael Waitt	1	A 11/17/2015	11/17/2017	1	
Ben Crouse	1	A 11/17/2015	11/17/2017	1	

NOTE:

Chair:

Vice Chair:

FACT SHEET

PARKS AND RECREATION BOARD

Established by ORDINANCE 3181 – MARCH 28, 1977

1. Number of Members: SEVEN (7)
2. Term of Appointment: TWO (2) YEARS
3. Consecutive Term Rule: THREE (3) TERMS – ORDINANCE 4112 (7/24/89)
4. Qualifications for Membership: INTEREST IN PROGRAMS AND ACTIVITIES CONDUCTED BY PARKS AND RECREATION DEPARTMENT. A STUDENT OF SHERMAN HIGH SCHOOL DESIGNATED BY STUDENT COUNCIL, AND THE DIRECTOR OF PARKS AND RECREATION SHALL BE EX-OFFICIO, NON-VOTING MEMBERS
5. Appointed by: MAYOR AND CITY COUNCIL
6. Board Organization

CHAIRPERSON E VICE CHAIRPERSON SECRETARY A

ELECTED APPOINTED
7. Departmental Responsibility: PARKS AND RECREATION DEPARTMENT
8. Meeting Date: FIRST WEDNESDAY OF EACH MONTH
9. Attendance Requirements: WILL FORFEIT SEAT BY MISSING 3 CONSECUTIVE MEETING WITHOUT GOOD CAUSE

=====

PURPOSE:

To assist in long-range planning and implementation of programs and activities conducted by the Parks and Recreation Department.

RESPONSIBILITIES:

Advise concerning future development; to study and make recommendations concerning additional park land or sites; and to recommend means for maximum utilization of facilities.

APPLICANT LIST

Parks and Recreation Advisory Board

Positions Vacant 2

Applicant	Address	District	Qualifications
Sholden Daniels	4816 Hara Lane	2	Attorney
Sarah Pierce	1102 S. Elm	4	Nautilus

COMMENTS:

CITY OF SHERMAN

APPLICATION FOR BOARD OR COMMISSION MEMBERSHIP

Return completed application to:

City Clerk's Office
220 W. Mulberry
P.O. Box 1106
Sherman, TX 75091
Fax: (903) 892-7394

Please type or use black ink

Please complete one application for each board or commission membership

Please limit attachments to two pages

For questions or additional information, call the City Clerk's Office, (903) 892-7206

Name:

Sholdon Daniels

(Please print legal name and your name as you wish it to appear, if different.)

Name of Board
or Commission:Parks & Recreation Board☐ Yes, I would be interested in serving on subcommittees that may be formed.**Personal Information**

Home Address: 4816 Hara Lane
Mailing Address: 100 N. Travis St #202
Telephone: 713-890-2799 Fax: 888-238-2972
E-Mail: Attorney Sholdon Daniels@gmail.com
Sherman Resident for 20 years County: 20
Drivers License No.: 09532692
Voter Registration No.: 1208033923

Occupational Information

Business Name: Law Firm
Occupation: Attorney
Address: 100 N. Travis St #202
Telephone: 888-238-2972 Fax: 888-238-2972
E-Mail: Attorney Sholdon Daniels@gmail.com

Which Council District do you live in? (see attached map)

2

Prior work experience: (please include dates)

I waited tables in college, learned great people skills.**Educational Achievement:**High School Graduate? ☒ Yes ☐ No Year Graduated/Left School? 2004

Business College, Correspondence School, Adult Education, Other?

Name of College/University: UT Dallas; Thurgood Law ☒ Bachelor's ☐ Master's ☐ PhD School of LawJuris Doctor

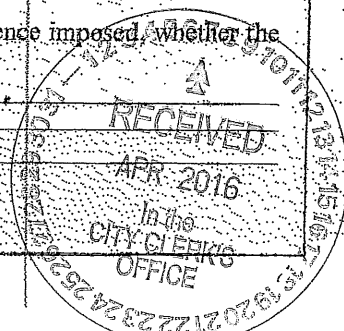
Volunteer Work: (please include dates)

I volunteer by mentoring young boys at Washington Elementary in Sherman. I'm also a member of Community Partners of Dallas.Have you ever been convicted of a crime (except for minor traffic offenses that resulted only in a fine)? ☒ Yes ☐ No

If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider to be relevant.

Got arrested for pot possession in 2009 (college).Taxes: N/A

Application held for 12 months from date received



Are you presently serving on a City board or commission? ☐ Yes ☒ No

If so, which one?

Why do you want to become a member of this particular board or commission (how would you use this experience to benefit the City)?

Because I want to serve the city by increasing the amount of outdoor recreational facilities and things of that nature. I want to help bring a comprehensive network of bike trails to Sherman.

Briefly explain what you believe are the three most important issues facing this board or commission and how you believe this board or commission should address each issue?

1) The pressure from the softball and soccer lobby to build more fields. Find a way to accommodate them using private and public funds.

2) The image/facade of the city is outdated and run down in many areas of town. I want to increase the amount of public art and other installations.

3) Sherman is kind of segregated and I want to foster relationships amongst different racial communities to make our city more tight knit and culturally diverse.

List any abilities, skills, licenses, certificates, specialized training, or interests you have which are applicable to this board or commission.

Marketing, Organizational Behavior, Grassroots organizing, event planning, Biking, running, basketball, volunteering on pro-environment projects

Please specify any business or personal relationships with the City or other activities, which might create a serious conflict of interest or affect your ability to serve if you should be appointed to this board or commission:

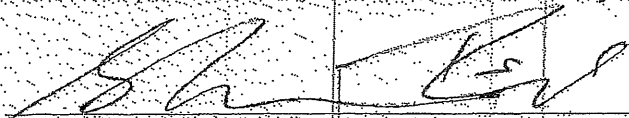
None

Have you attended a meeting of the board/commission you are applying to or talked to anyone currently on the board? ☒ Yes ☐ No

Comments: Everyone I've met seems to be interested in letting me work with them.

Statement of Intent

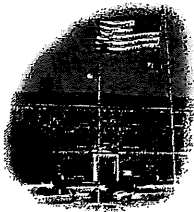
I am aware of the requirements of the City regarding conflicts of interest of appointees to the City of Sherman Boards and Commissions, as noted in the overview. I am aware of meeting dates and times of the Board/Commission for which I have applied, and that Board/Commission members are expected to attend a minimum of 75 percent of regularly scheduled meetings annually of their Board/Commission. If appointed, I agree to serve on the Board/Commission for which I have applied. Applications, including those received after the posted deadline, will remain on file for one year from the date of receipt.

Signature: 

Date: 4-7-16

In compliance with Chapter 552, Vernon's Texas Codes Annotated (Open Records Law), information provided on this application may be available to the public, upon request.

Sherman
CLASSIC TOWN. BROAD HORIZON.



CITY OF SHERMAN

APPLICATION FOR BOARD OR COMMISSION MEMBERSHIP

Return completed application to:

City Clerk's Office
220 W. Mulberry
P.O. Box 1106
Sherman, TX 75091
Fax: (903) 892-7394

Please type or use black ink

Please complete one application for each board or commission membership

Please limit attachments to two pages

For questions or additional information, call the City Clerk's Office, (903) 892-7206



Name: Sarah Pierce

(Please print legal name and your name as you wish it to appear, if different.)

Name of Board

or Commission:

Parks and Recreation

☒ Yes, I would be interested in serving on subcommittees that may be formed.

Personal Information

Home Address: 1102 S. Elm St. Sherman TX 75091

Mailing Address: _____

Telephone: 903-357-0748 Fax: _____

E-Mail: the_piddletwins@live.com

Sherman Resident for 14 years County: Grayson

Drivers License No.: 038559109

Voter Registration No.: 1025425438

Occupational Information

Business Name: Nautilus

Occupation: Group Fitness Instructor

Address: 2719 N. US Hwy 75

Telephone: 903-893-7867 Fax: _____

E-Mail: _____

Which Council District do you live in? (see attached map) District 4

Prior work experience: (please include dates)

I have been a stay at home mom aside from group fitness classes
which is part time for 7 yrs.
Before that I was Activities Director for Stone Brook Assisted Living
from 2005-2007

Educational Achievement:

High School Graduate? ☒ Yes ☐ No Year Graduated/Left School: 1993

Business College, Correspondence School, Adult Education, Other? Collins Creek Community College

Name of College/University: _____

☐ Bachelor's ☐ Master's ☐ PhD

Volunteer Work: (please include dates)

wheels on wheels 2009-2011

Rotary 2/11 - Current

Have you ever been convicted of a crime (except for minor traffic offenses that resulted only in a fine)? ☐ Yes ☒ No

If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider to be relevant.

N/A

-TAXES - N/A

Application held for 12 months from date received

Are you presently serving on a City board or commission? ☐ Yes ☒ No

If so, which one? _____

Why do you want to become a member of this particular board or commission (how would you use this experience to benefit the City)?

I enjoy encouraging others to grow outside of the box so to speak. Community is important to me, as it is a legacy we build and continue to grow that we leave for many more generations to enjoy.

Briefly explain what you believe are the three most important issues facing this board or commission and how you believe this board or commission should address each issue?

- 1) Creating safe parks that can host City wide events outside of the already established; Hot Summer Nights and Lights On Lap Park will bond citizens, giving them a sense of pride and ownership within our town. We have several parks already, create gatherings specific to each park.
- 2) I feel that I am pretty plugged into the goings on in our town and yet, rarely learn of any new events going on at any of our established parks. Outside of Twitter, I would like to focus on growing people to our parks via flyers, radio, Facebook, ... Invitations using these methods get shared quite a bit and are well received.
- 3) Diversity within the board and commission can only make it grow and become a voice others instead of seldom heard. I would like to be a part of Sherman's ever growing community and set an example to my hap as to what service above self, and working towards goals looks like on a broader scale, ergo, within our home town.

List any abilities, skills, licenses, certificates, specialized training, or interests you have which are applicable to this board or commission:

I am a natural leader, I enjoy working with others as a team because we all have gifts to bring to the table. Family and community are important to me.

Please specify any business or personal relationships with the City or other activities, which might create a serious conflict of interest or affect your ability to serve if you should be appointed to this board or commission:

W/A

Have you attended a meeting of the board/commission you are applying to or talked to anyone currently on the board? ☒ Yes ☐ No

Comments: Daron Holland enjoyed being a part of this board and feels that I would as well. I believe in our community's growth.

Statement of Intent

I am aware of the requirements of the City regarding conflicts of interest of appointees to the City of Sherman Boards and Commissions, as noted in the overview. I am aware of meeting dates and times of the Board/Commission for which I have applied, and that Board/Commission members are expected to attend a minimum of 75 percent of regularly scheduled meetings annually of their Board/Commission. If appointed, I agree to serve on the Board/Commission for which I have applied. Applications, including those received after the posted deadline, will remain on file for one year from the date of receipt.

Signature: _____

Sarah Pierce

Date: _____

April 20, 11

In compliance with Chapter 552, Vernon's Texas Codes Annotated (Open Records Law), information provided on this application may be available to the public, upon request.

Sherman
CLASSIC TOWN. BROAD HORIZON.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Meeting Date: 05/02/2016

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2016 Council Calendar

2016

JANUARY						
S	M	T	W	T	F	S
					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						
S	M	T	W	T	F	S
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29					

MARCH						
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27	28	29	30	31		

APRIL						
S	M	T	W	T	F	S
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24	25	26	27	28	29	30

MAY						
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22	23	24	25	26	27	28
29	30	31				

JUNE						
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19	20	21	22	23	24	25
26	27	28	29	30		

JULY						
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17	18	19	20	21	22	23
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31						

AUGUST						
S	M	T	W	T	F	S
	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						
S	M	T	W	T	F	S
				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						
S	M	T	W	T	F	S
						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						
S	M	T	W	T	F	S
		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						
S	M	T	W	T	F	S
				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

1/11/2016	Called Council Meeting for Transportation Workshop
4/11/2016	Called Joint Mtg with SISD Board in Council Chambers
4/15/2016	Called Budget Planning Meeting in Council Chambers
06/21-22/2016	Called Budget Workshop in Council Chambers
7/4/2016	Independence Day/Called Council Meeting on 7/5/2016

9/5/2016	Labor Day/Called Council Meeting on 9/6/2016