

**CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, APRIL 15, 2019
5:00 P.M.**

- A. 1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A. 2. PLEDGE OF ALLEGIANCE LED BY MAYOR DAVID PLYLER**
- A. 3. INVOCATION BY MAYOR DAVID PLYLER**
- A. 4. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF APRIL 1, 2019**

Public Hearing

- B. 1. SECOND PUBLIC HEARING**
Conduct the Second Public Hearing Concerning the Annexation of 56.07 acres along Fallon Drive, East of Texoma Parkway (State Highway 91), Adjacent to the Sherman City Limits and in the City of Sherman's Extra Territorial Jurisdiction
- B. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6200**
Authorizing the Issuance of "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2019"; Specifying the Terms and Features of Said Certificates; Providing for the Payment of Said Certificates of Obligation by the Levy of an Ad Valorem Tax Upon All Taxable Property within the City and a Limited Pledge of the Net Revenues from the Operation of the City's Waterworks and Sewer System; Resolving Other Matters Incident and Relating to the Issuance, Payment, Security, Sale and Delivery of Said Certificates, Including the Approval and Execution of a Paying Agent/Registrar Agreement and the Approval and Distribution of an Official Statement; and Providing an Effective Date
- B. 3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6201**
Relating to Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project); Approving the Issuance Thereof, the Refunding of Certain Outstanding Bonds of the Authority and the Facilities to be Constructed or Acquired by the Authority for the Benefit of the City
- B. 4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6202**
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-2 (Multi-Family Residential) District at 5217 North Travis Street, being 6.635 acres in the Alexander & Richards Survey, Abstract No. 42 (Ryan Family Trust, Owners; Brandon Miller, Prospective Buyer)
- B. 5. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6203**
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District at 205 and 215 East Brockett Street, being all of Lot 3 and part of Lots 4, 5 and 6, Block 4, Bond's Supplement Number Two, containing 0.392 acres in the J.B. McAnair Survey, Abstract No. 763 (Mae Lou Wright, Owner; Ralph and Rosalind Holt, Representatives; and Preston Trail Land Surveying, Surveyor)

B. 6. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6204

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant an Amendment to the Specific Use Permit to Allow an Automobile Body Repair Shop for Sherman Collision Repair in a C-2 (General Commercial) District/O-1.2 (Sam Rayburn Overlay) District at 1317 South Sam Rayburn Freeway, being Lot 1 of the SCR 1 Addition, being a Replat of a part of Lot 8, Block 23 and a part of Lot 4, Block 24 and part of the former Hester Street Right-of-Way between Blocks 23 and 24, B.H. Moore Heirs Addition (Sherman Collision Repair, LLC, Owners; and Terry Moore, Representative); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00

B. 7. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6205

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow New and Used Compact and Construction Equipment Sales, Parts, Rentals, and Service with Displays in a C-2 (General Commercial) District at 4612 Texoma Parkway, being 2.698 acres in the W. F. Patterson Survey, Abstract No. 969 and the John Hendrix Survey, Abstract No. 503 (MLJ Real Estate, LP, Owners; Randy Vickers, Berry Companies, Inc., Prospective Buyer; and Cox Land Surveying, Surveyor); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00

Close Public Hearing and Consider Adoption of Ordinances

B. 8. ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers: 6200, 6201, 6202, 6203, 6204 and 6205

B. 9. CONSENT AGENDA

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

Resolutions

C. 1. RESOLUTION NO. 6474

Finding that Oncor Electric Delivery Company LLC's ("Oncor" or "Company") Application for Approval to Amend Its Distribution Cost Recovery Factor Pursuant to 16 TEX. ADMIN. CODE § 25.243 to Increase Distribution Rates within the City Should Be Denied; Finding that the City's Reasonable Rate Case Expenses Shall Be Reimbursed by the Company; Requiring Notice of this Resolution to the Company and Legal Counsel

C. 2. * RESOLUTION NO. 6475

Abandoning a Portion of Two (2) Twenty Foot (20') Sanitary Sewer Easements located in Lot 4 of the MBG Sherman Addition, Document No. 2018-51, Official Public Records, Grayson County, Texas, and being more particularly described on the Exhibit "A" attached hereto and made a part hereof for all purposes, which Sanitary Sewer Easements are recorded in Volume 860, Page 407 of the Deed Records and in Volume 1623, Page 302 of the Real Property Records of Grayson County, Texas

C. 3. * RESOLUTION NO. 6476

Authorizing Execution of an Encroachment Easement to M&G Home Builders, LLC for the Installation of a Private Sanitary Sewer Service Lateral Line within the Platted Right of Way running North and South along North Branch Street in the J.Q.A. Carter's Addition for Sanitary Sewer Services at 1104 North Branch Street in the City of Sherman, Texas

C. 4. * RESOLUTION NO. 6477

Declaring the City of Sherman's Eligibility and Intention to Participate in a Residential Tax Abatement Program to Promote Development/Redevelopment in Certain Areas of the City; Establishing Guidelines and Criteria

C. 5. RESOLUTION NO. 6478

Authorizing Execution of an Economic Development Program Agreement with Berry Companies Inc. for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code

Requests to Advertise

D. 1. * REQUEST TO ADVERTISE

Community Development Software

Other Business

E. 1. OTHER BUSINESS

Receive Quarterly Progress Report from Sherman Economic Development Corporation President Kent Sharp

E. 2. * OTHER BUSINESS

Repair and Rework the Dorchester 8 Trinity Well under an Emergency Designation

E. 3. * OTHER BUSINESS

Consider Request of True Options Pregnancy Center to Temporarily Close Certain Streets for the Fourth Annual "Turkey Trot 5K & Fun Run" on Saturday, November 23, 2019

E. 4. * OTHER BUSINESS

Final Plat Approval of Maverick Addition, Phase Two, being 0.341 acres in the J.B. McAnair Survey, Abstract No. 763; MJLM Holdings, LLC, Owner; and Helvey-Wagner Surveying, Inc., Surveyor (1300 North Broughton Street)

E. 5. * OTHER BUSINESS

Replat Approval of Lot 1 of the Amended Plat of Haliburton Addition, being 9.524 acres in the Elizabeth Jones Survey, Abstract No. 625; East Sherman Baptist Church, Owners; Bluestone Partners, Developer/Representative; and Underwood Drafting and Surveying, Inc., Surveyor [2122 South F.M. 1417 (Heritage Parkway)]

E. 6. * OTHER BUSINESS

Replat Approval of Midway Industrial Park Addition, Lots 2R, 6 and 7, Block 1, a Replat of Lot 2, Block 1, Midway Industrial Park Addition, being all of Lot 2, Block 1, Midway Industrial Park Addition and a portion of Midway Drive, containing 70.76 acres in the J.B. Shannon Survey, Abstract No. 1085; Datavault Joint Venture, Owners; Holtman Designworks, Developer; and Eagle Surveying, LLC, Surveyor (2900 block of Fallon Drive)

E. 7. * OTHER BUSINESS

Approve Quarterly Investment Report for Quarter Ended March 31, 2019

F. CITIZEN REQUESTS

G. MEDIA QUESTIONS

H. COUNCIL COMMENTS

Executive Session

I. 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 551.071	Consultation with City Attorney concerning Pending or Contemplated Litigation
Section 551.071	Consult with the City Attorney on a Matter in which the Duty of the Attorney to the Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this Chapter
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

J. 1. OPEN MEETING

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

K. 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 11, 2019 at 4:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 11th day of April, 2019.
City of Sherman, Texas

City Clerk

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

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

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

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

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

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

Mayor

David Plyler

Deputy Mayor

Shawn C. Teamann

Council Members

Willie Steele, Council-At-Large, PL #1

Sandra Melton, Council-At-Large, PL #2

Shawn C. Teamann, Council – District #1

Josh Stevenson, Council – District #2

Pamela L. Howeth, Council – District #3

Daron Holland, Council – District #4



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

A.4.

Meeting Date: 04/15/2019

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF APRIL 1, 2019

Attachments

April 1, 2019

Butterfield Overland Trail

STATE OF TEXAS §
COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Regular Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on April 1, 2019.

MEMBERS PRESENT: MAYOR DAVID PLYLER; DEPUTY MAYOR SHAWN TEAMANN (VIA SKYPE). COUNCIL MEMBERS HOLLAND, HOWETH, MELTON, STEELE, STEVENSON.

MEMBERS ABSENT: NONE.

CALL TO ORDER

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

APPROVE MINUTES

The Council reviewed the Minutes of the Called City Council Meeting (Council Training Workshop) of February 27, 2019 and the Regular City Council Meeting of March 18, 2019.

Council Member Stevenson moved to approve the Minutes, as written; Second by Council Member Holland.

Council Member Melton asked to amend the Regular City Council Meeting Minutes of March 18, 2019, at Ordinance No. 6186, to reflect that she did ask about water sales, prior to questions being asked.

She also asked to amend the Minutes at Ordinance No. 6198 to show that the billboard that is there now, is not owned by the current business.

Robby Hefton, City Manager, asked about the protocol for amending the Council Meeting Minutes. Brandon Shelby, City Attorney, explained that the motion to approve the Minutes could be amended to include Council Member Melton's amendments, or they can be amended and brought back at the next Council Meeting for approval.

**Council Member Stevenson amended his motion to approve the Minutes, as amended; Second by Council Member Melton. All present voted AYE.
MOTION CARRIED TO AMEND MINUTES.**

PROCLAMATION

“CHILD ABUSE PREVENTION AND AWARENESS MONTH” –
APRIL 2019

Council Member Howeth presented a proclamation designating April 2019 as “Child Abuse Prevention and Awareness Month” to Melisa Harris, Forensic Interviewer,

CALL TO ORDER

APPROVE MINUTES

**PROCLAMATION
CHILD ABUSE
PREVENTION &
AWARENESS MONTH
(APRIL 2019)**

Grayson County Children's Advocacy Center, and Natalie Jamison, Executive Director, CASA.

Ms. Harris thanked the City for their continued support for all the agencies in Grayson County that work in the area of child abuse and neglect. She said they were also grateful for their partnership with the Sherman Police Department.

Ms. Jamison also thanked the City for their support in Grayson County. She said the problem of neglected and abused children is prevalent and is here in Grayson County.

"TEXOMA EARTH DAY" – APRIL 13, 2019

Mayor Plyler presented a proclamation designating April 13, 2019 as "Texoma Earth Day" to Amy Hoffman-Shehan, Texoma Earth Day Committee Member.

TEXOMA EARTH DAY
(APRIL 13, 2019)

Ms. Hoffman-Shehan said this is the 11th year of the Texoma Earth Day Festival and she thanked the City of Sherman for their support of the event. She said about 30 organizations help sponsor the event, either monetarily or with in-kind services.

This year the event will feature the first community-wide swap meet, to allow participants to bring clothing, movies, music, games, puzzles, or similar items, to swap with others. The idea is to keep these type of items out of the landfill.

The event will also include recycling opportunities for items such as paper for shredding, electronic waste, household items, prescription drugs, Styrofoam, and toner cartridges. She said they are not taking household hazardous waste this year.

FIRST PUBLIC HEARING

CONDUCT THE FIRST PUBLIC HEARING CONCERNING THE ANNEXATION OF 56.07 ACRES ALONG FALLON DRIVE, EAST OF TEXOMA PARKWAY (STATE HIGHWAY 91), ADJACENT TO THE SHERMAN CITY LIMITS AND IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION

ANNEXATION
(FALLON DR.)

CONDUCT THE FIRST PUBLIC HEARING CONCERNING THE ANNEXATION OF 56.07 ACRES ALONG FALLON DRIVE, EAST OF TEXOMA PARKWAY (STATE HIGHWAY 91), ADJACENT TO THE SHERMAN CITY LIMITS AND IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION

Clint Philpott, Director of Engineering, said the annexation was requested by the owner of Midway Warehouses. Approximately 20 acres of the property is under contract and design for two warehouse developments. The other 36 acres is along what will be the future extension of Fallon Drive and Dripping Springs Road.

The annexation will "square off" the City limits and open up additional land for development.

Jerry Roberts, 4006 Dripping Springs Road

Mr. Roberts expressed concern about where Fallon Drive will intersect with Dripping Springs Road, and the possible flooding that will result. He said flooding was already present in their neighborhood.

Mr. Philpott said the staff has a schematic design and will provide a copy to Mr. Roberts if he will come by the Engineering Department. He will also walk Mr. Roberts through the plan for the extension.

Mr. Roberts said that area already has bad flooding issues and his driveway is washed out every time there is a couple of inches of rain. He expressed concern about additional water being dumped there.

No other citizens appeared before the City Council to discuss the proposed Annexation of 56.07 acres along Fallon Drive, east of Texoma Parkway (SH 91).

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

Mayor Plyler introduced Ordinance No. 6199 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR PERMANENT “STOP” SIGNS ON WEST TRAVIS STREET AT SOUTH SAM RAYBURN FREEWAY (U.S. HIGHWAY 75) ACCESS ROAD, ON CROSSROADS BOULEVARD AT HERITAGE PARKWAY (WEST F.M. 1417), ON CROSSROADS BOULEVARD AT WEST TRAVIS STREET, AND ON CROSSROADS BOULEVARD AT MEDICAL DRIVE WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN, TEXAS; PROVIDING FOR A PENALTY PROVISION; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 6199
STOP SIGNS
(W. TRAVIS ST.)

Mr. Philpott said this ordinance will approve five stop signs located in the Sherman Crossroads Development. The signs have all been installed for at least 90 days. The staff has not received any complaints about the signs.

No citizens appeared before the City Council to discuss Ordinance No. 6199.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 6199

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR PERMANENT “STOP” SIGNS ON WEST TRAVIS STREET AT SOUTH SAM RAYBURN FREEWAY (U.S. HIGHWAY 75) ACCESS ROAD, ON CROSSROADS BOULEVARD AT HERITAGE PARKWAY (WEST F.M. 1417), ON CROSSROADS BOULEVARD AT WEST TRAVIS STREET, AND ON CROSSROADS BOULEVARD AT MEDICAL DRIVE WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN, TEXAS; PROVIDING FOR A PENALTY PROVISION;

ORD 6199
STOP SIGNS
(W. TRAVIS ST.)

PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ACTION TAKEN.

Motion by Council Member Melton to approve Ordinance No. 6199, as presented. Second by Council Member Stevenson.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

CONSENT AGENDA

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

CONSENT AGENDA

RESOLUTIONS

RESOLUTION NO. 6473 – DECLARING SUPPORT FOR THE DESIGNATION OF THE BUTTERFIELD OVERLAND TRAIL AS A NATIONAL HISTORIC TRAIL

**RES 6473
BUTTERFIELD
OVERLAND TRAIL**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DECLARING SUPPORT FOR THE DESIGNATION OF THE BUTTERFIELD OVERLAND TRAIL AS A NATIONAL HISTORIC TRAIL.

The Honorable 59th District Court Judge Larry Phillips appeared to ask the City Council for their support to encourage the U.S. Congress to designate the Butterfield Overland Trail as part of the National Historic Trail System. The historic marker previously sat at the Youth Center, but has been moved to the Grayson County Courthouse lawn.

He outlined the procedure to obtain this designation, which began under the administration of President Barack Obama. The trail stretched nearly 3,000 miles from St. Louis and Memphis to San Francisco, and was one of the longest mail routes using horse-drawn stagecoaches in the history of the United States.

Citizens originally contacted Judge Phillips when he was State Representative, to help obtain this designation. It was studied for eight years and then forwarded to Congress, saying it was “suitable for the trail system.” They are now working from the local level through the State level to get the designation.

He said Grayson County approved a resolution last week and he ask the City Council to approve this resolution in support of the designation. The City of Whitesboro and the Texas House Culture, Recreation & Tourism Committee will consider support soon.

Judge Phillips said the focus is on the history, but it’s also an attractive opportunity for signage. He felt it would be a good opportunity to draw tourists to the area too.

COUNCIL MINUTES – APRIL 1, 2019

He introduced Ivert Mayhugh, Resident Historian, and his research on the Butterfield Overland Trail.

Council Member Howeth expressed dismay that Congress needed “to study” the issue. She said it is in every American History Book in all 50 States, and they all agree that the trail existed.

Judge Phillips said there are certain things that must be found for a trail to be viable to be considered for the National Historic Trail System. These include historic significance and they must be adjacent to other items of interest.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6473, as presented. Second by Council Member Howeth.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

Mr. Mayhugh distributed a handout about the Butterfield Overland Trail saying it was a “moment in history” that shouldn’t be forgotten. Eighty-three years ago, the Daughters of the American Revolution erected the monument that was originally located at the Sherman Youth Center and has now been moved to the Courthouse grounds.

The monument was erected at that time in honor of the 100th anniversary of the death of Martha Jefferson Randolph, for whom the local chapter was named.

He said Sherman was the first stop in Texas going west, and the last stop in Texas going east.

RESOLUTION NO. 6468 – FINDING AND DETERMINING A PUBLIC PURPOSE AND PUBLIC NECESSITY EXISTS FOR CONSTRUCTION OF THE MCGEE STREET EXTENSION; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, FINDING AND DETERMINING A PUBLIC PURPOSE AND PUBLIC NECESSITY EXISTS FOR CONSTRUCTION OF THE MCGEE STREET EXTENSION; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE

**RES 6468
MCGEE STREET
EXTENSION
PROJECT**

THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS.

Mr. Philpott said the staff is finalizing the design of McGee Street, from Little Lane, west through Heritage Crossing Subdivision. In the future, this road will connect Taylor Street with West Washington Street.

The future thoroughfare will be median-divided, with four lanes. The staff is proposing to build only two of the south lanes, at this time.

The City currently needs to acquire six parcels of right-of-way on the north side, which will allow a full 86 foot of right-of-way. This resolution will allow the process to begin and the acquisition of the right-of-way, as necessary.

ACTION TAKEN.

Motion by Council Member Howeth to approve Resolution No. 6468, as presented. Second by Council Member Melton.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6469 – FINDING AND DETERMINING A PUBLIC PURPOSE AND PUBLIC NECESSITY EXISTS FOR CONSTRUCTION OF THE SOUTHWEST SEWER, MAIN NO. 2, PHASE II; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, FINDING AND DETERMINING A PUBLIC PURPOSE AND PUBLIC NECESSITY EXISTS FOR CONSTRUCTION OF THE SOUTHWEST SEWER MAIN NO. 2, PHASE II; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS.

Mr. Philpott said this resolution is for the design of a 15 inch sewer line, from Flanary Road to FM 1417. A 20 foot easement is needed on six parcels. The same sewer line will continue north of FM 1417, through the Munson Development.

He said it is hoped that the line will serve the new Sherman High School, so they don't have to build an expensive lift station.

RES 6469
SOUTHWEST SEWER
MAIN NO. 2, PHASE II
PROJECT

COUNCIL MINUTES – APRIL 1, 2019

Council Member Steele said there is a sewer project to the east of this location, but on Sherman Economic Development Corporation land. He asked about coordination of the two projects.

Mr. Philpott said there is an elevation difference of about 40 feet, between the east side of Flanary Road and the bottom of the creek. The goal is to locate it as close to the creek as possible, instead of having 30 foot cuts for a sewer line, there will only be eight to ten.

Council Member Melton verified that the easements will definitely be needed.

ACTION TAKEN.

Motion by Council Member Steele to approve Resolution No. 6469, as presented. Second by Council Member Stevenson.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6470 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH FERGUSON ENTERPRISES, INC. DBA FERGUSON WATERWORKS FOR THE PURCHASE OF WATER METERS FOR THE CUSTOMER AND UTILITY SERVICES DEPARTMENT
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH FERGUSON ENTERPRISES, INC. DBA FERGUSON WATERWORKS FOR THE PURCHASE OF WATER METERS FOR THE CUSTOMER AND UTILITY SERVICES DEPARTMENT.
CONSENT AGENDA.

RES 6470
WATER METERS

RESOLUTION NO. 6471 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH AIRGAS SPECIALTY PRODUCTS, INC. FOR AN ANNUAL SUPPLY OF LIQUID AMMONIA FOR THE SHERMAN WATER TREATMENT PLANT
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH AIRGAS SPECIALTY PRODUCTS, INC. FOR AN ANNUAL SUPPLY OF LIQUID AMMONIA FOR THE SHERMAN WATER TREATMENT PLANT.
CONSENT AGENDA.

RES 6471
LIQUID AMMONIA
FOR WTP

RESOLUTION NO. 6472 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH M&G HOME BUILDERS, LLC FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1104 NORTH BRANCH STREET
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH M&G HOME BUILDERS, LLC FOR THE

RES 6472
RESIDENTIAL TAX
ABATEMENT
(1104 N. BRANCH)

**ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1104 NORTH BRANCH STREET.
CONSENT AGENDA.**

**REQUEST TO ADVERTISE
PROPOSALS FOR A BENEFITS BROKER FOR THE CITY OF
SHERMAN**

The City Council approved the request to advertise for a Benefits Broker for the City of Sherman. As a self-funded municipality, the City contracts with a brokerage firm to coordinate all employee benefits, such as medical, dental, vision, pharmacy, life AD&D and COBRA.

In order to ensure that the current contract remains the optimal choice for both the City and the employees, the staff would like to solicit competitive proposals.
CONSENT AGENDA.

**CONSTRUCTION OF AN OUTDOOR BASKETBALL FACILITY
AT PECAN GROVE WEST PARK**

The City Council approved the request to advertise for the construction of an outdoor basketball facility at Pecan Grove West Park.

During the 2017 Parks Master Plan project, it was determined that Sherman is currently short six basketball courts compared with national standards. Therefore during the FY 2019 Budget process, it was determined that an outdoor basketball facility should be added to Pecan Grove Park.
CONSENT AGENDA.

**OTHER BUSINESS
RECEIVE AN UPDATE ON THE CITY OF SHERMAN'S
RECYCLING PROGRAM**

Mary Lawrence, Director of Finance, updated the Council on the City's recycling program, that was modified in October 2018. At that time, the City was paying between \$25,000 and \$50,000 each month for the processors to take the recycling. In the past, the City had been paid for the recycling materials.

After the changes, the City has averaged a cost of \$7,000 per month for the last two months. The recycling program has 2,500 customers now, which is about 20% of the total solid waste customers.

The stream is also significantly cleaner, and the last load that was analyzed was at 11% contamination. Previously the contamination was at 25% to 30%. There have been some loads that contain too much contamination to be acceptable, but the staff has identified where those loads are from, and they will be handled on a case-by-case basis.

The next step will be a packet of information that will be sent to every solid waste customer, which will contain information on the entire solid waste program and not just recycling.

**REQ TO ADVERTISE
BENEFITS BROKER**

**PECAN GROVE
WEST PARK
BASKETBALL
FACILITY**

**RECYCLING PROGRAM
UPDATE**

COUNCIL MINUTES – APRIL 1, 2019

Ms. Lawrence said they are meeting tomorrow with a recycling processor and hope to arrange for them to accept the City's recycling at no cost, and to possibly be paid for the clean cardboard, that comes from the commercial customers.

She said the staff feels like the program is running well and moving in the right direction, and the plan is to continue what they have been doing.

Council Member Steele confirmed that there was no way to know how many customers were participating prior to the changes. All residents had a recycling can, but many customers were using it as a second trash cart. Ms. Lawrence said on December 31, 2018, there were about 2,000 recycling customers, and almost 500 additional have been added since that time.

Council Member Melton felt that once customers understand the process, they will have more people opting in for the program. She asked about the upcoming meeting with the processor. Ms. Lawrence said after the meeting, the City will have some certainty about their cost. She said they would like to be paid for the cardboard, because there is still a market for that.

Council Member Melton clarified that the City is currently paying \$7,000 per month for the processor to take the recycling, but they hope to be paid for the recycling instead.

Council Member Stevenson asked if all citizens that had requested a yellow lid had received one. Ms. Lawrence said there are currently about 2,100 yellow lids distributed, but they ran out in January and had to order additional ones. Those have now been received and they are again replacing them. Even though some citizens are still waiting on their yellow lid, their recycling is still being picked up as recycling.

Council Member Holland confirmed that the lids will also be changed out for the commercial customers in the downtown area that wish to recycle.

Mr. Hefton said this is one piece of a bigger subject, and the staff plans on a presentation in May and also at the annual Budget Work Session on the entire solid waste program. Topics will include the cost of the program, effectiveness of the program, the effect of the recent changes that have been implemented, additional policing of the stream, the bulk program, and general cleaning up the City. This will tie into the plan for next year.

Council Member Howeth mentioned a story Council Member Stevenson found on [CBSnews.com](https://www.cbsnews.com) about the "slow-moving recycling crisis" being faced by cities across the nation. She urged citizens to read the story to better understand the current recycling situation.

CONSIDER REQUEST OF THE 2019 EARTH DAY PLANNING COMMITTEE TO TEMPORARILY CLOSE CERTAIN STREETS FOR THE “11TH ANNUAL EARTH DAY FESTIVAL” ON SATURDAY, APRIL 13, 2019

**CLOSE STREETS
EARTH DAY FESTIVAL
(APRIL 13, 2019)**

The City Council approved the request of the 2019 Earth Day Planning Committee to temporarily close certain streets for the 11th Annual Earth Day Festival on April 13, 2019. The event will be held on the Sherman Municipal Grounds and they would like to close the streets around the Municipal Building and the City Hall parking lot.

The Council authorized the street closures, City Hall parking lot closure, use of the Municipal Grounds, and City resources to accommodate this event.

CONSENT AGENDA.

CONSIDER REQUEST OF SHERMAN MAIN STREET TO TEMPORARILY CLOSE CERTAIN STREETS FOR “CHRISTMAS IN JULY” ON SATURDAY, JULY 13, 2019

**CLOSE STREETS
CHRISTMAS IN
JULY
(JULY 13, 2019)**

The City Council approved the request of Sherman Main Street to temporarily close certain streets downtown for Christmas in July on July 13, 2019.

The Council authorized the street closures, barricades and cones, solid waste receptacles, and security for the event. Emergency vehicle accessibility will be maintained throughout the closed streets at all times.

CONSENT AGENDA.

CITIZENS REQUESTS

FIRE EXTINGUISHERS AT CITY HALL

**FIRE EXTINGUISHERS
AT CITY HALL**

Ronald Aycock, 220 E. Houston, asked when City Hall moved into the current building and if it had been remodeled since that time. Mr. Hefton said it was in 2000 or 2001, and there has been some “piecemeal” remodeling.

Mr. Aycock then asked how many fire extinguishers were located in the building. Mr. Hefton did not know, but said the City is in compliance with the State code. He added that they could find that information for him. Mr. Aycock asked where the diagrams were for the emergency escapes. Mr. Hefton again said he did not know.

Mr. Aycock said new people come to town, and the building is crowded during the Planning and Zoning Commission Meeting and the City Council Meetings. He said he did not see any escape diagrams. Mr. Hefton said he was confident that the City was in compliance with the State law. Mr. Hefton added that there are also lighted exit signs.

POSTING OF CITY COUNCIL MEETING

**POSTING OF
CITY COUNCIL MTG**

Mr. Aycock asked Mr. Shelby how many days prior to the City Council Meeting was the agenda made public. Mr. Shelby said it was available 72 hours prior to the meeting. The deadline for making it available is 5:00 p.m. on Friday, prior to the meeting. Many times it is available before that time.

Mr. Aycock said normally it's posted on Friday, but it may be on the website prior to that time.

He asked when the information from the agenda was given to the Herald Democrat. Mr. Shelby said it was given to the Herald Democrat at least 72 hours before the meeting.

Mr. Aycock said the current agenda was printed on Thursday in the newspaper, but they didn't receive it until Wednesday. He distributed a copy of the legal notice that was published on Thursday. He also asked about the content of the legal notice.

Mr. Shelby said the legal notice contains only the items that are on the agenda for public hearing. The full agenda is posted at City Hall, the location of the meeting, and on the City's website, as required by the Open Meetings Act.

Mr. Aycock accused the City of keeping the information from older people and those that don't read the paper, and not informing the newspaper, unless they visit City Hall or "get on the computer." He added that the City is not releasing an official copy to the media.

Mayor Plyler said the newspaper does receive an official copy via email on Thursday. Council Member Steele said the Herald Democrat, KXII, and KTEN all received their agenda on Thursday at 3:29 p.m., the same time the Council Members received their copies.

Mr. Shelby said he would "accept full responsibility for complying with the law because we have." Mr. Aycock accused the City of skirting the law all the time, with their transparency. He said he has attended the meetings since October 2016, and he can tell exactly what the City is doing.

ITEMS FOR RECYCLING

Peter Tracy, 705 S. Valentine, said since he moved to Sherman there have been many changes in the recycling program and he is confused about what materials can be included.

He asked if there were any plans to print a new sheet outlining what is acceptable and not acceptable for the recycling container. He also asked for clarification about recycling pizza boxes, especially "delivery" boxes versus store-bought pizza. The store-bought boxes have no "pizza waste" on them.

Kevin Winkler, Public Works Manager, said the staff is currently working on a packet to distribute to every citizen that has a water account, which will outline the recycling program as well as other solid waste information.

EXIT SIGNS IN CITY HALL

Mr. Tracy addressed what he felt would be confusion with the exit signs during a fire evacuation. He felt there needed to be additional signage besides the exit signs, to point people toward the doors to City Hall.

ITEMS FOR RECYCLING

EXIT SIGNS IN CITY HALL

MEDIA QUESTIONS

There were no media questions.

MEDIA QUESTIONS

COUNCIL COMMENTS

GALLAGHER ROAD STREET REPAIRS

Council Member Melton asked why Gallagher Road has been torn up at the same location, since before spring break. She said with traffic from two schools it is dangerous.

GALLAGHER RD.
STREET REPAIRS

BLOWING LAWN CLIPPINGS INTO STREET

Council Member Howeth reminded citizens that there is an ordinance against blowing lawn clippings into the street. She said it clogs up the storm drains and makes the area look unsavory.

BLOWING LAWN
CLIPPINGS INTO
STREET

TEXAS TECH BASKETBALL TEAM

Council Member Howeth said there are several Council Members that are proud of their alma mater, Texas Tech. The Red Raiders have reached the NCAA Men's Basketball Final Four.

TEXAS TECH
BASKETBALL TEAM

THANKS TO INFORMATION TECHNOLOGY DEPARTMENT

Deputy Mayor Teamann thanked the City's IT Department for making it possible for him to attend the Council Meeting via Skype.

THANKS TO
IT DEPT.

BUTTERFIELD OVERLAND TRAIL

Deputy Mayor Teamann said if Judge Phillips needs him to do any research or pick up anything on the Butterfield Overland Trail, he is in Los Angeles today.

BUTTERFIELD
OVERLAND TRAIL

ANNOUNCEMENTS

Mayor Plyler announced the following:

- The lineup for Hot Summer Nights will be announced on April 5, 2019, at 8:00 a.m., at the Finley Theater.
- This weekend, Sherman will host the Second Annual Jazz Classic, sponsored by the Sherman Jazz Museum and the Old Iron Post. Events will be held all weekend and will include a performance by Billy Joel's personal trumpet player, on April 6, 2019, at Kidd-Key Auditorium.
- Keep Sherman Beautiful will host the Annual Texas Trash-Off Litter Pick-Up Event on April 6, 2019.
- Craft the Night Away will be held on April 13, 2019, sponsored by Sherman Downtown NOW.

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,

EXECUTIVE SESSION

VERNONS TEXAS CODES ANNOTATED, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN THE FOLLOWING SECTIONS.

SECTION 551.071 -- CONSULT WITH THE CITY ATTORNEY ON A MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE GOVERNMENTAL BODY UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THIS CHAPTER

SECTION 551.087 -- DELIBERATION 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 5:55 p.m.

On Motion duly made and carried, the Executive Session recessed at 6:35 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

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:38 p.m.

ADJOURNMENT

MAYOR

CITY CLERK

The Butterfield Overland Mail Through Texas

September 20, 1858 - March 14, 1861

Sherman, First Stop in Texas

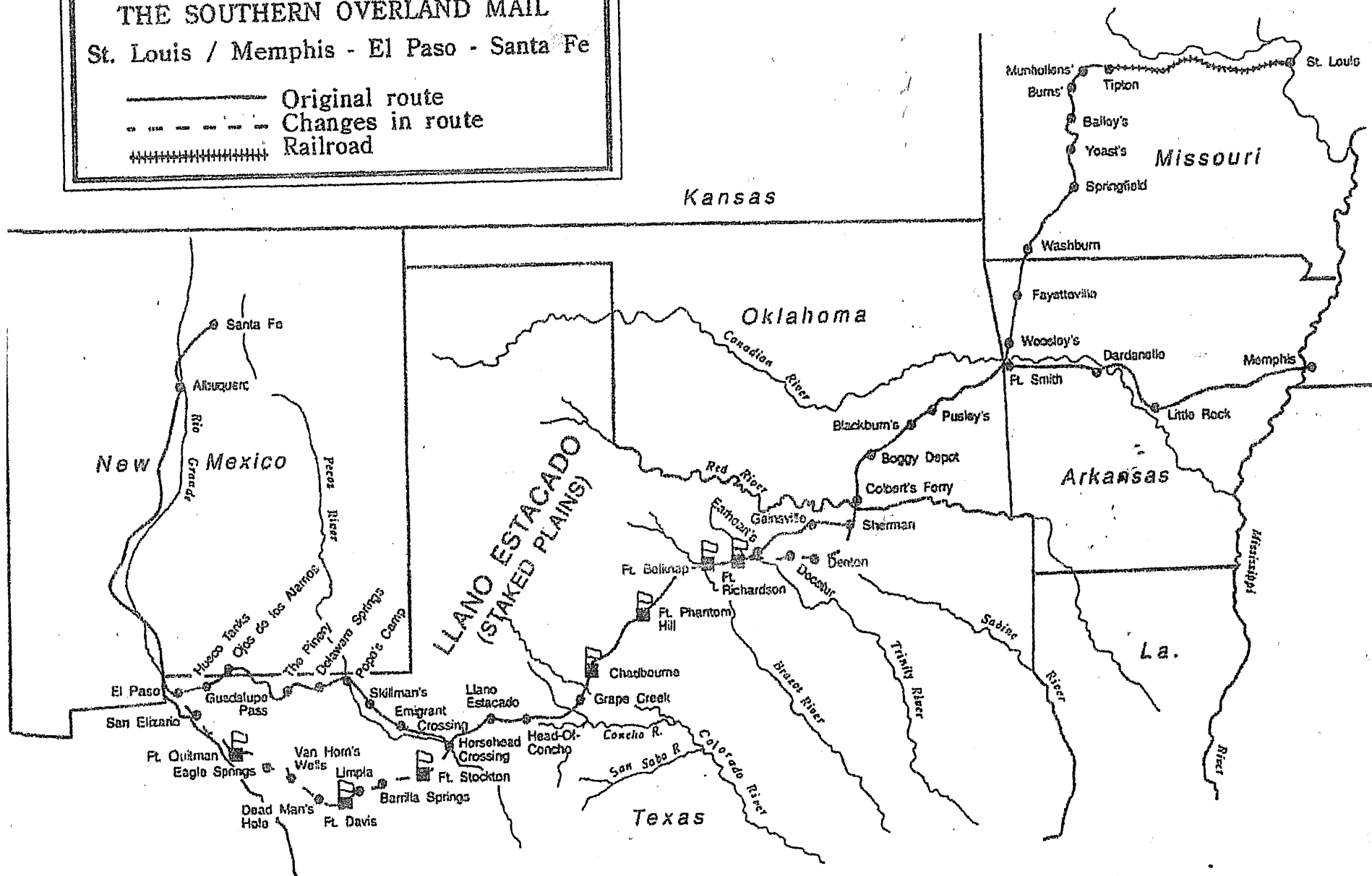
Sherman, Final Stop In Texas

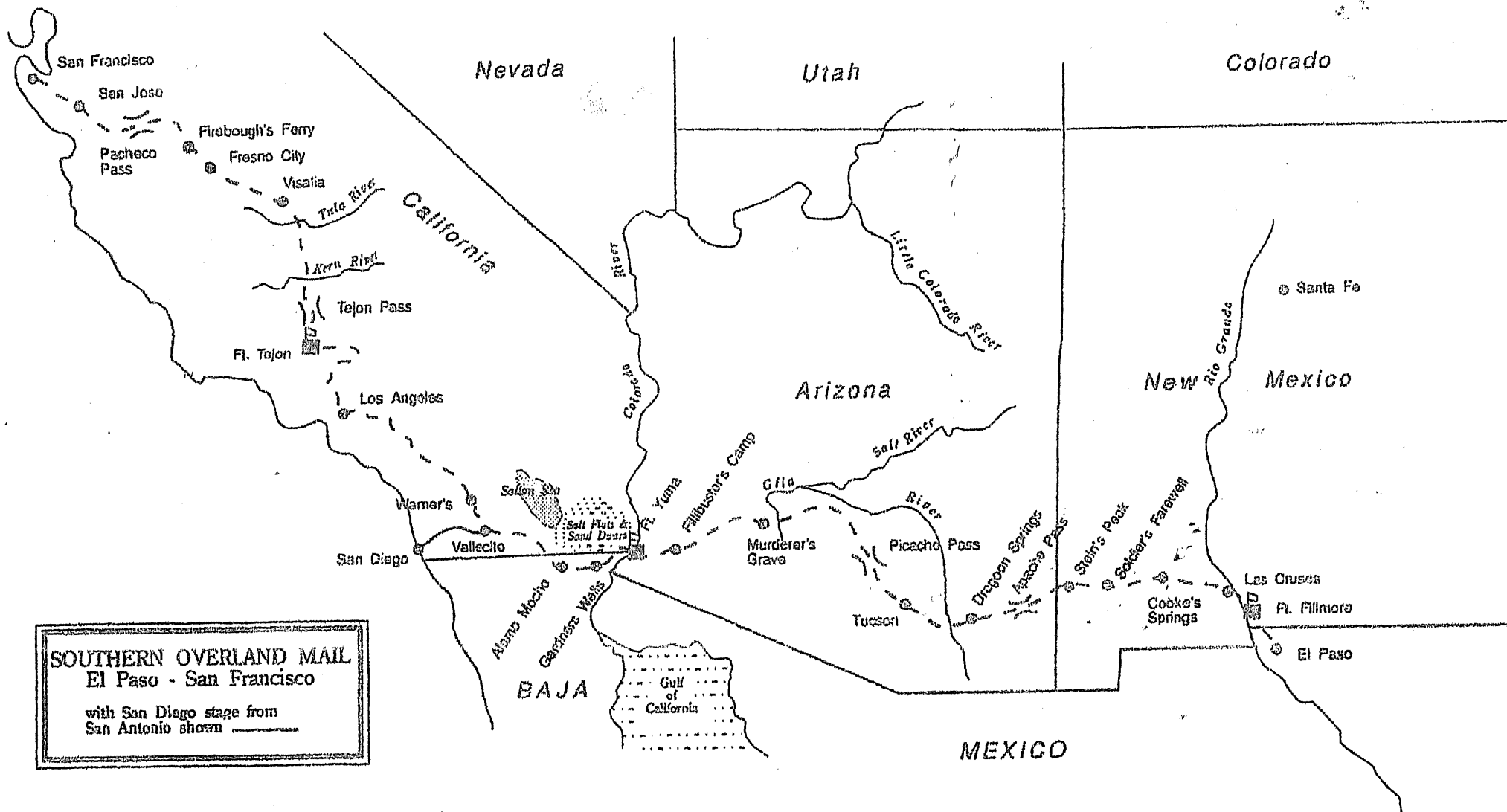
September 24.2017, A Touch of Class Antique Mall

THE SOUTHERN OVERLAND MAIL

St. Louis / Memphis - El Paso - Santa Fe

- Original route
- - - - - Changes in route
- ||||| Railroad





OVERLAND MAIL COMPANY.

THROUGH TIME SCHEDULE BETWEEN

ST. LOUIS, MO.,
MEMPHIS, TENN. } & SAN FRANCISCO, CAL.

GOING WEST.

GOING EAST.

LEAVE.	DAYS.	Hour.	Distance, Miles.	Time allowed.	Average Miles per Hour.	LEAVE.	DAYS.	Hour.	Distance, Miles.	Time allowed.	Average Miles per Hour.
St. Louis, Mo., & } Memphis, Tenn. }	Every Monday & Thursday,	8.00 A.M.	160	10	16	San Francisco, Cal.	Every Monday & Thursday,	8.00 A.M.	160	10	16
P. R. R. Terminus, "	" Monday & Thursday,	6.00 P.M.	160	37½	3½	Firebaugh's Ferry, "	" Tuesday & Friday,	11.00 A.M.	163	27	6
Springfield, "	" Wednesday & Saturday,	7.45 A.M.	143	26½	3½	Visalia, "	" Wednesday & Saturday,	5.00 A.M.	82	18	4½
Fayetteville, "	" Thursday & Sunday,	10.15 A.M.	100	26½	3½	Ft. Tejon, (Via Los Angeles to)	" Thursday & Sunday,	9.00 A.M.	127	28	4½
Fort Smith, Ark.	" Friday & Monday,	3.30 A.M.	65	17½	3½	San Bernardino, "	" Friday & Monday,	5.30 P.M.	150	32½	4½
Sherman, Texas	" Sunday & Wednesday,	12.30 A.M.	205	45	4½	Fort Yuma, "	" Sunday & Wednesday,	1.30 P.M.	200	44	4½
Fort Belknap, "	" Monday & Thursday,	9.00 A.M.	146½	32½	4½	Gila River,* Arizona	" Monday & Thursday,	7.30 P.M.	135	30	4½
Fort Chadbourn, "	" Tuesday & Friday,	3.15 P.M.	136	30½	4½	Tucson, "	" Wednesday & Saturday,	3.00 A.M.	141	31½	4½
Pecos River, (Em. Crossing.)	" Thursday & Sunday,	3.45 A.M.	165	36½	4½	Soldier's Farewell, "	" Thursday & Sunday,	8.00 P.M.	184½	41	4½
El Paso, "	" Saturday & Tuesday,	11.00 A.M.	248½	55½	4½	El Paso, Tex.	" Saturday & Tuesday,	5.30 A.M.	150	33½	4½
Soldier's Farewell	" Sunday & Wednesday,	8.30 P.M.	150	33½	4½	Pecos River, (Em. Crossing.)	" Monday & Thursday,	12.45 P.M.	248½	55½	4½
Tucson, Arizona	" Tuesday & Friday,	1.30 P.M.	184½	41	4½	Fort Chadbourn, "	" Wednesday & Saturday,	1.15 A.M.	165	36½	4½
Gila River,* "	" Wednesday & Saturday,	9.00 P.M.	141	31½	4½	Fort Belknap, "	" Thursday & Sunday,	7.30 A.M.	136	30½	4½
Fort Yuma, Cal.	" Friday & Monday,	3.00 A.M.	135	30	4½	Sherman, "	" Friday & Monday,	4.00 P.M.	146½	32½	4½
San Bernardino "	" Saturday & Tuesday,	11.00 P.M.	200	44	4½	Fort Smith, Ark.	" Sunday & Wednesday,	1.00 P.M.	205	45	4½
Ft. Tejon, (Via Los Angeles.)	" Monday & Thursday,	7.30 A.M.	150	32½	4½	Fayetteville, Mo.	" Monday, & Thursday,	6.15 A.M.	65	17½	3½
Visalia, "	" Tuesday & Friday,	11.30 A.M.	127	28	4½	Springfield, "	" Tuesday & Friday,	8.45 A.M.	100	26½	3½
Firebaugh's Ferry, "	" Wednesday & Saturday,	5.30 A.M.	82	18	4½	P. R. R. Terminus, "	" Wednesday & Saturday,	10.30 P.M.	143	37½	3½
(Arrive) San Francisco,	" Thursday & Sunday,	8.30 A.M.	163	27	6	(Arrive) St. Louis, Mo., & } Memphis, Tenn. }	" Thursday & Sunday,	160	10	16	

This Schedule may not be exact—Superintendents, Agents, Station-men, Conductors, Drivers and all employees are particularly directed to use every possible exertion to get the Stages through in quick time, even though they may be ahead of this time.

If they are behind this time, it will be necessary to urge the animals on to the highest speed that they can be driven without injury.

Remember that no allowance is made in the time for ferries, changing teams, &c. It is therefore necessary that each driver increase his speed over the average per hour enough to gain the necessary time for meals, changing teams, crossing ferries, &c.

Every person in the Company's employ will always bear in mind that each minute of time is of importance. If each driver on the route loses fifteen (15) minutes, it would make a total loss of time, on the entire route, of twenty-five (25) hours, or more than one day. If each one loses ten (10) minutes it would make a total loss of sixteen and one half (16½) hours, or, the best part of a day.

On the contrary, if each driver gains that amount of time, it leaves a margin of time against accidents and extra delays.

All hands will see the great necessity of promptness and dispatch: every minute of time is valuable as the Company are under heavy forfeit if the mail is behind time.

Conductors must note the hour and date of departure from Stations, the causes of delay, if any, and all particulars.

They must also report the same fully to their respective Superintendents.

* The Station referred to on Gila River, is 40 miles west of Maricopa Wells.

JOHN BUTTERFIELD.

Pres't.

BUTTERFIELD OVERLAND (OXBOW) MAIL ROUTE

GOING WEST

DIVISION 6 **TEXAS STATIONS**

DISTANCE **IN MILES**

1 COLBERTS FERRY TO	
2 SHERMAN	13.5
3 DIAMOND'S RANCH	15
4 GAINSVILLE	15
5 DAVIDSON'S	17
6 CONOLLY'S	24
7 EARHART'S	16
8 JACKSBORO	16
9 MURPHY'S	19
10 FORT BELKNAP	16
11 FRANZ'S	22
12 CLEAR FORK (BRAZOS)	13
13 SMITH'S	26
14 PHANTOM HILL	12
15 MOUNTAIN PASS	30
16 VALLEY CREEK	16
17 FORT CHADBOURNE	12

TOTAL MILES 282.5

TOTAL TIME - 65 HRS., 25 MIN.

AVERAGE SPEED - 4.3 MPH

DIVISION 5 **TEXAS STATIONS**

1 GRAPE CREEK	30
2 CAMP _____	22
3 HEAD OF CONCHO	30
4 HORSE HEAD CROSSING	70
5 EMIGRANT CROSSING	55
6 POPE'S CAMP	65
7 DELAWARE SPRINGS	40
8 PINERY	24
9 CORNUDOS DE LOS ALAMOS	56
10 HUECO TANKS	36
11 FRANKLIN (EL PASO)	30

TOTAL MILES 458

TOTAL TIME - 126 HRS, 30 MIN.

AVERAGE SPEED - 3.9 MPH

28 TOTAL TEXAS MILES 740.5

TOTAL TIME - 191 HRS. 55 MIN.

AVERAGE SPEED - 3.9 MPH

MILES AND TIMES CALCULATED BY G. BAILY, SPECIAL AGENT TO
POSTMASTER AARON BROWN ON FIRST EASTBOUND MAIL:

**IN SOME CASES STATIONS WERE
ADDED OR DELETED LATER.**

Hints For The Traveler

"Spit on the Leeward Side"



Traveling by stagecoach was not for the faint-hearted, but to make the trip bearable, the Omaha Herald published, in 1877, the following:

HINTS FOR PLAINS TRAVELERS

- The best seat inside a stagecoach is the one next to the driver..you will get less than half the bumps and jars than on any other seat. When any old "sly Eph," who traveled thousands of miles on coaches, offers through sympathy to exchange his back or middle seat with you, don't do it.
- Never ride in cold weather with tight boots or shoes, nor close-fitting gloves. Bathe your feet before starting in cold water, and wear loose overshoes and gloves two or three sizes too large.
- When the driver asks you to get off and walk, do it without grumbling. He will not request it unless absolutely necessary. If a team runs away, sit still and take your chances; if you jump, nine times out of ten you will be hurt.
- In very cold weather, abstain entirely from liquor while on the road; a man will freeze twice as quick while under its influence.
- Don't growl at food stations; stage companies generally provide the best they can get. Don't keep the stage waiting; many a virtuous man has lost his character by so doing.
- Don't smoke a strong pipe inside especially early in the morning. Spit on the leeward side of the coach. If you have anything to take in a bottle, pass it around; a man who drinks by himself in such a case is lost to all human feeling. Provide stimulants before starting; ranch whisky is not always nectar.
- Don't swear, nor lop over on your neighbor when sleeping. Don't ask how far it is to the next station until you get there.
- Never attempt to fire a gun or pistol while on the road, it may frighten the team; and the careless handling and cocking of the weapon makes nervous people nervous. Don't discuss politics or religion, nor point out places on the road where horrible murders have been committed.
- Don't linger too long at the pewter wash basin at the station. Don't grease you hair before starting or dust will stick there in sufficient quantities to make a respectable 'tater' patch. Tie a silk handkerchief



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.1.

Meeting Date: 04/15/2019

Prepared By: Brandon Shelby, City Attorney

Approved By: Robby Hefton, City Manager

Caption:

SECOND PUBLIC HEARING

Conduct the Second Public Hearing Concerning the Annexation of 56.07 acres along Fallon Drive, East of Texoma Parkway (State Highway 91), Adjacent to the Sherman City Limits and in the City of Sherman's Extra Territorial Jurisdiction

Issue:

To conduct the second public hearing concerning the annexation of 56.07 acres along Fallon Drive, east of Texoma Parkway (State Highway 91), 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 March 18th meeting, the City Council approved the schedule for annexation of this property, which set the first public hearing for the April 1st regular Council meeting, this second public hearing, and introduction and adoption of the Ordinance to annex the subject property at the May 6th regular Council meeting.

The first public hearing was held at the April 1st Council meeting as scheduled, with no objections received.

The Sherman Economic Development Corporation (SEDCO) and the City of Sherman have indicated the need to improve and expand a portion of Fallon Drive. The extension of Fallon Drive east and tying into Dripping Springs Road is part of the Master Thoroughfare Plan. Currently, there is a 20-acre development wanting to develop east of the end of Fallon Drive but is currently outside the City limits. This annexation will encompass all 20 acres of that development and include future development along the future Fallon Drive extension, Jack Cole Road and Dripping Springs Road.

State law requires the City Council conduct two (2) public hearings on its intent to annex and the provision of services no later than forty (40) days nor earlier than twenty (20) days before introduction of the annexation ordinance. Publication of notice of these hearings must be no later than twenty (20) days nor earlier than ten (10) days before each hearing. State law also requires that the City Council shall direct its planning department to develop a service plan for the proposed annexation area. The City Charter requires at least seventy-two (72) hours public notice of the annexation ordinance before its adoption.

Origination:

Letter requesting annexation by Oliver McElroy, Managing Partner of Midway Warehouses (Property Owner / Developer)

Financial Consideration:

Once developed, the additional property taxes on the land raised from this annexation are estimated at about \$45,000.00 annually, which approximates the estimated costs associated with providing general City services.

Staff Recommendation:

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

Alternatives:

As directed by the City Council

Attachments

Annexation Scheduling Plan

Request for Annexation dated March 11, 2019

Survey and Field Notes

Municipal Service Plan

Aerial Location Map

ANNEXATION SCHEDULING PLAN

Wednesday, March 20, 2019.....	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, March 21, 2019.....	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, March 28, 2019.....	Post notice of 1 st Public Hearing under the Open Meetings Act.
Monday, April 1, 2019.....	City Council's 1 st Public Hearing on intent to annex and service plan.* (Regular Council Meeting)
Thursday, April 4, 2019	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, April 11, 2019.....	Post notice of 2 nd Public Hearing under the Open Meetings Act.
Monday, April 15, 2019.....	City Council's 2 nd Public Hearing on intent to annex and service plan.* (Regular Council Meeting)
Thursday, May 2, 2019.....	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, May 6, 2019.....	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.



2741 Fallon Drive
Sherman, TX 75090
Office - Ph: 903-893-5591

Clint Philpott, P.E.
Director of Engineering
City of Sherman
220 W. Mulberry Street
Sherman, TX 75090
903-892-7327

Dear Clint,

March 11, 2019

Please submit the part of the 56.07 acres attached, that belongs to Datavault for annexation. One corner of this property belongs to Eaton Cooper B-Line.

A handwritten signature in black ink, appearing to read 'O. McElroy', is positioned above the name Oliver McElroy.

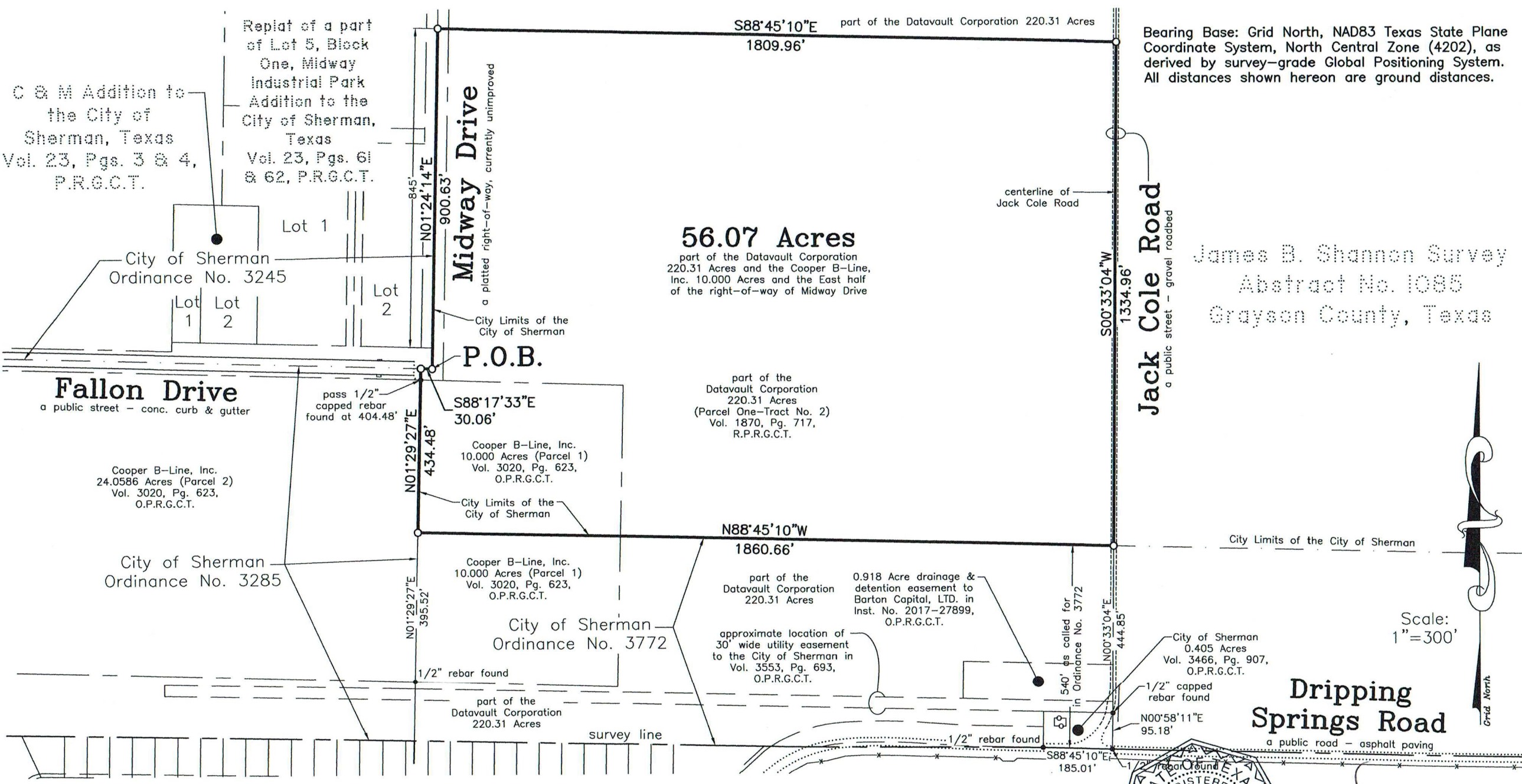
Oliver McElroy, Managing Partner

Midway Warehouse, LLC
2741 Fallon Dr.
Sherman, TX 75090
903-893-5591

C & M Addition to the City of Sherman, Texas
Vol. 23, Pgs. 3 & 4, P.R.G.C.T.

Replat of a part of Lot 5, Block One, Midway Industrial Park Addition to the City of Sherman, Texas
Vol. 23, Pgs. 61 & 62, P.R.G.C.T.

Bearing Base: Grid North, NAD83 Texas State Plane Coordinate System, North Central Zone (4202), as derived by survey-grade Global Positioning System. All distances shown hereon are ground distances.



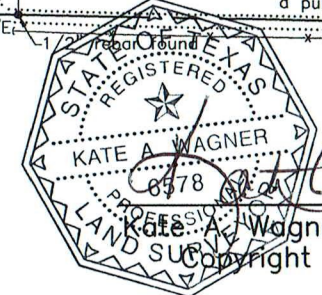
James B. Shannon Survey
Abstract No. 1085
Grayson County, Texas

Scale:
1"=300'

Job No. CGS630219

Proposed City Limits Tract to the City of Sherman

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph (903) 463-6191 Fax (903) 463-4088
Email: helveysurvey@cableone.net
Texas Board of Professional Land Surveying
Firm Registration No. 10088100



Kate A. Wagner, R. P. L. S. No. 6578
Copyright Date: February 28, 2019

Helvey-Wagner Surveying, Inc.

222 West Main Street · Denison, Texas 75020

Ph: (903) 463-6191 · Fax: (903) 463-4088 · Email: helveysurvey@cableone.net

TBPLS Firm Registration No. 10088100

Billy F. Helvey, RPLS No. 4488 – Kate A. Wagner, RPLS No. 6578 – Kenneth N. Russell, RPLS No. 4409

56.07 Acres – Proposed City Limits Tract to the City of Sherman

SITUATED in the County of Grayson, State of Texas, and being a part of the James B. Shannon Survey, Abstract No. 1085, and being a part of the 220.31 ac. tract of land (Parcel One – Tract No. 2) conveyed to Datavault Corporation by Day Manufacturing Co. by Warranty Deed dated November 4, 1985 and recorded in Volume 1870, Page 717, Real Property Records, Grayson County, Texas, and being a part of the 10.000 ac. tract of land (Parcel 1) conveyed to Cooper B-Line, Inc. by B-Line Systems Manufacturing, Inc. by Special Warranty Deed dated December 29, 2000 and recorded in Volume 3020, Page 623, Official Public Records, Grayson County, Texas, and being a part of the East half of the right-of-way of Midway Drive, a 60 ft. wide unimproved right-of-way, and being more particularly described by metes and bounds as follows to-wit:

BEGINNING at a point at the centerline intersection of said Midway Drive with the center of Fallon Drive, a public street, at an Ell corner of the existing City Limits of the City of Sherman, at the Southeast corner of the City Limits tract described in City Ordinance No. 3245, at the most Westerly Northwest corner of the herein described tract;

THENCE North 01 deg. 24 min. 14 sec. East, with the center of said Midway Drive right-of-way, a distance of 900.63 ft. to a point at the Northwest corner of the herein described tract;

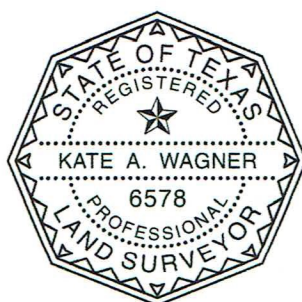
THENCE South 88 deg. 45 min. 10 sec. East, over and across the East half of the right-of-way of Midway Drive, crossing the East line of said Midway Drive and continuing over and across the remainder said Datavault Corporation 220.31 ac. for a total distance of 1,809.96 ft. to a point in the center of Jack Cole Road, in the East line of said Datavault Corporation 220.31 ac., at the Northeast corner of the herein described tract;

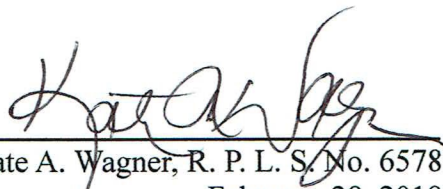
THENCE South 00 deg. 33 min. 04 sec. West, with the center of said Jack Cole Road and the East line of said Datavault Corporation 220.31 ac., a distance of 1,334.96 ft. to a point in a North line of both the existing City Limits of the City of Sherman and the City Limits tract described in City Ordinance No. 3772, at the Southeast corner of the herein described tract, being North 00 deg. 58 min. 11 sec. East, 95.18 ft. and North 00 deg. 33 min. 04 sec. East, 444.85 ft. from a 1/2 inch rebar found at the Southeast corner of said Datavault Corporation 220.31 ac.;

THENCE North 88 deg. 45 min. 10 sec. West, over and across the remainder of said Datavault Corporation 220.31 ac., crossing the East line of said Cooper B-Line, Inc. 10.000 ac. and continuing now over and across said Cooper B-Line, Inc. 10.000 ac. for a total distance of 1,860.66 ft. to a point in the West line of said Cooper B-Line, Inc. 10.000 ac., in an East line of the existing City of Sherman right-of-way, in the East line of the City Limits tract described in City Ordinance No. 3285, at the Southwest corner of the herein described tract, being North 01 deg. 29 min. 27 sec. East, 395.52 ft. from a 1/2 inch rebar found at the Southwest corner of said Cooper B-Line, Inc. 10.000 ac.;

THENCE North 01 deg. 29 min. 27 sec. East, with the West line of said Cooper B-Line, Inc. 10.000 ac., passing a 1/2 inch capped rebar found in the South line of said Fallon Drive, at the Northwest corner of said Cooper B-Line, Inc. 10.000 ac. at 404.48 ft. and continuing for a total distance of 434.48 ft. to a point in the center of said Fallon Drive, in the South line of said City Limits tract described in City Ordinance No. 3245, at the Northeast corner of said City Limits tract described in City Ordinance No. 3285, at an Ell corner of the existing City Limits of the City of Sherman, at the most Westerly Northwest corner of the herein described tract;

THENCE South 88 deg. 17 min. 33 sec. East, with a South line of the existing City Limits of the City of Sherman, the center of said Fallon Drive and the South line of said City Limits tract described in City Ordinance No. 3245, a distance of 30.06 ft. to the **PLACE OF BEGINNING** and containing **56.07 ACRES** of land.




Kate A. Wagner, R. P. L. S. No. 6578
February 28, 2019

City of Sherman Municipal Service Plan Fallon Drive to Jack Cole Road

INTRODUCTION:

The annexation is the site of approximately 56.07 acres along Fallon Drive, East of Texoma Parkway (State Highway 91), 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.

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

PARKS: No public parks exist in the area to be annexed. Any new park facilities will be developed according to existing City policies as applicable to all city residents.

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.

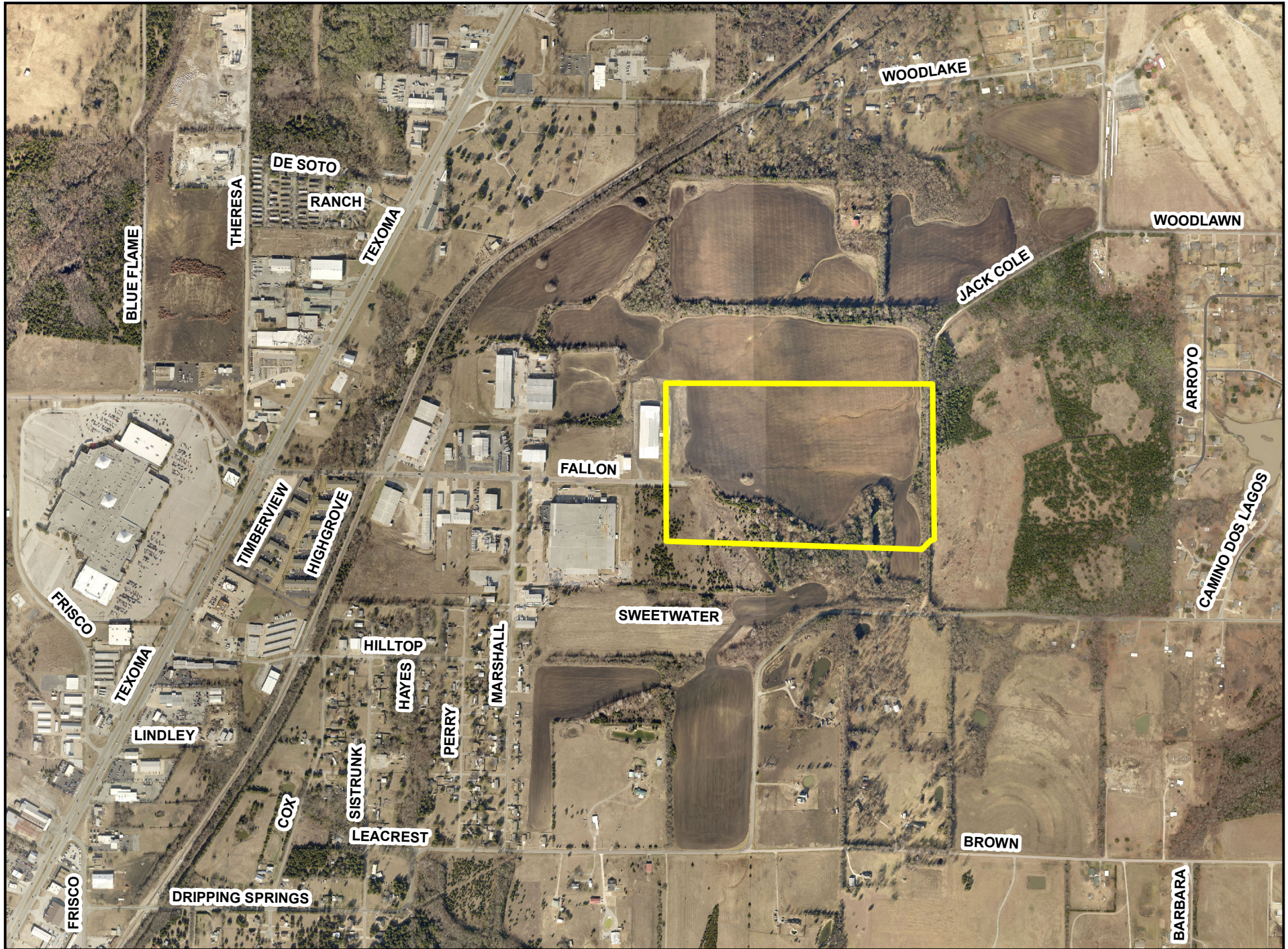
PLANNING AND ZONING: The Planning and Zoning jurisdiction of the City will extend to this area on the effective date of this annexation. All areas will be annexed as an M-1 on the effective date of the annexation ordinance.

CAPITAL IMPROVEMENTS:

WATER SERVICE: Water improvements to serve the area will be in accordance with the City's Subdivision Ordinance and the City's Utility Extension Policies.

SEWER SERVICE: Sewer improvements to serve the area will be in accordance with the City's Subdivision Ordinance and the City's Utility Extension Policies.

Fallon Drive to Jack Cole Road Annexation



0 500 1,000 2,000 3,000 4,000 Feet
1 inch = 1,000 feet



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.2.

Meeting Date: 04/15/2019

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6200

Authorizing the Issuance of "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2019"; Specifying the Terms and Features of Said Certificates; Providing for the Payment of Said Certificates of Obligation by the Levy of an Ad Valorem Tax Upon All Taxable Property within the City and a Limited Pledge of the Net Revenues from the Operation of the City's Waterworks and Sewer System; Resolving Other Matters Incident and Relating to the Issuance, Payment, Security, Sale and Delivery of Said Certificates, Including the Approval and Execution of a Paying Agent/Registrar Agreement and the Approval and Distribution of an Official Statement; and Providing an Effective Date

Issue:

To consider all matters incident and related to the issuance and sale of \$20,000,000 "City of Sherman, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2019" including the adoption of an ordinance authorizing the issuance of such certificates of obligation

Background:

The Council approved the Notice of Intention to Issue Certificates of Obligation at the March 4, 2019 Council Meeting. This Ordinance authorizes the City to actually issue the Certificates, which will be repaid over twenty-five years. The proceeds from the issuance are expected to be received in the middle of May 2019. The source of repayment for these bonds will be property taxes, although the Certificates call for a pledge of both taxes and water and sewer revenues as security.

The proceeds will be used to finance various street projects including payments to the Texas Department of Transportation for the City's match on the U.S. Highway 75 "Gap" project and for the interesection of F.M. 1417 and West Travis Street by the new Sherman High School. Other projects include Legacy Boulevard, Moore Street from West Travis Street to Park Street, Progress Drive, and the extension of McGee Street west of F.M. 1417.

Origination:

City Manager's Office

Financial Consideration:

The cost of issuance will be about \$150,000.00, which will be netted against the proceeds.

Staff Recommendation:

The staff recommends that the Council approve this Ordinance as presented.

Alternatives:

No alternatives can be recommended by staff at this time.

Attachments

Ordinance No. 6200

Exhibit A - Paying Agent/Registrar Agreement

ORDINANCE NO. 6200

AN ORDINANCE authorizing the issuance of "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2019"; specifying the terms and features of said certificates; providing for the payment of said certificates of obligation by the levy of an ad valorem tax upon all taxable property within the City and a limited pledge of the net revenues from the operation of the City's Waterworks and Sewer System; resolving other matters incident and relating to the issuance, payment, security, sale and delivery of said Certificates, including the approval and execution of a Paying Agent/Registrar Agreement and the approval and distribution of an Official Statement; and providing an effective date.

WHEREAS, notice of the City Council's intention to issue certificates of obligation in the maximum principal amount not to exceed \$20,000,000 for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: street improvements, including drainage, utility line relocations, bridges, sidewalks, entryways, landscaping, lighting, curbs and gutters related thereto and the acquisition of land and rights-of-way therefor, and (ii) professional services rendered in relation to such projects and the financing thereof, has been duly published in the *Herald Democrat*, a newspaper hereby found and determined to be of general circulation in the City of Sherman, Texas, on March 10, 2019 and March 17, 2019; the date of the first publication of such notice being not less than thirty-one (31) days prior to the tentative date state therein for the passage of the ordinance authorizing the issuance of such certificates; and

WHEREAS, no petition protesting the issuance of the certificates of obligation and bearing valid petition signatures of at least 5% of the qualified electors of the City, has been presented to or filed with the Mayor, City Clerk or any other official of the City on or prior to the date of the passage of this Ordinance; and

WHEREAS, during the preceding three years, the City has not submitted a bond proposition to authorize the issuance of bonds for the same purposes for which the Certificates are hereby being issued and which proposition was disapproved by voters; and

WHEREAS, the Council hereby finds and determines the certificates of obligation described in the aforesaid notice should be issued and sold at this time in the amount and manner as hereinafter provided; now, therefore,

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

SECTION 1: Authorization - Designation - Principal Amount - Purpose. Certificates of obligation of the City shall be and are hereby authorized to be issued in the aggregate principal amount of \$_____, to be designated and bear the title "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2019" (hereinafter referred to as the "Certificates"), for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: street improvements, including drainage, utility line relocations, bridges, sidewalks, entryways, landscaping, lighting, curbs and gutters related thereto and the acquisition of land and rights-of-way therefor, and (ii) professional services rendered in relation to such projects and the financing thereof, pursuant to authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Texas Local Government Code, Subchapter C of Chapter 271, as amended.

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Date. The Certificates are issuable in fully registered form only; shall be dated May 14, 2019 (the "Certificate Date") and shall be in denominations of \$5,000 or any integral

multiple thereof (within a Stated Maturity) and the Certificates shall become due and payable on August 15 in each of the years and in principal amounts (the "Stated Maturities") and bear interest at the per annum rate(s) in accordance with the following schedule:

<u>Year of Stated Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		
2044		

The Certificates shall bear interest on the unpaid principal amounts from the date of their delivery to the initial purchasers, anticipated to be May 14, 2019 (the "Delivery Date") at the rates per annum shown above in this Section (calculated on the basis of a 360-day year of twelve 30-day months); and such interest shall be payable on February 15 and August 15 of each year, commencing August 15, 2019 until maturity or prior redemption.

SECTION 3: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Certificates, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Certificates (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar and the payment thereof shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas to serve as Paying Agent/Registrar for the Certificates is hereby approved and confirmed. Books and records relating to the registration, payment, transfer and exchange of the Certificates (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, as provided herein and in accordance with the terms and

provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as **Exhibit A**, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Mayor or Mayor Pro Tem and City Clerk are authorized to execute and deliver such Agreement in connection with the delivery of the Certificates. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Certificates are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank or trust company organized under the laws of the State of Texas, financial institution or other entity duly qualified and legally authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Certificates, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Certificates shall be payable at the Stated Maturities or upon prior redemption thereof only upon presentation and surrender of the Certificates to the Paying Agent/Registrar at its designated offices initially in East Syracuse, New York, or with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest on the Certificates shall be paid to the Holders whose names appear in the Security Register at the close of business on the Record Date (the last business day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4: Redemption.

(a) Optional Redemption. The Certificates having Stated Maturities on and after August 15, 2029 shall be subject to redemption prior to maturity, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on August 15, 2028, or on any date thereafter at the redemption price of par plus accrued interest to the date of redemption.

At least forty-five (45) days prior to a redemption date for the Certificates (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of the decision to redeem Certificates, the principal amount of each Stated

Maturity to be redeemed, and the date of redemption therefor. The decision of the City to exercise the right to redeem Certificates shall be entered in the minutes of the governing body of the City.

(b) Selection of Certificates for Redemption. If less than all Outstanding Certificates of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall treat such Certificates as representing the number of Certificates Outstanding which is obtained by dividing the principal amount of such Certificates by \$5,000 and shall select the Certificates to be redeemed within such Stated Maturity by lot or by any other customary method that results in a random selection.

(c) Mandatory Redemption. The Certificates maturing on August 15, 20____ and August 15, 20____ (the "Term Certificates") shall be subject to mandatory redemption in part prior to maturity at the redemption price of par and accrued interest to the date of redemption on the respective dates and in the principal amounts as follows:

Term Certificates due August 15, 20		Term Certificates due August 15, 20	
<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
August 15, 20	\$,000	August 15, 20	\$,000
August 15, 20	\$,000 (maturity)	August 15, 20	\$,000 (maturity)

Approximately forty-five (45) days prior to each mandatory redemption date for the Term Certificates, the Paying Agent/Registrar shall select by lot, or by any other customary method that results in a random selection, the numbers of the Term Certificates within the applicable Stated Maturity to be redeemed on the next following August 15 from moneys set aside for that purpose in the Certificate Fund (as hereinafter defined). Any Term Certificates not selected for prior redemption shall be paid on the date of their Stated Maturity.

The principal amount of the Term Certificates for a given Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Certificates of like Stated Maturity which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (2) shall have been redeemed pursuant to the optional redemption provisions set forth in subparagraph (a) of this Section and not theretofore credited against a mandatory redemption requirement.

(d) Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Certificates, a notice of redemption shall be sent by United States Mail, first class postage prepaid, in the name of the City and at the City's expense, to each Holder of a Certificate to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Certificates, (ii) identify the Certificates to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Certificates, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, provided moneys sufficient for the payment of such Certificate (or the principal

amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar, and (v) specify that payment of the redemption price for the Certificates, or the principal amount thereof to be redeemed, shall be made at the Designated Payment/Transfer Office of the Paying Agent/Registrar only upon presentation and surrender of the Certificates. If a Certificate is subject by its terms to prior redemption and has been called for redemption and notice of redemption has been duly given as hereinabove provided, such Certificate (or the principal amount thereof to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor, provided moneys sufficient for the payment of such Certificate (or of the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar.

(e) Conditional Notice of Redemption. With respect to any optional redemption of the Certificates, unless certain prerequisites to such redemption required by this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied or sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

SECTION 5: Registration - Transfer - Exchange of Certificates - Predecessor Certificates. The Paying Agent/Registrar shall obtain, record and maintain in the Security Register the name and address of each and every owner of the Certificates issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Certificate may be transferred or exchanged for Certificates of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Certificate to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Certificate (other than the Initial Certificate(s) authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Certificates of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Certificate or Certificates surrendered for transfer.

At the option of the Holder, Certificates (other than the Initial Certificate(s) authorized in Section 8) may be exchanged for other Certificates of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Certificates surrendered for exchange, upon surrender of the Certificates to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Certificates are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Certificates to the Holder requesting the exchange.

All Certificates issued in any transfer or exchange of Certificates shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by

United States Mail, first class, postage prepaid to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Certificates surrendered in such transfer or exchange.

All transfers or exchanges of Certificates pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Certificates cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Certificates," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Certificate or Certificates registered and delivered in the exchange or transfer. Additionally, the term "Predecessor Certificates" shall include any mutilated, lost, destroyed, or stolen Certificate for which a replacement Certificate has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 21 hereof and such new replacement Certificate shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Certificate.

Neither the City nor the Paying Agent/ Registrar shall be required to issue or transfer to an assignee of a Holder any Certificate called for redemption, in whole or in part, within 45 days of the date fixed for the redemption of such Certificate; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Certificate called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 3, 4, and 5 of this Ordinance relating to the payment, transfer, and exchange of the Certificates, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the operational arrangements referenced in the Blanket Issuer Letter of Representations by and between the City and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Certificates shall be deposited with DTC who shall hold said Certificates for its participants (the "DTC Participants"). While the Certificates are held by DTC under the Depository Agreement, the Holder of the Certificates on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Certificate (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Certificates or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Certificates, the City covenants and agrees with the Holders of the Certificates to cause Certificates to be printed in definitive form and issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Certificates in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Certificates shall be made in accordance with the provisions of Sections 3, 4 and 5 of this Ordinance.

SECTION 7: Execution - Registration. The Certificates shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under its seal reproduced or impressed thereon and countersigned by the City Clerk. The signature of said officers on the Certificates may be manual or facsimile. Certificates bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that one or more of the individuals executing the same shall cease to be such officer at the time of delivery of the Certificates to the initial purchaser(s) and with respect to Certificates delivered in subsequent exchanges and transfers, all as authorized and provided in Texas Government Code, Chapter 1201, as amended.

No Certificate shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Certificate either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly certified, registered and delivered.

SECTION 8: Initial Certificate(s). The Certificates herein authorized shall be initially issued either (i) as a single fully-registered certificate in the total principal amount stated in Section 1 above with principal installments to become due and payable as provided in Section 2 and numbered T-1, or (ii) as multiple fully registered certificates, being one certificate for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (the "Initial Certificate(s)") and, in either case, the Initial Certificate(s) shall be registered in the name of the initial purchasers or the designee thereof. The Initial Certificate(s) shall be submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchasers, or the designee thereof. Any time after the delivery of the Initial Certificate(s) and pursuant to written instructions from the initial purchasers, or the designee thereof, the Paying Agent/Registrar shall cancel the Initial Certificate(s) and exchange it for the definitive Certificates of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified for such purpose; all pursuant to and in accordance with such written instructions from the initial purchasers, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) Forms Generally. The Certificates, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Certificates, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Ordinance and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends in the event the Certificates, or any maturities thereof, are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the officers executing such Certificates as evidenced by their execution. Any portion of the text of any

Certificates may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the certificate.

The definitive Certificates and the Initial Certificate(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Certificates as evidenced by their execution.

(b) Form of Definitive Certificates.

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF SHERMAN, TEXAS,
COMBINATION TAX AND REVENUE CERTIFICATE OF OBLIGATION
SERIES 2019

Certificate Date:	Interest Rate:	Stated Maturity:	CUSIP No.:	Delivery Date:
May 14, 2019	_____ %	August 15, 20____	_____	May 14, 2019

Registered Owner:

Principal Amount:

The City of Sherman (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Grayson, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Certificate appearing below (unless this Certificate bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Certificate is prior to the initial interest payment date in which case it shall bear interest from the Delivery Date) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing August 15, 2019, until maturity or prior redemption. Principal of this Certificate is payable at its Stated Maturity or upon its prior redemption to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Certificate is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Certificate. Interest is payable to the registered owner of this Certificate (or one or more Predecessor Certificates, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for a payment of the principal of or

interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of and interest on this Certificate shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Certificate is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Certificates") for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: street improvements, including drainage, utility line relocations, bridges, sidewalks, entryways, landscaping, lighting, curbs and gutters related thereto and the acquisition of land and rights-of-way therefor, and (ii) professional services rendered in relation to such projects and the financing thereof, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Texas Local Government Code, Subchapter C of Chapter 271, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

The Certificates maturing on the dates hereinafter identified (the "Term Certificates") are subject to mandatory redemption prior to maturity with funds on deposit in the Certificate Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the mandatory redemption date on the respective dates and in principal amounts as follows:

Term Certificates due August 15, 20		Term Certificates due August 15, 20	
<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
August 15, 20	\$,000	August 15, 20	\$,000
August 15, 20	\$,000 (maturity)	August 15, 20	\$,000 (maturity)

The particular Term Certificates of a given Stated Maturity required to be redeemed each redemption date shall be chosen by lot, or by any other customary method that results in a random selection, by the Paying Agent/Registrar; provided, however, that the principal amount of Term Certificates for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Certificates of like Stated Maturity which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.

The Certificates maturing on and after August 15, 2029, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on August 15, 2028, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to a redemption date, the City shall cause a written notice of such redemption to be sent by United States Mail, first class postage prepaid, to the registered

owners of each Certificate to be redeemed at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Certificate (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon the redemption date such Certificate (or the portion of its principal sum to be redeemed) shall become due and payable, and, if moneys for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable from and after the redemption date on the principal amount redeemed.

In the event a portion of the principal amount of a Certificate is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Certificate to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Certificate or Certificates of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Certificate is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Certificate to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Certificate redeemed in part.

With respect to any optional redemption of the Certificates, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied or sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

The Certificates are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City and from a limited pledge of the Net Revenues (as defined in the Ordinance) of the City's combined Waterworks and Sewer System (the "System"), such pledge of the Net Revenues for the payment of the Certificates being limited to an amount of \$1,000 and, together with a parity pledge securing the payment of the Previously Issued Certificates (identified and defined in the Ordinance), being junior and subordinate to the lien on and pledge of the Net Revenues securing the payment of "Prior Lien Obligations" (as defined in the Ordinance) now outstanding and hereafter issued by the City. In the Ordinance, the City reserves and retains the right to issue Prior Lien Obligations while the Certificates are outstanding without limitation as to principal amount but subject to any terms, conditions or restrictions as may be applicable thereto under law or otherwise, as well as the right to issue Additional Obligations (identified and defined in the Ordinance) payable from the same sources as the Certificates and, together with the Previously Issued Certificates and the Certificates, equally and ratably secured by a parity lien on and pledge of the Net Revenues of the System.

Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all the provisions of which the owner or holder of this Certificate by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Certificates; the nature and extent of the pledge of the Net Revenues securing the payment of the Certificates; the terms and conditions relating to the transfer or exchange of this Certificate; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which the tax levy and the pledge of the Net Revenues and covenants made in the Ordinance may be discharged at or prior to the maturity of this Certificate, and this Certificate deemed to be no longer Outstanding thereunder; and for the other terms and provisions contained therein. Capitalized terms used herein have the meanings assigned in the Ordinance.

This Certificate, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Certificates of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Certificate as the owner entitled to payment of principal hereof at its Stated Maturity or upon its prior redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Certificates is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Certificates to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Certificates do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Certificates as aforesated. In case any provision in this Certificate shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

The terms and provisions of this Certificate and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Certificate to be duly executed under the official seal of the City.

CITY OF SHERMAN, TEXAS

Mayor

COUNTERSIGNED:

City Clerk

(SEAL)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Certificate(s) only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	)	
	)	
OF PUBLIC ACCOUNTS	)	REGISTER NO. _____
	)	
THE STATE OF TEXAS	)	

I HEREBY CERTIFY that this Certificate has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Certificates only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Certificate has been duly issued and registered under the provisions of the within-mentioned Ordinance; the certificate or certificates of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated offices of the Paying Agent/Registrar located in East Syracuse, New York, is the "Designated Payment/Transfer Office" for this Certificate.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., Dallas, Texas

Registration Date:

By _____
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto (Print or typewrite name, address and zip code of transferee): _____

(Social Security or other identifying number _____) the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature guaranteed:

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Certificate in every particular.

(f) The Initial Certificate(s) shall be in the form set forth in paragraph (b) of this Section, except that the heading and first paragraph of the form of a single fully registered Initial Certificate shall be modified as follows:

REGISTERED
NO. T-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF SHERMAN, TEXAS,
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2019

Certificate Date:
May 14, 2019

Delivery Date:
May 14, 2019

Registered Owner:

Principal Amount:

The City of Sherman (hereinafter referred to as the "City"), a body corporate and municipal corporation in the County of Grayson, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on August 15 in the years and in principal installments in accordance with the following schedule:

<u>Year of</u> <u>Stated Maturity</u>	<u>Principal</u> <u>Installments</u>	<u>Interest</u> <u>Rate(s)</u>
--	---	-----------------------------------

(Information to be inserted from schedule in Section 2 hereof)

(or so much thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal amounts hereof from the Delivery Date at the per annum rate(s) of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 of each year, commencing August 15, 2019, until maturity or prior redemption. Principal installments of this Certificate are payable at its Stated Maturity or on a redemption date to the registered owner hereof by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in East Syracuse, New York (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Certificate whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date hereof and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Certificate shall be without

exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Definitions. For purposes of this Ordinance and for clarity with respect to the issuance of the Certificates herein authorized, and the levy of taxes and appropriation of Net Revenues therefor, the following words or terms, whenever the same appears herein without qualifying language, are defined to mean as follows:

(a) The term "Additional Obligations" shall mean combination tax and revenue obligations hereafter issued which by their terms are payable from ad valorem taxes and additionally payable from and secured by a parity lien on and pledge of the Net Revenues of the System of equal rank and dignity with the lien and pledge securing the payment of the Previously Issued Certificates and the Certificates.

(b) The term "Certificate Fund" shall mean the special Fund created and established under the provisions of Section 11 of this Ordinance.

(c) The term "Certificates" shall mean the "City of Sherman, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2019" authorized by this Ordinance.

(d) The term "Collection Date" shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date the annual ad valorem taxes levied each year by the City become delinquent.

(e) The term "Fiscal Year" shall mean the twelve month financial accounting period used by the City in connection with the operation of the System which may be any twelve consecutive month period established by the City.

(f) The term "Government Securities" shall mean (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Certificates.

(g) The term "Gross Revenues" shall mean all income, receipts and revenues of every nature derived or received from the operation and ownership (excluding refundable meter deposits, restricted gifts and grants in aid of construction) of the System, including earnings and income derived from the investment or deposit of moneys in any special funds or accounts created and established for the payment and security of the Prior Lien Obligations and other obligations payable solely from and secured only by a lien on and pledge of the Net Revenues.

(h) The term "Net Revenues" shall mean Gross Revenues of the System, with respect to any period, after deducting the System's Operating and Maintenance Expenses during such period..

(i) The term "Operating and Maintenance Expenses" shall mean all current expenses of operating and maintaining the System, including all salaries, labor, materials, repairs and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised, are necessary to maintain the operations and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair obligations payable from Net Revenues shall be deducted in determining "Net Revenues". Depreciation charges shall not be considered Operating and Maintenance Expenses. Operating and Maintenance Expenses shall include payments under contracts for the purchase of water supply, treatment of sewage or other materials, goods, services, or facilities for the System to the extent authorized by law and the provisions of such contract.

(j) The term "Outstanding" when used in this Ordinance with respect to Certificates means, as of the date of determination, all Certificates theretofore issued and delivered under this Ordinance, except:

(1) those Certificates cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Certificates for which payment has been duly provided by the City in accordance with the provisions of Section 22 hereof; and

(3) those Certificates that have been mutilated, destroyed, lost, or stolen and replacement Certificates have been registered and delivered in lieu thereof as provided in Section 21 hereof.

(k) The term "Previously Issued Certificates" shall mean the outstanding "City of Sherman, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2009", dated April 1, 2009, originally issued in the principal amount of \$5,000,000, "City of Sherman, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2009A", dated September 1, 2009, originally issued in the principal amount of \$3,500,000, "City of Sherman, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2016", dated July 15, 2016, originally issued in the principal amount of \$6,970,000, "City of Sherman, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2017", dated March 30, 2017, originally issued in the principal amount of \$18,110,000, and "City of Sherman, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2018", dated September 6, 2018, originally issued in the principal amount of \$18,980,000.

(l) The term "Prior Lien Obligations" shall mean all revenue bonds or other obligations hereafter issued, payable from and secured, in whole or in part, by a lien on and pledge of all or a portion of the Net Revenues of the System prior to the right and claim on the Net Revenues of the System securing the payment of the Previously Issued Certificates and the Certificates.

(m) The term "System" shall mean all properties, facilities and plants currently owned, operated and maintained by the City for the supply, treatment, transmission and distribution of treated potable water and the collection, treatment and disposal of water carried wastes, together

with all future improvements, extensions, enlargements and additions thereto and replacements thereof.

SECTION 11: Certificate Fund. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption and retirement of the Certificates, there shall be and is hereby created a special account or fund on the books and records of the City known as the "SPECIAL SERIES 2019 TAX AND REVENUE CERTIFICATE OF OBLIGATION FUND", and all moneys deposited to the credit of such Fund shall be kept and maintained in a special banking account a depository bank of the City. The Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance and City Clerk of the City, individually or collectively, are hereby authorized and directed to make withdrawals from said Fund sufficient to pay the principal of and interest on the Certificates as the same become due and payable, and, shall cause to be transferred to the Paying Agent/Registrar from moneys on deposit in the Certificate Fund an amount sufficient to pay the amount of principal and/or interest falling due on the Certificates, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for the Certificates.

Pending the transfer of funds to the Paying Agent/Registrar, money in the Certificate Fund may, at the option of the City, be invested in obligations identified in, and in accordance with the provisions of the "Public Funds Investment Act" (Texas Government Code, Chapter 2256, as amended) relating to the investment of "bond proceeds"; provided that all such investments shall be made in such a manner that the money required to be expended from said Fund will be available at the proper time or times. All interest and income derived from deposits and investments in said Certificate Fund shall be credited to, and any losses debited to, the said Certificate Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Certificates.

SECTION 12: Tax Levy. To provide for the payment of the "Debt Service Requirements" on the Certificates being (i) the interest on said Certificates and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied a sufficient tax, within the limitations prescribed by law, on each one hundred dollars' valuation of taxable property in said City, adequate to pay such Debt Service Requirements while the Certificates remain Outstanding, full allowance being made for delinquencies and costs of collection; and said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Certificate Fund. The City Council hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the said Debt Service Requirements, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

The amount of taxes to be provided annually for the payment of the principal of and interest on the Certificates shall be determined and accomplished in the following manner:

(a) Prior to the date the City Council establishes the annual tax rate and passes an ordinance levying ad valorem taxes each year, the Council shall determine:

(1) The amount on deposit in the Certificate Fund after (a) deducting therefrom the total amount of Debt Service Requirements to become due on Certificates prior to the Collection Date for the ad valorem taxes to be levied and

(b) adding thereto the amount of the Net Revenues of the System, together with any other lawfully available revenues of the City, appropriated and allocated to pay such Debt Service Requirements prior to the Collection Date for the ad valorem taxes to be levied.

(2) The amount of Net Revenues of the System, together with any other lawfully available revenues of the City, appropriated and to be set aside for the payment of the Debt Service Requirements on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(3) The amount of Debt Service Requirements to become due and payable on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year.

(b) The amount of taxes to be levied annually each year to pay the Debt Service Requirements on the Certificates shall be the amount established in paragraph (3) above less the sum total of the amounts established in paragraphs (1) and (2), after taking into consideration delinquencies and costs of collecting such annual taxes.

SECTION 13: Limited Pledge of Net Revenues. The City hereby covenants and agrees that, subject to the prior lien on and pledge of the Net Revenues of the System to the payment and security of Prior Lien Obligations, the Net Revenues of the System in the amount of \$1,000 are hereby irrevocably pledged, equally and ratably, to the payment of the principal of and interest on the Previously Issued Certificates, the Certificates and Additional Obligations, if issued, and the limited pledge of \$1,000 of the Net Revenues of the System herein made for the payment of the Certificates shall constitute a lien on the Net Revenues of the System until such time as the City shall pay all of such \$1,000, after which time the pledge shall cease, and shall be on a parity in all respects with the lien on the Net Revenues securing the payment of the Previously Issued Certificates, all in accordance with the terms and provisions hereof. Furthermore, such lien on and pledge of the Net Revenues securing the payment of the Certificates shall be valid and binding and fully perfected from and after the date of adoption of this Ordinance without physical delivery or transfer or transfer of control of the Net Revenues, the filing of this Ordinance or any other act; all as provided in Chapter 1208 of the Texas Government Code ("Chapter 1208").

Chapter 1208 applies to the issuance of the Certificates and the pledge of the Net Revenues of the System granted by the City under this Section 13, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Certificates are Outstanding such that the pledge of the Net Revenues of the System granted by the City under this Section 13 is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, as amended, then in order to preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 14: System Fund. The City covenants and agrees that all Gross Revenues (excluding earnings from the investment of money held in any special funds or accounts created for the payment and security of the Prior Lien Obligations) shall be deposited as collected into a fund maintained at an official depository of the City and known on the books of the City as the

"Water and Sewer System Fund" (hereinafter called the "System Fund"). All moneys deposited to the credit of the System Fund shall be allocated, dedicated and disbursed to the extent required for the following purposes and in the order of priority shown, to wit:

- First: To the payment of reasonable and proper Operating and Maintenance Expenses of the System as defined herein or required by statute to be a first charge on and claim against the Gross Revenues of the System.
- Second: To the payment of all amounts required to be deposited in the special Funds created and established for the payment, security and benefit of Prior Lien Obligations in accordance with the terms and provisions of the ordinances authorizing the issuance of Prior Lien Obligations.
- Third: To the payment of the limited amount pledged to the payment of the Previously Issued Certificates and the Certificates.

Any Net Revenues remaining in the System Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment thereof, may be appropriated and used for any other City purpose now or hereafter permitted by law.

SECTION 15: Deposits to Certificate Fund. Subject to the provisions of Section 13 hereof, the City hereby covenants and agrees that the amount of pledged Net Revenues of the System (\$1,000), together with other lawfully available revenues appropriated by the City for payment of the Debt Service Requirements on the Certificates and ad valorem taxes levied, collected and deposited in the Certificate Fund for and on behalf of the Certificates, will be an amount equal to one hundred percent (100%) of the amount required to fully pay the interest and principal due and payable on the Certificates. In addition, any surplus proceeds from the sale of the Certificates not expended for authorized purposes shall be deposited in the Certificate Fund, or another fund created for the payment of the principal of and interest on any Certificates, and such amounts so deposited shall reduce the sums otherwise required to be deposited in said Fund from ad valorem taxes and the Net Revenues of the System.

SECTION 16: Security of Funds. All moneys on deposit in the Funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such Funds shall be used only for the purposes permitted by this Ordinance.

SECTION 17: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in the payments to be made to the Certificate Fund, or (b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance, the Holder of any of the Certificates shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may

be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 18: Special Covenants. The City hereby further covenants as follows:

(a) It has the lawful power to pledge the Net Revenues of the System to the payment of the Certificates in the manner herein contemplated and has lawfully exercised such power under the Constitution and laws of the State of Texas, including said power existing under Texas Government Code, Chapter 1502, as amended, and Texas Local Government Code, Subchapter C of Chapter 271, as amended.

(b) Other than for the payment of the Previously Issued Certificates and the Certificates, the Net Revenues of the System have not in any manner been pledged to the payment of any debt or obligation of the City or of the System.

SECTION 19: Issuance of Prior Lien Obligations. The City hereby expressly reserves the right to hereafter issue Prior Lien Obligations, without limitation as to principal amount but subject to any terms, conditions or restrictions applicable thereto under law or otherwise, payable, in whole or in part, from the Net Revenues (without impairment of the obligation of contract with the Holders of the Certificates) upon such terms and conditions as the City Council may determine.

Additionally, the City reserves the right to issue Additional Obligations, without limitation or any restriction or condition being applicable to their issuance under the terms of this Ordinance, payable from and secured by a lien on and pledge of the Net Revenues of the System of equal rank and dignity, and on a parity in all respects, with the lien thereon and pledge thereof securing the payment of the Previously Issued Certificates and the Certificates.

SECTION 20: Application of Prior Lien Obligations Covenants and Agreements. It is the intention of this governing body and accordingly hereby recognized and stipulated that the provisions, agreements and covenants contained herein bearing upon the management and operations of the System, and the administering and application of revenues derived from the operation thereof, shall to the extent possible be harmonized with like provisions, agreements and covenants contained in the ordinances authorizing the issuance of the Prior Lien Obligations, and to the extent of any irreconcilable conflict between the provisions contained herein and in the ordinances authorizing the issuance of the Prior Lien Obligations, the provisions, agreements and covenants contained therein shall prevail to the extent of such conflict and be applicable to this Ordinance but in all respects subject to the priority of rights and benefits, if any, conferred thereby to the holders of the Prior Lien Obligations.

SECTION 21: Mutilated, Destroyed, Lost and Stolen Certificates. In case any Certificate shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Certificate of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Certificate, or in lieu of and in substitution for such destroyed, lost or stolen Certificate, only upon the approval of the City and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Certificate, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Certificate shall be borne by the Holder of the Certificate mutilated, or destroyed, lost or stolen.

Every replacement Certificate issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Certificates; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Certificates. The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Certificates.

SECTION 22: Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Certificates, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and the Net Revenues of the System and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate and be discharged and satisfied.

Certificates or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Certificates or the principal amount(s) thereof at maturity or on a redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Certificates, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Certificates to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Certificates, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Certificates and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Certificates such moneys were deposited and are held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 23: Ordinance a Contract - Amendments. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Certificate remains Outstanding except as permitted in this Section and in Section 39 hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency or formal defect or

omission herein. In addition, the City may, with the consent of Holders holding a majority in aggregate principal amount of the Certificates then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Certificates, no such amendment, addition or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Certificates, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required to be held by Holders for consent to any such amendment, addition or rescission.

SECTION 24: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

"Closing Date" means the date on which the Certificates are first authenticated and delivered to the initial purchasers against payment therefor.

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"Computation Date" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Certificates.

"Investment" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Nonpurpose Investment" means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Certificates are invested and which is not acquired to carry out the governmental purposes of the Certificates.

"Rebate Amount" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Regulations" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Certificates. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"Yield" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Certificates has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Certificate to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Certificate, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Certificates:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Certificates, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Certificates or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Certificates to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Certificates directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Certificates.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Certificates to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(1) the City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Certificate is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Certificates with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Certificates until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Certificates by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States from the construction fund, other appropriate fund, or if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Certificate Fund, the amount that when added to the future value of previous rebate payments made for the Certificates equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Certificates, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have

resulted if the transaction had been at arm's length and had the Yield of the Certificates not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance or City Clerk, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Certificates, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

SECTION 25: Sale of Certificates. Pursuant to a public sale for the Certificates, the bid submitted by _____ (herein referred to as the "Purchaser") is declared to be the best bid received producing the lowest true interest cost rate to the City; such bid is hereby accepted and incorporated herein by reference as a part of this Ordinance for all purposes and the sale of the Certificates to said Purchaser at the price of par, plus a premium of \$ _____ is hereby approved and confirmed. Delivery of the Certificates to the Purchaser shall occur as soon as possible upon payment being made therefor in accordance with the terms of sale. The terms of sale are hereby declared to be in the best interest of the City.

SECTION 26: Official Statement. The use of the Preliminary Official Statement in the offering and sale of the Certificates is hereby ratified, confirmed and approved in all respects, and the City Council hereby finds that the information and data contained in said Preliminary Official Statement pertaining to the City and its financial affairs is true and correct in all material respects and no material facts have been omitted therefrom which are necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The final Official Statement, which reflects the terms of sale (together with such changes approved by the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance or City Clerk, one or more of said officials), shall be and is hereby in all respects approved and the Purchasers are hereby authorized to use and distribute said final Official Statement, dated April 15, 2019, in the offering, sale and delivery of the Certificates to the public.

SECTION 27: Proceeds of Sale. The proceeds of sale of the Certificates, excluding premium in the amount of \$ _____ and amounts to pay costs of issuance, shall be deposited in a construction fund maintained at an official depository of the City. Pending expenditure for authorized projects and purposes, such proceeds of sale may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, as amended, including guaranteed investment contracts permitted by Texas Government Code, Section 2256.015 et seq., and the City's investment policies and guidelines, and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Certificate Fund as shall be determined by the City Council. Premium in the above amount as well as all surplus proceeds of sale of the Certificates, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Certificate Fund.

SECTION 28: Control and Custody of Certificates. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending the sale of the Certificates, the investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Certificates, and shall take and have charge and control of the Initial Certificate(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

SECTION 29: Notices to Holders - Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Certificates. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 30: Cancellation. All Certificates surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Certificates previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Certificates so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Certificates held by the Paying Agent/Registrar shall be returned to the City.

SECTION 31: Legal Opinion. The Purchasers' obligation to accept delivery of the Certificates is subject to being furnished a final opinion of Norton Rose Fulbright US LLP, approving the Certificates as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Certificates. An executed counterpart of said opinion shall accompany the global certificates deposited with DTC or a reproduction thereof shall be printed on the definitive Certificates in the event the book-entry-only system shall be discontinued.

SECTION 32: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Certificates shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Certificates.

SECTION 33: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, and this Ordinance and all its provisions is intended to be and shall be for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Holders.

SECTION 34: Inconsistent Provisions. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 35: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 36: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 37: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 38: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 39: Continuing Disclosure Undertaking.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year of the City beginning in the year 2019, financial information and operating data with respect to the City of the general type included in the final Official Statement in Tables 1 through 4 and 6 through 9 and (2) within twelve months after the end of each fiscal year of the City beginning in the year 2019, the audited financial statements of the City. If the audit of such financial statements is not complete within twelve (12) months after any such fiscal year end, then the City shall file unaudited financial statements by the required time and audited financial statements for the applicable fiscal year, when and if the audit report becomes available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in Appendix C to the Official Statement, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the Official Statement, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
7. Modifications to rights of holders of the Certificates, if material;
8. Certificate calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding item 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the

entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City and (b) the City intends the words used in the immediately preceding paragraphs 15 and 16 and the definition of Financial Obligation in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Certificate calls and defeasance that cause the City to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Certificates, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

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

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

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

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have

permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a Person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Certificates. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Certificates from lawfully purchasing or selling Certificates in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) hereof an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 40: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance, and City Clerk are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance, sale and delivery of the Certificates. In addition, prior to the delivery of the Certificates, the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance, City Clerk or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect, or omission in the Ordinance or such other document, or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Certificates by the Attorney General. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 41: Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble of this Ordinance are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were related in full in this Section.

SECTION 42: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 43: Effective Date. In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

[remainder of page left blank intentionally]

PASSED AND ADOPTED, this April 15, 2019.

CITY OF SHERMAN, TEXAS

Mayor

ATTEST:

City Clerk

(City Seal)

EXHIBIT A
PAYING AGENT/REGISTRAR AGREEMENT

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of April 15, 2019 (this "Agreement"), by and between The Bank of New York Mellon Trust Company, N.A., a banking association duly organized and existing under the laws of the United States of America (the "Bank") and the City of Sherman, Texas (the "Issuer"),

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "City of Sherman, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2019" (the "Securities"), dated May 14, 2019, such Securities scheduled to be delivered to the initial purchasers thereof on or about May 14, 2019; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01 Appointment. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02 Compensation. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE TWO DEFINITIONS

Section 2.01 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"Acceleration Date" on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

"Authorizing Document" means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

"Bank Office" means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Financial Advisor" means Specialized Public Finance, Inc.

"Holder" and "Security Holder" each means the Person in whose name a Security is registered in the Security Register.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

"Predecessor Securities" of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

"Redemption Date", when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

"Responsible Officer", when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Security Register" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

"Stated Maturity" means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02 Other Definitions. The terms "Bank," "Issuer," and "Securities (Security)" have the meanings assigned to them in the recital paragraphs of this Agreement.

The term "Paying Agent/Registrar" refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE THREE PAYING AGENT

Section 3.01 Duties of Paying Agent. As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

First Class/Registered/Certified

The Bank of New York
Mellon Trust Company, N.A.
Global Corporate Trust
P.O. Box 396
East Syracuse, NY 13057

Express Delivery/Courier

The Bank of New York
Mellon Trust Company, N.A.
Global Corporate Trust
111 Sanders Creek Pkwy.
East Syracuse, NY 13057

By Hand Only

The Bank of New York Mellon
Trust Company, N.A.
Global Corporate Trust
Corporate Trust Window
101 Barclay Street, 1st Floor East
New York, NY 10286

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

Section 3.02 Payment Dates. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

ARTICLE FOUR REGISTRAR

Section 4.01 Security Register - Transfers and Exchanges. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register") for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other

information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the National Association of Securities Dealers, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02 Securities. The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03 Form of Security Register. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04 List of Security Holders. The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05 Return of Cancelled Securities. The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities. The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

Section 4.07 Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

ARTICLE FIVE THE BANK

Section 5.01 Duties of Bank. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02 Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality

of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, the Financial Advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.03 Recitals of Issuer. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

Section 5.04 May Hold Securities. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization. A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

Section 5.06 Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07 Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

In the event the Bank becomes involved in litigation in connection with this Section, the Issuer, to the extent permitted by law, agrees to indemnify and save the Bank harmless from all loss, cost, damages, expenses, and attorney fees suffered or incurred by the Bank as a result. The obligations of the Bank under this Agreement shall be performable at the principal corporate office of the Bank in the City of Dallas, Texas.

Section 5.08 DTC Services. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

ARTICLE SIX MISCELLANEOUS PROVISIONS

Section 6.01 Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02 Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03 Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

Section 6.04 Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05 Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06 Severability. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 Merger, Conversion, Consolidation, or Succession. Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

Section 6.08 Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.09 Entire Agreement. This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

Section 6.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11 Termination. This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.12 No Boycott Israel. To the extent this Agreement is a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended the Bank hereby verifies that the Bank is a company (as defined in Section 808.001(2), Texas Government Code) which does not boycott Israel and will not boycott Israel through the term of this Agreement. For purposes of this verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

Section 6.13 Iran, Sudan and Foreign Terrorists Organizations Pursuant to Subchapter F, Chapter 2252, Texas Government Code, to the extent applicable to this agreement, the Bank represents that it is not a company (as defined in Section 2270.0001(2), Texas Government Code) identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>;
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>; or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

Section 6.14 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[Remainder of page left blank intentionally.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.

By: _____

Title: _____

Attest:

Address: 2001 Bryan Street, 10th Floor
Dallas, Texas 75201

Title: _____

CITY OF SHERMAN, TEXAS

By: _____
Mayor

Address: 220 West Mulberry Street
Sherman, Texas 75090

Attest:

City Clerk



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.3.

Meeting Date: 04/15/2019

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6201

Relating to Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project); Approving the Issuance Thereof, the Refunding of Certain Outstanding Bonds of the Authority and the Facilities to be Constructed or Acquired by the Authority for the Benefit of the City

Issue:

Consider all matters incident and related to the issuance and sale of "Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project)", including the adoption of an ordinance approving the issuance thereof, the refunding of certain outstanding bonds of the Authority and the facilities to be constructed or acquired by the Authority for the benefit of the City.

Background:

This issue has two components. The first component is a refinancing opportunity on \$6.8 million of outstanding debt issued in 2008 and 2009. The savings from refunding these bonds will be about \$274,000.00 over the next ten (10) years. Funds are expected to be received by GTUA on July 9, 2019.

The second component funds additional major utility projects of about \$5.7 million through GTUA. The proposed projects to be funded by these bonds include a sewer lift station and lines, engineering costs for improvements at the Wastewater Treatment Plant, water and sewer line improvements and extensions, and improvements to the water line from Lake Texoma to the Water Treatment Plant.

GTUA General Manager Drew Satterwhite, P.E. will be in attendance to answer any questions or provide any additional information needed.

Origination:

Mary Lawrence, Director of Finance

Mark Gibson, Director of Utilities

Drew Satterwhite, P.E., General Manager, Greater Texoma Utility Authority

Financial Consideration:

The cost of issuance of about \$125,000.00 is included in the bonds.

Staff Recommendation:

The staff recommends that the Council approve this Ordinance as presented.

Alternatives:

The Council could choose not to refund the bonds or fund the utility projects.

Attachments

Ordinance No. 6201

GTUA's Agenda Communication dated April 5, 2019

GTUA's Draft Bond Resolution

ORDINANCE NO. 6201

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RELATING TO GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE AND REFUNDING BONDS, SERIES 2019 (CITY OF SHERMAN PROJECT); APPROVING THE ISSUANCE THEREOF, THE REFUNDING OF CERTAIN OUTSTANDING BONDS OF THE AUTHORITY AND THE FACILITIES TO BE CONSTRUCTED OR ACQUIRED BY THE AUTHORITY FOR THE BENEFIT OF THE CITY; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council has heretofore authorized the execution of a certain contract with the Greater Texoma Utility Authority (the "Authority"), and has entered into a contract entitled "Contract for Water Supply and Sewer Service" dated as of March 1, 1985 (the "Contract"); and

WHEREAS, under Section 4.15 of the Contract, it is provided that the City shall approve (i) the issuance by the Authority of any bonds that are to be payable (in whole or in part) from certain moneys that the City has contracted to pay under the provisions of the Contract, (ii) the "Notice of Sale" prepared in connection with the public sale of the bonds, (iii) the facilities to be constructed, acquired and improved and (iv) the resolution of the Authority authorizing the issuance of the bonds; and

WHEREAS, in connection with the proposed "Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project)" (the "Bonds"), the City acknowledges that no Notice of Sale relating to the Bonds will be prepared, and the City hereby waives any requirement that a Notice of Sale relating to the Bonds be prepared; and

WHEREAS, the net effective interest rate on the Bonds will not exceed the maximum permitted by law and it is now appropriate for this Council to approve the issuance and delivery of the Bonds, the Resolution of the Authority authorizing the Bonds (the "Bond Resolution"), and the refunding of a portion of the following bonds (collectively hereinafter referred to as the "Refunded Bonds") as determined by the pricing officer appointed pursuant to the Bond Resolution (the "Pricing Officer"), to wit:

- (1) Greater Texoma Utility Authority Contract Revenue Bonds, Series 2008 (City of Sherman Project), dated February 15, 2008; and
- (2) Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2008 (City of Sherman Project), dated June 15, 2008; and
- (3) Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2009 (City of Sherman Project), dated August 15, 2009; and

- (4) Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2009A (City of Sherman Project), dated September 15, 2009;

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

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

SECTION 2. The facilities to be constructed, acquired, and improved by the Authority with the proceeds of the Bonds for the Series 2019 Projects described in **Exhibit A** hereto and in Exhibit A attached to the Bond Resolution are hereby approved and the use of the proceeds of the Bonds for the refunding of the Refunded Bonds is hereby approved. The Bond Resolution is approved as to form and content, and the City acknowledges that the payment of principal of and interest on the Bonds is payable, in whole or in part, from payments to be made by the City under and pursuant to the Contract. Appropriate City officials are hereby authorized to execute any documents or certifications necessary to accomplish the issuance and delivery of the Bonds.

SECTION 3. It is the purpose and intent of the City Council of the City to approve the facilities to be constructed, acquired and improved by the Authority with the proceeds of the Bonds for the Series 2019 Projects, to approve Bond Resolution, and the refunding of the Refunded Bonds in full accordance with the provisions of the Contract mentioned in the preamble hereof. To the extent required by the purchasers of the Bonds or the Office of the Attorney General of Texas, the Authority is authorized by this City Council to make changes and revisions to the Bond Resolution from the form approved by this Ordinance in order to expedite the delivery of the Bonds. It is the intent of the City to authorize the Authority to proceed with the refunding of the Refunded Bonds and the issuance of the Bonds at the earliest possible date.

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

(a) **Definitions.** As used in this Section, the following terms have the meanings ascribed to such terms below:

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time or officially interpreted by the SEC.

"SEC" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City will provide to the Authority while the City is an “obligated person” under the Rule, (1) no later than March 1 of each year (or such other date as may be agreed to by the City and the Authority, but no later than six months after its fiscal year end), the financial information and operating data with respect to the City of the general type included in the final Official Statement approved by the Pricing Officer and described in the Pricing Certificate executed pursuant to the Bond Resolution and (2) no later than August 31 of each year (or such other date as may be agreed to by the City and the Authority, but no later than twelve months after its fiscal year end) the City’s annual financial statements. Any financial statements provided pursuant to this Section shall be (i) prepared in accordance with the accounting principles described in the Official Statement, (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not completed within such period, then the City shall provide notice to the Authority that the audited financial statements are not available and shall provide unaudited financial statements of the type included in the Official Statement for the applicable fiscal year to the Authority by the required time. Thereafter, when and if audited financial statements are available, the City shall provide such audited financial statements as required to the Authority.

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

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB’s Internet Web site or filed with the SEC.

The City will notify the Authority as soon as possible if the information required by this Section cannot be provided in the above-specified time frame.

(c) Notice of Certain Events. To the extent applicable to the City as an “obligated person” under the Rule and in connection with the Bonds, the City agrees to notify the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with

respect to the tax-exempt status of the Bonds, or other material events affecting the tax status of the Bonds;

- (vii) Modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (xii) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City and (b) the City intends the words used in the immediately preceding paragraphs (xv) and (xvi) and the definition of Financial Obligation in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The City shall notify the Authority, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by this Section.

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

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

(2) The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Authority and the City undertake to provide only the financial information, operating data, financial statements and notices which it has expressly agreed to provide pursuant to this Section and do not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Authority's or the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. Neither the Authority nor the City make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

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

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

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

SECTION 5. Reporting of Significant Events. (1) Upon the occurrence of any of the events described below, the City will promptly notify the Authority and provide information requested by the Authority pertaining to (i) an action, suit or other formal proceeding at law or in equity, against the City that would materially and adversely affect the City's financial condition or its ability to make payments under the Contract and (ii) any change in the City's financial condition or financing arrangements that would materially and adversely affect the City's financial condition or its ability to make payments under the Contract.

SECTION 6. (a) No Private Use. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last stated maturity of the Bonds exclusively operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the Refunded Bonds), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(b) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the Refunded Bonds) to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if:

(1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(c) The following terms used in this Section 6 shall have the following meanings:

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"Regulations" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

SECTION 7. Exhibit C and Exhibit D to the Contract are amended to include the definition of Series 2019 Projects attached hereto in Exhibit A attached hereto. In all other respects the Contract is reapproved and shall be and remain in full force as the agreement of the parties.

SECTION 8. That this Ordinance shall be effective from and after its adoption, and it is so ordained.

SECTION 9. That it is hereby officially found and determined that the meeting at which this Ordinance was introduced and passed was open to the public and that public notice of the time, place and purpose of said meeting was given all as required by law.

INTRODUCED on this the _____ day of _____, 2019.

ADOPTED on this the _____ day of _____, 2019.

EFFECTIVE DATE on this the _____ day of _____, 2019.

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**

EXHIBIT A

Series 2019 Water Projects Description

Water System Improvements to include construction and professional services associated with improvements to the construction of the water crossing under US 75 at Choctaw, and cathodic protection improvements at the Lake Texoma Pump Station; and appurtenances and other costs as necessary for such water system improvements.

Series 2019 Sewer Projects Description

Sewer System Improvements to include construction and professional services associated with improvements to the wastewater treatment plant, including the aeration basin, biological clarifier, control building, and storm water lift station; construction and professional services associated with sewer line construction projects, including the construction of the Northwest Sewer, Sewer between Rosedale and First, and Moore Street Sewer and appurtenances and other costs as necessary for such sewer system improvements.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: April 5, 2019

SUBJECT: AGENDA ITEM NO. XI

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF “GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE AND REFUNDING BONDS, SERIES 2019 (CITY OF SHERMAN PROJECT)”, INCLUDING THE ADOPTION OF A RESOLUTION AUTHORIZING THE ISSUANCE OF SUCH BONDS, ESTABLISHING PARAMETERS FOR THE SALE AND ISSUANCE OF SUCH BONDS AND DELEGATING CERTAIN MATTERS TO AUTHORIZED OFFICIALS OF THE AUTHORITY.

ISSUE

Consideration of a resolution authorizing the issuance of GTUA/City of Sherman Contract Revenue and Refunding Bonds, Series 2019(City of Sherman Project).

BACKGROUND

The City of Sherman has identified eight (8) water and wastewater projects totaling \$5,815,000 that they have requested the Authority’s assistance with financing. The Projects are listed below:

- WWTP Aeration Basin and Biological Clarifier
- WWTP Control Building
- WWTP Stormwater Lift Station
- Additional funds for the Northwest Sewer Construction Project
- Sewer Pipeline Construction Project between Rosedale and First
- Water Crossing Construction Project under US 75 at Choctaw
- Moore Street Sewer Pipeline Construction Project
- Construction at Lake Texoma Pump Station – Cathodic Protection Improvements
- Funding of reserves

In addition to the Open Market issue discussed above, the Authority and City has an opportunity to refinance some existing debt in the same package as this current open market issue which will save the City on issuance costs by combining into one (1) bond issue.

In March 2019, Garry Kimball of Specialized Public Finance notified the Authority of the opportunity to refinance the outstanding Series 2008, 2008 Refunding, 2009 and 2009-A Sherman bonds series issued by the Authority on behalf of Sherman. These bonds carry an average rate of 3.95% and Specialized Public Finance believes we can reduce this rate to 2.63%. The net debt service reduction at the budgeted new rate would be over \$320,000 or just over \$29,000/year for 11 years (2019-2029). The net present value of this savings would be approximately \$274,000 (net of estimated costs of issuance) or 3.76% of the principal amount of the bonds being refinanced.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

CONSIDERATIONS

The city will save issuance costs and potentially a few basis points in interest by combining the two (2) separate issues (new money and Refunding/refinancing). The debt that is proposed to be refinanced will not be refinanced over a longer period even though it is being combined with a 20 year bond issue.

The City of Sherman council will consider this issue at their April 15, 2019 council meeting.

RECOMMENDATION

The Authority Staff recommends the Board review the information provided by Specialized Public Finance and authorize the adoption of resolutions for the General Manager to operate as pricing manager for the sale the week of July 9th, 2019.

ATTACHMENTS

Refunding Summary

Resolutions will be posted on the website and copies will be available at the meeting

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

A RESOLUTION by the Board of Directors of the Greater Texoma Utility Authority authorizing the issuance of "Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project)"; pledging the Pledged Revenue to the payment of the principal of and interest on said Bonds; delegating matters relating to the issuance, sale, and delivery of said Bonds to authorized Authority officials; and resolving other matters incident and related thereto

WHEREAS, the Board of Directors of the Greater Texoma Utility Authority (the "Authority") has heretofore issued, sold, and delivered, obligations of the following issues or series (hereinafter collectively referred to as the "Refunded Bonds)", to wit:

(1) Greater Texoma Utility Authority Contract Revenue Bonds, Series 2008 (City of Sherman Project), dated February 15, 2008;

(2) Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2008 (City of Sherman Project), dated June 15, 2008;

(3) Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2009 (City of Sherman Project), dated August 15, 2009; and

(4) Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2009A (City of Sherman Project), dated September 15, 2009;

WHEREAS, pursuant to the provisions of Texas Government Code, Chapter 1207, Government Code, as amended, the Board of Directors of the Authority (the "Board") is authorized to issue refunding bonds and deposit the proceeds of sale thereof directly with the place of payment for the Refunded Bonds, or other authorized depository, and such deposit, when made in accordance with said statute, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds; and

WHEREAS, the Board further finds and determines that Bonds should be authorized at this time to provide funding for the Series 2019 Projects more fully described in Exhibit A attached hereto and incorporated herein by reference as a part hereof for all purposes; and

WHEREAS, the Authority shall by this Resolution, in accordance with the provisions of Texas Government Code, Chapters 1207 and 1371, as amended, delegate to a Pricing Officer (hereafter designated) the authority to determine the principal amount of Bonds to be issued, to select the specific maturities or series (in whole or in part) of the Refunded Bonds to be refunded and to negotiate the terms of sale thereof; and

WHEREAS, the Board finds and determines that it is a public purpose and in the best interests of the Authority to issue bonds to provide funding for Series 2019 Projects and to refund the Refunded Bonds in order to achieve a present value savings with such savings, among other information and terms, to be included in a pricing certificate (the "Pricing Certificate") to be executed by the Pricing Officer (hereafter designated), all in accordance with the provisions of Texas Government Code, Section 1207.007, as amended, and Texas Government Code, Chapter 1371, as amended; and

WHEREAS, the Board has determined that the Bonds herein authorized may and shall be issued as Additional Bonds (herein defined) on a parity with the Outstanding Previously Issued Bonds (herein defined) in that:

(a) The Authority is not now in default as to any covenant, condition or obligation contained in the Contract (as hereinafter defined) and the resolutions authorizing the issuance of Outstanding Previously Issued Bonds;

(b) The City of Sherman, Texas, will approve the resolution authorizing the issuance of the Bonds as to form and content and will acknowledge that payment of principal and interest on the Bonds will be made, in whole or in part, by the City of Sherman, Texas, under and pursuant to the Contract;

(c) A consulting engineer has certified to the Authority the need for an estimated amount of additional financing required for completion, expansion, enlargement or improvement of the Project (herein defined);

(d) The Bonds herein authorized shall mature on April 1 and/or October 1 in each of the years in which they are scheduled to mature as provided in the Pricing Certificate;

(e) As provided herein, deposits to the Bond Fund will be sufficient to pay principal of and interest on the Bonds herein authorized as the same become due;

(f) As provided herein, the amount to be accumulated and maintained in the Reserve Fund will be in an amount equal to not less than the average annual requirement (calculated on a Fiscal Year basis) of all Outstanding Bonds Similarly Secured as of the date of the last series of Bonds Similarly Secured after giving effect to the issuance of the Bonds for the payment of principal of and interest on all obligations to be secured by a first lien on and pledge of the Pledged Revenues, and any additional amount to be maintained in the Reserve Fund shall be accumulated within not more than 60 months from the date of the passage of this Resolution; and;

(g) The Authority will demonstrate to the Executive Administrator of the Texas Water Development Board that the Pledged Revenues will be sufficient to pay the Previously Issued Bonds and the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY:

SECTION 1: Authorization - Designation - Principal Amount – Purpose – Bond Date. Revenue bonds of the Authority shall be and are hereby authorized to be issued in the maximum aggregate principal amount hereinafter set forth to be designated and bear the title “GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE AND REFUNDING BONDS, SERIES 2019 (CITY OF SHERMAN PROJECT)” (herein referred to as the “Bonds”), for the purpose of providing funds for the discharge and final payment of the Refunded Bonds, for the construction, acquisition, and improvement of water and sewer system facilities and necessary appurtenances for use by the City of Sherman, Texas (the “City”), all as set forth in Exhibit A attached hereto, the payment of all costs incident and related to the construction, acquisition and financing thereof,

and the purpose of funding the portion of the Required Reserve Fund Amount attributable to the Bonds, pursuant to authority conferred by and in conformity with the Constitution and the laws of the State of Texas, including Texas Special District Local Laws Code, Chapter 8283, and Texas Government Code, Chapters 1207 and 1371, as amended. The Bonds shall be dated (the "Bond Date") as provided in the Pricing Certificate.

SECTION 2: Fully Registered Obligations - Terms. The Bonds shall be issued as fully registered obligations, without coupons, and the Bonds (other than the Initial Bond(s) referenced in Section 8 hereof) shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered "R" and numbered consecutively from One (1) upward and principal shall become due and payable on a date certain in each of the years and in amounts (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in Pricing Certificate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

SECTION 3: Delegation of Authority to Pricing Officer.

(a) As authorized by Texas Government Code, Chapter 1371, as amended, each of the General Manager or President of the Board of Directors (either the "Pricing Officer") is hereby authorized to act on behalf of the Authority in selling and delivering the Bonds and carrying out the other procedures specified in this Resolution, including, selecting the specific maturities (in whole or part) of the Refunded Bonds to be refunded, determining the aggregate original principal amount of the Bonds, the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Authority, as well as any mandatory sinking fund redemption provisions, the designation and selection of a Paying Agent/Registrar and an Escrow Agent, if necessary, satisfying the requirements of Texas Government Code, Chapter 1207, as amended, and all other matters relating to the issuance, sale, and delivery of the Bonds, including any modification of the Rule 15c2-12 continuing disclosure undertaking contained in Section 41 hereof, all of which shall be specified in the Pricing Certificate; provided that:

(i) the aggregate original principal amount of the Bonds shall not exceed \$13,950,000;

(ii) the true interest cost rate for the Bonds shall not exceed 3.75%; and

(iii) the refunding must produce present value savings of at least 3.00%, net of any Authority contribution; and

(iv) the maximum maturity date of the Bonds shall be October 1, 2039;

The execution of the Pricing Certificate shall evidence the sale date of the Bonds by the Authority to the Purchasers (hereinafter defined).

(b) The delegation made hereby shall expire if not exercised by the Pricing Officer on or prior to 180 days from the date hereof.

SECTION 4: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books (the "Security Register") maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of the Paying Agent/Registrar for the Bonds shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the Authority by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as Exhibit B and such reasonable rules and regulations as the Paying Agent/Registrar and the Authority may prescribe. The Pricing Officer is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The Authority covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the Authority agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Bonds shall be payable at the Stated Maturities or the redemption thereof, only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated office specified in the Pricing Certificate or such other office as shall be designated from time to time by the Paying Agent/Registrar, or its successors (the "Designated Payment/Transfer Office"). Interest on each Bond shall be paid to the Holder whose name appears in the Security Register at the close of business on the Record Date (the fifteenth (15th) day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States mail, first class postage prepaid, to the address of the Holder recorded in the Security Register, or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be

established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the Authority at the Designated Payment/Transfer Office of the Paying Agent/Registrar, and also at a location within the State of Texas, as provided herein and in accordance with rules and regulations as the Paying Agent/Registrar and the Authority may prescribe. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every owner of the Bonds issued under and pursuant to the provisions of this Resolution, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Bond (other than the Initial Bond(s) authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds of authorized denominations and having the same Stated Maturity and being of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) authorized in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and being of a like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds to the Holder requesting the exchange.

All Bonds issued in any transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States mail, first class postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the Authority, evidencing the same obligation to pay, and entitled to the same benefits under this Resolution, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be,

of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 30 hereof and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the Authority nor the Paying Agent/Registrar shall be required to issue or transfer to an assignee of a Holder any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in this Resolution relating to the payment and transfer/exchange of the Bonds, the Authority hereby approves and authorizes the use of the "Book-Entry Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the operational arrangements referenced in a Blanket Issuer Letter of Representations by and between the Authority and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general, the Authority covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections 4 and 5 hereof.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the Authority by the President or Vice President of the Board of Directors under its seal reproduced or impressed thereon and attested by the Secretary or Assistant Secretary of the Board of Directors. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the Authority on the date of the adoption of this Resolution shall be deemed to be duly executed on behalf of the Authority, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial Holders and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in the Public Security Procedures Act, Texas Chapter 1201, Government Code, as amended.

No Bond shall be entitled to any right or benefit under this Resolution, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public

Accounts of the State of Texas or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate upon any Bond duly signed shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered and delivered.

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the aggregate principal amount of the Bonds with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, or (ii) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas, and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) **Forms Generally.** The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas to appear on the Initial Bond(s), the Registration Certificate of Paying Agent/Registrar to appear on the definitive Bonds, and the form of Assignment to appear on each of the Bonds shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Resolution, and the Bonds may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends in the event the Bonds are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the Authority or determined by the officers executing such Bonds as evidenced by their execution. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Definitive Bond.

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTIES OF GRAYSON, COLLIN, FANNIN AND COOKE
GREATER TEXOMA UTILITY AUTHORITY
CONTRACT REVENUE AND REFUNDING BOND, SERIES 2019
(CITY OF SHERMAN PROJECT)

Bond Date:

Interest Rate:
_____ %

Stated Maturity:
_____ 1, 20__

CUSIP NO.

Registered Owner:

Principal Amount:

DOLLARS

The Greater Texoma Utility Authority (hereinafter referred to as the "Authority"), for value received, hereby promises to pay to the Registered Owner named above (the "Holder") or the registered assigns thereof, solely from the revenues hereinafter identified, on the Stated Maturity date specified above, the Principal Amount hereinabove stated and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is the delivery date of this Bond (or its Predecessor Bond) to the initial Holder, in which case it shall bear interest from the _____) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____, and each April 1 and October 1 thereafter until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or date of redemption to the Holder hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of _____, the Paying Agent/Registrar, or its successor. Interest is payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the fifteenth (15th) day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or by such other method acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of the Holder. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

If the date for payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Bonds") for the purpose of providing funds for the discharge and final payment of the Refunded Bonds, for the construction, acquisition, and improvement of water and sewer system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), all as set forth in Exhibit A attached hereto, the payment of all costs incident and related to the construction, acquisition and financing thereof, and the purpose of funding the portion of the Required Reserve Fund Amount attributable to the Bonds, pursuant to authority conferred by and in conformity with the Constitution and the Laws of the State of Texas, including Texas Special District Local Laws Code, Chapter 8283, Texas Government Code, Chapters 1207 and 1371, as amended, and pursuant to a Resolution adopted by the Board of Directors of the Authority (herein referred to as the "Resolution").

The Bonds maturing on and after _____, may be redeemed prior to their Stated Maturities, at the option of the Authority, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected by lot by the Paying Agent/Registrar) on _____, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

Not fewer than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption shall be sent by United States Mail, first class postage prepaid, in the name of the Authority and at the Authority's expense, to each Registered Owner of a Bond to be redeemed and subject to the terms and provisions relating thereto contained in the Resolution. If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if moneys for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed.

In the event of a partial redemption of the principal amount of this Bond, payment of the redemption price of such principal amount shall be made to the Holder only upon presentation and surrender of this Bond to the Paying Agent/Registrar at the Designated Payment/Transfer Office, and there shall be issued, without charge therefor to the Holder hereof, a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Resolution for the then unredeemed balance of the principal sum hereof. If this Bond is selected for redemption, in whole or in part, the Authority and the Paying Agent/Registrar shall not be required to transfer this Bond to an assignee of the Holder within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Resolution have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied or sufficient moneys are not received, such notice shall be of no force and effect, the Authority shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the

manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds constitute special obligations of the Authority, and, together with the outstanding Previously Issued Bonds and any Additional Bonds, if issued, are payable as to principal and interest solely from and equally secured by a first lien on the Pledged Revenue of the Authority (identified and defined in the Resolution, and including revenues to be received under and pursuant to a Contract For Water Supply and Sewer Service between the Authority and the City of Sherman, Texas, dated as of March 1, 1985, together with all amendments thereto). Reference is hereby made to the Resolution, copies of which are on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the revenues pledged for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Resolution may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the Authority and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the same meanings assigned in the Resolution.

The Authority expressly reserves the right to issue further and additional revenue bond obligations in all things on a parity with the Bonds and the Previously Issued Bonds, payable solely from and equally secured by a first lien on the Pledged Revenue described above; provided, however, that any and all such Additional Bonds may be so issued only in accordance with and subject to the covenants, conditions, limitations and restrictions relating thereto which are set out and contained in the Resolution, to which reference is hereby made for more complete and full particulars.

The Holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

This Bond, subject to certain limitations contained in the Resolution, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the Holder hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The Authority and the Paying Agent/Registrar, and any agent of either, shall treat the Holder whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal hereof at its Stated Maturity or its redemption in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the Authority nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due

interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to or in the issuance of this Bond in order to render the same a legal, valid and binding obligation of the Authority have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that the issuance of the Bonds does not exceed any constitutional or statutory limitation. In case any provision in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Resolution shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the Board of Directors of the Authority has caused this Bond to be duly executed under the official seal of the Authority.

GREATER TEXOMA UTILITY AUTHORITY

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER
OF PUBLIC ACCOUNTS

THE STATE OF TEXAS

(
(
(
(

REGISTER NO. _____

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on the definitive Bonds.

CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued under the provisions of the within-mentioned Resolution; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The principal office of the Paying Agent/Register in _____ is the "Designated Payment/Transfer Office" for this Bond.

_____,
as Paying Agent/Registrar

Registration Date:

By: _____
Authorized Signature

E. Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto
(Print or typewrite name, address, and zip code of transferee:)

(Social Security or other identifying number:) the within Bond and all
rights thereunder, and hereby irrevocably constitutes and appoints

attorney
to transfer the within Bond on the books kept for registration thereof, with full power of substitution
in the premises.

DATED: _____

Signature guaranteed:

NOTICE: The signature on this assignment must
correspond with the name of the registered owner
as it appears on the face of the within Bond in
every particular.

F. The Initial Bond(s) shall be in the form set forth in paragraph (b) of this Section,
except that the form of a single fully registered Initial Bond shall be modified as follows:

REGISTERED
NO. T-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTIES OF COOKE, FANNIN, GRAYSON AND COLLIN
GREATER TEXOMA UTILITY AUTHORITY
CONTRACT REVENUE AND REFUNDING BOND, SERIES 2019
(CITY OF SHERMAN PROJECT)

Bond Date: _____

Registered Owner:

Principal Amount:

The Greater Texoma Utility Authority (hereinafter referred to as the "Authority"), for value
received, hereby promises to pay to the Registered Owner named above (the "Holder") or the
registered assigns thereof, solely from the revenues hereinafter identified, on _____ in each
of the years and in principal amounts and bearing interest at per annum rates in accordance with
the following schedule:

<u>YEAR</u>	<u>PRINCIPAL INSTALLMENTS</u>	<u>INTEREST RATE</u>
-------------	-----------------------------------	--------------------------

(Information to be inserted from schedule in the Pricing Certificate)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is the delivery date of this Bond (or its Predecessor Bond) to the initial Holder, in which case it shall bear interest from the _____ at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____, and each April 1 and October 1 thereafter until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or redemption to the Holder hereof by _____ (the "Paying Agent/Registrar"), upon presentation _____ and _____ surrender, at its designated offices in _____ (the "Designated Payment/Transfer Office"), or its successor. Interest is payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the fifteenth (15th) day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of the Holder. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Certain Definitions. In addition to terms defined elsewhere in this Resolution, for all purposes of this Resolution and in particular for clarity with respect to the issuance of the Bonds and the pledge and appropriation of the Pledged Revenue therefor, the following definitions are provided:

(a) The term "Additional Bonds" shall mean parity revenue bonds issued in accordance with the terms and conditions prescribed in Section 19 hereof.

(b) The term "Authorized Investments" shall mean the obligations identified in the "Public Funds Investment Act" (Texas Government Code, Chapter 2256), as amended.

(c) The term "Bonds" shall mean the "Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project)" authorized by this Resolution.

(d) The term "Bonds Similarly Secured" shall mean the Bonds, Previously Issued Bonds, and Additional Bonds.

(e) The term "Contract" or "Contract for Water Supply and Sewer Service" shall mean that certain contract, dated as of the 1st day of March, 1985, by and between the Authority and the City of Sherman, Texas, together with amendments and supplements thereto (which by the term of such instrument is designated as a supplement to such Contract), a conformed copy of such Contract being attached hereto as Exhibit C for the purposes of identification only.

(f) The term "Cost of the Project" shall have the meaning assigned such term in Section 1.01 of the Contract.

(g) The term "Fiscal Year" shall mean the twelve month operational period of the Authority commencing October 1 of each year; provided, however, the Authority may change the fiscal year to another period of not less than twelve (12) calendar months but in no event may the fiscal year be changed more than one time in any three calendar year period.

(h) The term "Government Obligations" as used herein (unless defined otherwise in the Pricing Certificate), means (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the Authority, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the Authority, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iv) any other authorized securities or obligations under applicable laws of the State of Texas that may be used to defease obligations such as the Bonds.

(i) The term "Maintenance and Operation Expense of the Project" shall have the meaning assigned such term in Section 1.01 of the Contract.

(j) The term "Outstanding" shall mean when used in this Resolution with respect to Bonds or Bonds Similarly Secured, as of the date of determination, all Bonds or Bonds Similarly Secured theretofore issued and delivered, except:

(i) those Bonds or Bonds Similarly Secured canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(ii) those Bonds or Bonds Similarly Secured paid or deemed to be paid in accordance with the provisions of Section 27 hereof; and

(iii) those Bonds or Bonds Similarly Secured that have been mutilated, destroyed, lost, or stolen and replacement Bonds have been registered and delivered in lieu thereof as provided in Section 30 hereof or similar provisions with respect to Bonds Similarly Secured.

(k) The term "Pledged Revenue" shall mean (i) the amount received by the Authority as monthly amortization payments by reason of Section 3.01 (a) of the Contract, less the fees and charges of the Paying Agent/Registrar with respect to Bonds Similarly Secured, plus (ii) the amounts deposited into the Bond Fund reaffirmed by Section 12(b) of this Resolution, and the Reserve Fund reaffirmed by Section 12(c) of this Resolution; plus (iii) any amounts on deposit in any construction fund, created and established by a resolution authorizing the issuance of the Bonds or Bonds Similarly Secured, pending the application of such money for the payment of the Cost of a Project.

(l) The term "Previously Issued Bonds" shall mean the Outstanding (1) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2006 (City of Sherman Project)", (2) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2008 (City of Sherman Project)", (3) "Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2008 (City of Sherman Project)", (4) "Greater Texoma Utility Authority Contract Revenue Bonds,

Series 2009 (City of Sherman Project)", (5) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2009-A (City of Sherman Project)", (6) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2011 (City of Sherman Project)", (7) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2012 (City of Sherman Project)", (8) "Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 2012A (City of Sherman Project)", (9) "Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 2013 (City of Sherman Project)", (10) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2013A (City of Sherman Project)", (11) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2014 (City of Sherman Project)", (12) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015 (City of Sherman Project)", (13) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015A (City of Sherman Project)" (14) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015B (City of Sherman Project)", (15) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017 (City of Sherman Project)" and (16) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017A (City of Sherman Project)" heretofore issued which are in every respect on a parity with the Bonds.

(m) The term "Project" shall mean, with respect to the Bonds Similarly Secured, collectively, the projects described as such in the exhibits attached to the ordinances of the City that have from time to time approved the issuance of Bonds Similarly Secured by the Authority for the financing of such projects.

(n) The term "Series 2019 Projects" shall mean, with respect to the Bonds, the projects described in Exhibit A attached hereto.

SECTION 11: Pledge. The Authority hereby covenants and agrees that all of the Pledged Revenue is hereby irrevocably pledged for the payment of the Bonds Similarly Secured, and the interest thereon, and it is hereby declared and resolved that the Bonds Similarly Secured and the interest thereon shall constitute a first lien upon said Pledged Revenue.

Texas Government Code, Chapter 1208, as amended, applies to the issuance of the Bonds Similarly Secured and the pledge of the Pledged Revenue granted by the Authority under this Section of this Resolution, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are Outstanding and unpaid such that the pledge of the Pledged Revenue granted by the Authority under this Section of this Resolution is to be subject to the filing requirements of Texas Business & Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said Pledged Revenue, the Authority agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business & Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said Pledged Revenue to occur.

SECTION 12: Fund Designations. The Authority hereby covenants and agrees with the Holders of the Bonds Similarly Secured that all income, receipts and revenues derived from the operation and ownership of the Project shall be kept separate from other funds or accounts of the Authority. To that end the following special Funds (herein so called) were created and established by a resolution authorizing Previously Issued Bonds and shall exist and govern the application of the Pledged Revenue while the Bonds Similarly Secured are Outstanding, to wit:

(a) Greater Texoma Utility Authority Revenue Fund, hereinafter called "Revenue Fund". This Fund shall be kept in a depository of the Authority.

(b) Greater Texoma Utility Authority Bond Interest and Sinking Fund, hereinafter called "Bond Fund". This Fund shall be deposited with a depository of the Authority as trustee of the Pledged Revenue, and moneys deposited therein shall be used to pay principal of and interest on Bonds Similarly Secured when and as the same shall become due and payable.

(c) Greater Texoma Utility Authority Bond Reserve Fund, hereinafter called "Reserve Fund". This Fund shall be deposited with a depository of the Authority and money deposited therein shall be used to pay the principal of and interest on Bonds Similarly Secured falling due at any time where there is insufficient money available in the Bond Fund.

SECTION 13: Revenue Fund. All revenues and income of any kind or character received by the Authority by reason of (i) its ownership of all or a part of the Project, (ii) the operation of the Project, or (iii) the Contract, shall be deposited in the Revenue Fund.

In the event money is deposited in the Revenue Fund from sources other than those specified in Section 3.01 of the Contract, then such money may be invested or reinvested or placed on time deposit in the same manner as the Reserve Fund pending its application to the reduction of payments that would otherwise be required to be made by the City under Section 3.01 of the Contract. Investment income and profits from the investment of the Revenue Fund shall be retained therein until used as provided in this Section.

Money in the Revenue Fund shall be used in the following order of priority:

1. Payments into the Bond Fund, as provided by Section 14;
2. Payments into the Reserve Fund, as provided by Section 15;
3. The curing of any deficiencies, as provided by Section 16;
4. The payment of other costs of the Project including maintenance and operation expenses not paid by the Authority and those purposes for which provision is made by Section 3.01(c) through 3.01(e) of the Contract; and
5. Applied as provided in Section 17.

SECTION 14: Bond Fund. The Authority hereby covenants and agrees to deposit to the credit of the Bond Fund amounts sufficient to pay the principal of and interest on the outstanding Bonds Similarly Secured as the same becomes due. There shall be deposited into the Bond Fund, by reason of the issuance of the Bonds, from the Pledged Revenue on deposit in the Revenue Fund (i) beginning on or before the twenty-fifth (25th) day of the month next following delivery of the Bonds and on or before the twenty-fifth (25th) day of each following month until and including the first interest payment date, an amount equal to not less than the fractional amount required in order to have the amount of the first installment of interest on deposit by the twenty-fifth (25th) day of the month next preceding the first interest payment date, and thereafter on the twenty-fifth (25th) day of each following month, an amount equal to not less than one sixth (1/6) of the next installment of interest; (ii) beginning on or before the twenty-fifth (25th) day of the month next following delivery of the Bonds, and on or before the twenty-fifth (25th) day of each following month until and including the first principal payment date, an amount equal to not less than the fractional amount required in order to have the amount of the first installment of principal on deposit by the twenty-fifth (25th) day of the month preceding the first principal payment date,

and thereafter on or before the twenty-fifth (25th) day of each month, an amount equal to one twelfth (1/12) of the next annual principal payment to become due on the Bonds.

The amounts required to be so deposited shall take into account amounts already on deposit in the Bond Fund.

The monthly deposits to the Bond Fund for the payment of principal and interest on the Bonds shall continue to be made as hereinabove provided until such time as (i) the total amount on deposit in the Bond Fund is equal to the amount required to pay all Outstanding Bonds Similarly Secured (principal and interest) for which said Fund was created and established or (ii) the Bonds Similarly Secured payable therefrom are no longer Outstanding.

Moneys on deposit in the Bond Fund may be invested, to the extent such investments are Authorized Investments, in United States Treasury bills, in similar direct obligations of the United States of America, or in certificates of deposit of any bank that is a member of the Federal Deposit Insurance Corporation (which are fully secured by a pledge of direct obligations of, or obligations of which the principal and interest are guaranteed by, the United States of America to the extent such certificates are not insured) maturing at such dates and in such manner as will provide cash to discharge interest and/or principal payments on Bonds Similarly Secured when and as the same become due.

Investment income and profits realized from the investment of the Bond Fund shall be retained therein until used as provided in this Section. Accrued interest, if any, shall be deposited into the Bond Fund.

SECTION 15: Reserve Fund. Upon the delivery of the Bonds, amounts on deposit in the Reserve Fund, allocated as a part of the Reserve Fund for the security of "Bonds Similarly Secured" under the resolutions authorizing the issuance of such Bonds Similarly Secured (including amounts held in the Reserve Fund by reason of the issuance of the Previously Issued Bonds) shall continue to be held as a part of the Reserve Fund for the security and payment, if required, of Bonds Similarly Secured as defined herein. The Authority hereby covenants and agrees with the holders of the Bonds Similarly Secured that it will provide for the accumulation of, and when accumulated, will thereafter continuously maintain in the Reserve Fund an amount equal to the average annual principal and interest requirement of all Bonds Similarly Secured (the Required Reserve Fund Amount). If any Bonds Similarly Secured are subject to mandatory redemption, the amount required to be redeemed in any Fiscal Year shall be treated as if it matured in that Fiscal Year. The average annual requirement shall be calculated on a Fiscal Year basis on the Outstanding Bonds Similarly Secured on the date of the last series of Bonds Similarly Secured (after giving effect to the issuance of such last series); provided, however, at such time as the Previously Issued Bonds identified in 1 through 7 of Section 10(l) hereof are no longer Outstanding, the average annual requirement shall also be calculated at the end of each Fiscal Year. Any amounts on deposit in the Reserve Fund in excess of such requirement shall be transferred to the Revenue Fund.

In addition, beginning on or before the twenty-fifth (25th) day of the month following the delivery of the Bonds, and on or before the twenty-fifth (25th) day of each month thereafter, there shall be deposited in the Reserve Fund substantially equal month deposits in an amount which will result in the Required Reserve Fund Amount being on deposit in the Reserve Fund within not more than sixty (60) months from the date of the passage of this Resolution, and such monthly deposits shall take into account the amounts already on deposit in said Reserve Fund.

When the Required Reserve Fund Amount has been fully accumulated, said monthly payments to said Fund may be terminated; provided, however, should the money in the Reserve Fund be utilized so the Reserve Fund balance is less than the Required Reserve Fund Amount, after the same has been accumulated, monthly deposits shall be made in an amount not less than one-twelfth (1/12th) of the amount of the deficiency and shall continue to be made on or before the twenty-fifth (25th) day of each month until the Required Reserve Fund Amount has been fully restored.

Money in the Reserve Fund may be, at the option of the Authority, invested or reinvested from time to time in direct obligations of or obligations the principal and interest of which are guaranteed by the United States of America or invested in direct obligations of or participation certificates guaranteed by the Federal Intermediate Credit Banks, Federal Land Banks, Federal National Mortgage Association, Federal Home Loan Banks, Banks for Cooperatives, and in certificates of deposit of any bank which is a member of the Federal Deposit Insurance Corporation, and such certificates of deposit are fully insured and/or secured by a pledge of the securities of any of the kind hereinabove specified, such obligations or securities to mature in not more than ten years from the date of such investment or not later than the final maturity of the Bonds Similarly Secured Outstanding for which the Reserve Fund is established, whichever is shorter. Any obligations in which money is so invested shall be kept in escrow with the custodian of said Fund, and shall be promptly sold when notified by the Authority that moneys on deposit in the Bond Fund are insufficient to make a current interest and/or principal payment on Bonds Similarly Secured, and the proceeds of sale of such investments and/or moneys on deposit in the Reserve Fund in an amount sufficient to meet the deficiency in the Bond Fund shall be immediately transferred to the Bond Fund, without further notice or authorization. The Authority shall direct the investment of moneys on deposit in the Reserve Fund.

Investment income and profits realized from the investment of the Reserve Fund shall be retained therein as may be necessary to fully establish or restore the Required Reserve Fund Amount and thereafter shall be transferred to the Revenue Fund.

Investments in the Reserve Fund shall be valued at the lower of cost or market on June 1 of each year, by the chief financial officer of the Authority. In the event the amount contained in the Reserve Fund (as the result of such valuation) is less than the amount then required to be on deposit, additional deposits in an amount equal to not less than 1/12th of the deficiency shall be made monthly, beginning on the 25th day of October next following until the deficiency has been corrected. In the event the amount contained in the Reserve Fund (as a result of such valuation) is more than the Required Reserve Fund Amount, the amount of such excess may be transferred to the Revenue Fund and shall be so transferred if directed by the Authority.

SECTION 16: Deficiencies in Funds. If in any month the Authority shall, for any reason, fail to pay into the Bond Fund and Reserve Fund the full amounts above stipulated, amounts equivalent to such deficiencies shall be set apart and paid into said Funds from the first available and un-allocated Pledged Revenue of the following month or months, and such payments shall be in addition to the amount hereinabove provided to be otherwise paid into said Funds during such month or months.

SECTION 17: Remainder of Revenues. Money remaining in the Revenue Fund, after making the payments required in items (1) through (4) of the last paragraph of Section 13, shall be transferred to any other fund created by this Resolution and used as a credit to the amount that would otherwise be required to be paid by the City under Section 3.01 of the Contract.

SECTION 18: Security of Funds and Their Transfer. All moneys on deposit in the special Funds for which this Resolution makes provision (except any portions thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys in such special Funds shall be used only for the purposes permitted by this Resolution.

While any of the Bonds are Outstanding, the Board of Directors shall cause to be transferred to the Paying Agent/Registrar therefor, from funds on deposit in the Bond Fund and, if necessary, in the Reserve Fund, amounts sufficient to fully pay and discharge promptly as each installment of interest and principal of the Bonds accrues or matures or comes due by reason of redemption prior to maturity, such transfer of funds to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds at the close of the business day next preceding the date of payment for the Bonds.

SECTION 19: Issuance of Additional Parity Bonds. In addition to the right to issue bonds of inferior lien as authorized by the laws of this State, the Authority reserves the right hereafter to issue Additional Bonds. The Additional Bonds, when issued, shall be payable from and secured by a first lien on and pledge of the Pledged Revenue in the same manner and to the same extent as are the Bonds and the Previously Issued Bonds. Bonds Similarly Secured shall in all respects be of equal dignity. The Additional Bonds may be issued in one or more installments provided, however, that no Additional Bonds shall be issued unless and until the following conditions have been met:

(a) The Authority is not then in default as to any covenant, condition or obligation prescribed in a resolution authorizing the issuance of the Outstanding Bonds Similarly Secured or the Contract (including any amendment or supplement thereto).

(b) A consulting engineer certifies to the Authority the need for an estimated amount of additional financing required for completion, expansion, enlargement or improvement of the Project.

(c) The City of Sherman, Texas, shall have approved the resolution(s) authorizing the issuance of the Additional Bonds as to form and content and acknowledged that the payment of principal of and interest on such bonds is payable, in whole or in part, from payments to be made by the City of Sherman, Texas, under and pursuant to the Contract.

(d) The Additional Bonds are made to mature on October 1 or April 1 or both in each of the years in which they are scheduled to mature.

(e) The resolution authorizing the issuance of the Additional Bonds provides for deposits to be made to the Bond Fund in amounts sufficient to pay the principal of and interest on such Additional Bonds as the same become due.

(f) The resolution authorizing the issuance of the Additional Bonds provides that (i) the amount to be accumulated and maintained in the Reserve Fund shall be in an amount equal to not less than the average annual requirement (calculated on a Fiscal Year basis) of the Outstanding Bonds Similarly Secured, as of the date of the last series of Bonds Similarly Secured after giving effect to the issuance of the Additional Bonds) for the payment of principal of and interest on all obligations to be secured by a first lien on and pledge of the Pledged Revenue, and (ii) any additional amount to be maintained in the Reserve Fund shall be accumulated within not

more than 60 months from the date of the passage of the resolution authorizing the issuance of the proposed Additional Bonds.

(g) The Authority will demonstrate to the Executive Administrator of the Texas Water Development Board that the Pledged Revenues will be sufficient to pay the Previously Issued Bonds, the Bonds and the proposed Additional Bonds.

Bonds Similarly Secured may be refunded (pursuant to any law then available) upon such terms and conditions as the governing body of the Authority may deem to be in the best interest of the Authority, and if less than all such Outstanding Bonds Similarly Secured are refunded the proposed refunding bonds shall be considered as "Additional Bonds" under the provisions of this Section, but the certificate required in subdivision (b) shall not be required or be applicable to the issuance of such refunding bonds.

SECTION 20: Insurance. The Authority covenants that it will at all times keep insured such of its plants, structures, buildings, stations, machinery, equipment, apparatus, distribution pipelines and equipment, as are usually insured by corporations operating like properties, with a responsible insurance company or companies, against risks, accidents or casualties against which and to the extent insurance is usually carried by corporations operating like properties, and will also at all times maintain worker's compensation insurance and insurance against public liability and property damages to the extent permitted by law, in a reasonable amount with a responsible insurance company or companies; provided, however, that any time while any contractor engaged in construction work shall be fully responsible therefor, or the Authority has assumed such responsibility, the Authority shall not be required to carry such insurance.

SECTION 21: Records - Accounts - Accounting Reports. The Authority hereby covenants and agrees that so long as any of the Bonds Similarly Secured or any interest thereon remain Outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts on a Fiscal Year basis pertaining to the operation of the Project separate and apart from all other records and accounts of the Authority in accordance with accepted accounting practices, and complete and correct entries shall be made of all transactions relating to said Project. The Holder or Holders of any Bonds Similarly Secured, or any duly authorized agent or agents of such Holders, shall have the right at all reasonable times to inspect all such records, accounts and data relating thereto and to inspect the Project and all properties comprising same. The Authority further agrees that within one hundred twenty (120) days following the close of each Fiscal Year, or as soon thereafter as possible, it will cause an audit of such books and accounts to be made by an independent firm of Certified Public Accountants or Licensed Public Accountants. Each such audit, in addition to whatever other matters may be thought proper by the Accountant shall particularly include the following:

- (a) A detailed statement of the receipts and disbursements from the Revenue Fund.
- (b) A balance sheet as of the end of such Fiscal Year.

(c) The Accountant's comments regarding the manner in which the Authority and the City have complied with the covenants and requirements of this Resolution and the Contract and his recommendations for any changes or improvements in the operation, records and accounts of the Authority.

(d) A list of the insurance policies in force (if obtained by the Authority) at the end of the Fiscal Year on the Project properties, setting out as to each policy the amount thereof, the risk covered, the name of the insurer, and the policy's expiration date.

(e) A list of the securities which have been on deposit as security for money in the Bond Fund and Reserve Fund throughout the Fiscal Year, a list of the securities, if any, in which money in the Bond Fund and Reserve Fund has been invested, and a statement of the manner in which money in the Revenue Fund has been secured in such Fiscal Year.

Expenses incurred in making the audits above referred to are to be regarded as Maintenance and Operating Expenses of the Project and paid as such. Copies of the aforesaid annual audit shall be immediately furnished to the Executive Director of the Municipal Advisory Council of Texas at his or her office in Austin, Texas, and, upon written request, to the initial Holder and any subsequent Holder of the Bonds Similarly Secured.

By its approval of this Resolution, the City of Sherman, Texas, agrees, in order to secure its obligations under the Contract, to maintain rates and charges for its utility system sufficient to pay all of its obligations secured by and made payable from the revenues derived from the operation of its utility system.

SECTION 22: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the Authority covenants and agrees particularly that in the event the Authority (a) defaults in payments to be made to the Bond Fund or Reserve Fund as required by this Resolution, or (b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Resolution any Holder shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the Board of Directors and other officers of the Authority to observe and perform any covenant, condition or obligation prescribed in this Resolution.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right or power may be exercised from time to time and as often as may be deemed expedient. The specific remedy herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 23: Special Covenants. The Authority hereby further covenants as follows:

(a) It has the lawful power to pledge the revenues supporting this issue of Bonds and has lawfully exercised said power under the Constitution and laws of the State of Texas; that the Bonds, Previously Issued Bonds, and the Additional Bonds, when issued, shall be ratably secured under said pledge of the Pledged Revenue in such manner that one bond shall have no preference over any other bond of said issues.

(b) Other than for the Bonds and the Previously Issued Bonds, the Pledged Revenue has in no manner been committed or pledged to the payment of any debt or obligation of the Authority.

(c) So long as any of the Bonds or any interest thereon remain Outstanding, the Authority will not sell or encumber the Project or any substantial part thereof; provided, however, this covenant shall not be construed to prohibit the sale of such machinery, or other properties or equipment which has become obsolete or otherwise unsuited to the efficient operation of the

Project, and, also, with the exception of the Additional Bonds expressly permitted by this Resolution to be issued, it will not encumber the Pledged Revenue unless such encumbrance is made junior and subordinate to all of the provisions of this Resolution.

(d) The Authority will maintain rates and charges to the City sufficient to meet the debt service requirements on the Outstanding obligations of the Authority that are supported by such revenues.

None of the special covenants herein appearing shall be construed in any manner which would deprive the Authority of its right to pledge any revenues produced by modification of the Contract and specifically designated to meet obligations incurred in providing the Authority with enlarged or additional facilities; further, that none of said covenants shall be construed in any manner which would deprive the Authority of its right to pledge that part of any revenue or income derived by it from other future contracts with other cities, towns or villages or the Authority or others and required to satisfy conditions for payment of other bonds or obligations issued by the Authority and such right is especially reserved.

SECTION 24: Bonds are Special Obligations. The Bonds are special obligations of the Authority payable from the Pledged Revenue and the Holders thereof shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

SECTION 25: Bonds are Negotiable Instruments. Each of the Bonds herein authorized shall be deemed and construed to be a "Security" and as such a negotiable instrument, within the meaning of Texas Business & Commerce Code, Chapter 8, as amended.

SECTION 26: Resolution a Contract - Amendments. This Resolution shall constitute a contract with the Holders from time to time, be binding on the Authority, and shall not be amended or repealed by the Authority so long as any Bond remains Outstanding except as permitted in this Section and in Section 41 hereof. The Authority, may, without the consent of or notice to any Holders, from time to time and at any time, amend this Resolution in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Authority may, with the written consent of Holders holding a majority in aggregate principal amount of the Bonds Similarly Secured then outstanding, amend, add to, or rescind any of the provisions of this Resolution; provided that, without the consent of all Holders of the Bonds then outstanding, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

SECTION 27: Satisfaction of Obligation of Authority. If the Authority shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Resolution, then the pledge of the Pledged Revenue under this Resolution and all other obligations of the Authority to the Holders shall thereupon cease, terminate, and become void and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor,

together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Obligations shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Obligations have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The Authority covenants that no deposit of moneys or Government Obligations will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Obligations held in trust by the Paying Agent/Registrar or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the Authority or deposited as directed by the Authority. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall, upon the request of the Authority, be remitted to the Authority against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the Authority shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 28: Notices to Holders-Waiver. Wherever this Resolution provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first class postage prepaid, to the address of each Holder as it appears in the Security Register.

In any case in which notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Resolution provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 29: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the Authority, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The Authority may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the Authority may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be destroyed as directed by the Authority.

SECTION 30: Mutilated - Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond, or in lieu of and in substitution for such destroyed, lost or stolen Bond, only upon the approval of the Authority and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the Authority and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Resolution equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 31: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms shall have the following meanings:

“Closing Date” means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

“Code” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“Computation Date” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Gross Proceeds” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

“Investment” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Nonpurpose Investment” means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Regulations” means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal

Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“Yield” of (i) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and (ii) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The Authority shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Authority receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the Authority shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the Authority shall at all times prior to the last Stated Maturity of Bonds:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, (including property financed with Gross Proceeds of the Refunded Bonds) and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Refunded Bonds), other than taxes of general application within the Authority or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the Authority shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens

and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the Authority shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the Authority shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The Authority shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The Authority shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the Authority may commingle Gross Proceeds of the Bonds with other money of the Authority, provided that the Authority separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the Authority shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The Authority shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the Authority shall pay to the United States out of the general fund, other appropriate fund, or if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Bond Fund the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be

required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The Authority shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the Authority shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The Authority hereby directs and authorizes the President, Vice President, Secretary and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(k) Bonds Not Hedge Bonds.

(i) At the time the original obligations refinanced (in part) by the Refunded Bonds were issued, the Authority reasonably expected to spend at least 85% of the spendable proceeds of such obligations within three (3) years after such obligations were issued.

(ii) Not more than 50% of the proceeds of the original obligations refinanced (in part) by the Refunded Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of four (4) years or more.

(l) Current Refunding. A portion of the Bonds are being issued exclusively to pay and discharge in full the Refunded Bonds, and such payment of the Refunded Bonds will occur within ninety (90) days after the issuance of the Bonds.

SECTION 32: Sale of Bonds – Official Statement. The Bonds authorized by this Resolution may be sold by the Authority to the purchaser(s) (herein referred to as the "Purchasers") by (i) negotiated sale, in accordance with a bond purchase agreement (the "Purchase Contract"), (ii) by private placement, in accordance with an agreement to purchase or other agreement, or (iii) by competitive bidding, in accordance with the successful bid submitted therefor, as determined by the Pricing Officer, in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract, agreement to

purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable, for and on behalf of the Authority and as the act and deed of this Board.

With regard to such terms and provisions of said Purchase Contract as a result of a negotiated sale, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Bonds;
2. The details of the public offering of the Bonds by the Purchasers;
3. The details of an Official Statement (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the Authority's Rule 15c2-12 compliance;
4. A security deposit for the Bonds;
5. The representations and warranties of the Authority to the Purchasers;
6. The details of the delivery of, and payment for, the Bonds;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the Authority under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the Authority;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Bonds.

The Pricing Officer is hereby authorized and directed to execute said Purchase Contract for and on behalf of the Authority and as the act and deed of this Board.

The President and Secretary of the Board of Directors of the Authority are further authorized and directed to deliver for and on behalf of the Authority copies of a Preliminary Official Statement and Official Statement, prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement in the form and content as approved by the Pricing Officer shall be deemed to be approved by the Board of Directors of the Authority and constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 33: Refunded Bonds.

(a) In order to provide for the refunding, discharge, and retirement of the Refunded Bonds, the Refunded Bonds, identified, described, and in the amounts set forth in the Pricing Certificate, are called for redemption on the first dates such Refunded Bonds are subject to redemption or such other date specified by the Pricing Officer in the Pricing Certificate at the price of par plus accrued interest to the redemption date, and notices of such redemption shall be given in accordance with the applicable provisions of the resolution adopted by the Board of Directors of the Authority, which authorized the issuance of the Refunded Bonds. The Pricing Officer is hereby authorized and directed to issue or cause to be issued Notices of Redemption for the Refunded Bonds in substantially the form set forth as an exhibit to the Pricing Certificate, to the paying agent/registrar for Refunded Bonds, in accordance with the redemption provisions applicable to the Refunded Bonds.

(b) The paying agent/registrar for Refunded Bonds is hereby directed to provide the appropriate notice of redemption as required by the resolutions authorizing the Refunded Bonds and is hereby directed to make appropriate arrangements so that the Refunded Bonds may be redeemed on the respective redemption dates, including making a lot selection with respect to the redemption of any partial maturities of the Refunded Bonds.

(c) The source of funds for payment of the principal of and interest on the Refunded Bonds on their respective maturity or redemption dates shall be from the funds deposited with the paying agent/registrar for the Refunded Bonds or the Escrow Agent pursuant to the Escrow Agreement in accordance the provisions of Texas Government Code, Chapter 1207, as amended, this Resolution and the Pricing Certificate.

SECTION 34: Escrow Agreement. An “Escrow Agreement” (the “Escrow Agreement”) by and between the Authority and an authorized escrow agent (the “Escrow Agent”), if any such agreement is required in connection with the issuance of the Bonds, shall be attached to the Pricing Certificate. Such Escrow Agreement is hereby authorized to be finalized and executed by the Pricing Officer for and on behalf of the Authority and as the act and deed of this Board of Directors; and such Escrow Agreement as executed by said Pricing Officer shall be deemed approved by the Board of Directors and constitute the Escrow Agreement herein approved. With regard to the finalization of certain terms and provisions of any Escrow Agreement, a Pricing Officer is hereby authorized to come to an agreement with the Escrow Agent on the following details, among other matters:

1. The identification of the Refunded Bonds;
2. The creation and funding of the Escrow Fund; and
3. The Escrow Agent’s compensation, administration of the Escrow Fund, and the settlement of any paying agents’ charges relating to the Refunded Bonds.

Furthermore, appropriate officials of the Authority in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements for the purchase of the escrowed securities referenced in the Escrow Agreement, if any, and the delivery thereof to the Escrow Agent on the day of delivery of the Bonds to the Purchasers for deposit to the credit of the “GREATER TEXOMA UTILITY AUTHORITY SERIES 2019 (SHERMAN) REFUNDING BOND ESCROW FUND” (referred to herein as the “Escrow Fund”), or such other designation as specified in the Pricing Certificate; all as contemplated and provided in Texas Government Code, Chapter 1207, as amended, this Resolution, the Pricing Certificate, and the Escrow Agreement.

SECTION 35: Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of issuance, amounts to pay municipal bond insurance premium, if any, any accrued interest received from the Purchasers of the Bonds, premium in the amount, if any, specified in the Pricing Certificate and amounts to be deposited to the construction fund) shall be deposited with the Escrow Agent for application and disbursement in accordance with the provisions of the Escrow Agreement or as provided in the applicable Pricing Certificate. The proceeds of sale of the Bonds not so deposited with the Escrow Agent for the refunding of the Refunded Bonds shall be disbursed for payment of costs of issuance, disbursed for the payment of municipal bond insurance premium, if any, to pay costs of accomplishing the new money purposes for which a portion of the Bonds are being issued, or deposited in the Interest and Sinking Fund for the Bonds, all in accordance with written instructions from the Authority or its Financial Advisor. Accrued interest and premium in the

amount, if any, specified in the Pricing Certificate received from the sale of the Bonds shall be deposited to the credit of the Bond Fund. Such proceeds of sale may be invested in authorized investments and any investment earnings realized may be (with respect to the accrued interest received from the Purchasers) deposited in the Bond Sinking Fund as shall be determined by the Board of Directors of the Authority.

Pending expenditure for authorized projects and purposes, such proceeds of sale deposited to the construction fund may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, including guaranteed investment contracts permitted in Texas Government Code., Section 2256.015, et seq, and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Bond Fund as shall be determined by the Board of Directors; all in accordance with written instructions from the Authority or its financial advisor. Any accrued interest received from the Purchasers and as well as all surplus proceeds of sale of the Bonds, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Bond Fund.

Additionally, the Pricing Officer shall determine the amount, if any, of any Authority contribution to the refunding from moneys on deposit in the Bond Fund and/or Reserve Fund for the payment of the Refunded Bonds.

SECTION 36: Control and Custody of Bonds. The President of the Board of Directors of the Authority shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bonds pending approval by the Attorney General, the registration thereof by the Comptroller of Public Accounts, and the delivery thereof to the Purchaser.

SECTION 37: Legal Opinion. The Purchaser's obligation to accept delivery of the Bonds is subject to its being furnished a final opinion of Norton Rose Fulbright US LLP approving such Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds by the initial purchasers. A true and correct reproduction of said opinion is hereby authorized to be printed on the definitive Bonds or an executed counterpart thereof shall accompany the global Bonds deposited with the Depository Trust Company.

SECTION 38: CUSIP Numbers. CUSIP numbers may be printed or typed on the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the Authority nor attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the Bonds.

SECTION 39: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 40: Further Procedures. Any one or more of the President, Vice President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the Authority all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution and the issuance of the Bonds. In addition, prior

to the initial delivery of the Bonds, the President, Vice President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, and Bond Counsel are each hereby authorized and directed to approve any technical changes or corrections to this Resolution or to any of the documents authorized and approved by this Resolution: (i) in order to cure any technical ambiguity, formal defect, or omission in the Resolution or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Resolution, which determination shall be final. In the event that any officer of the Authority whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 41: Continuing Disclosure Undertaking.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time or officially interpreted by the SEC.

“SEC” means the United States Securities and Exchange Commission.

(b) Annual Reports. The Authority shall provide annually to the MSRB (1) within six months after the end of each fiscal year ending in the year stated in the Pricing Certificate, financial information and operating data with respect to the Authority and the City of the general type included in the final Official Statement approved by the Pricing Officer and described in the Pricing Certificate, and (2) if not provided as part such financial information and operating data, audited financial statements of the Authority and the City, when and if available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the Authority and the City, respectively, may be required to employ from time to time pursuant to state law or regulation, and audited, if the Authority commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within twelve (12) months after any such fiscal year end, then the Authority shall file unaudited financial statements within such twelve-month period and audited financial statements when and if such audited financial statements become available.

If the Authority changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Authority otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Material Event Notices. The Authority shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the Authority, which shall occur as described below;
- (13) The consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Authority, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Authority, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Authority in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority and (b) the Authority intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The Authority shall notify the MSRB, in a timely manner, of any failure by the Authority to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by this Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The Authority shall be obligated to observe and perform the covenants specified in this Section with respect to the Authority and the Bonds while, but only while, the Authority remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the Authority in any event will give notice required by subsection (c) hereof of any Bond calls and defeasance that cause the Authority to be no longer such an “obligated person”.

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Authority undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the financial results, condition, or prospects of the Authority or the State of Texas or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Authority does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE AUTHORITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE AUTHORITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH

PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Authority in observing or performing its obligations under this Section shall constitute a breach of or default under this Resolution for purposes of any other provision of this Resolution.

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

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the Authority from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Authority, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the Authority (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the Authority if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the Authority's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the Authority so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 42: Benefits of Resolution. Nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon any person other than the Authority, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Resolution or any provision hereof, this Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the Authority, the Paying Agent/Registrar, and the Holders.

SECTION 43: Inconsistent Provisions. All orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters contained herein.

SECTION 44: Governing Law. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 45: Incorporation of Findings and Determinations. The findings and determinations of the Board of the Authority contained in the preambles hereof are hereby incorporated by reference and made a part of this Resolution for all purposes as if the same were restated in full in this Section.

SECTION 46: Severability. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 47: Municipal Bond Insurance. The Bonds may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 48: Contract. The Contract is amended to include the Series 2019 Projects and a description of the Series 2019 Projects shall be attached to the contract as Exhibit C and Exhibit D. In all other respects the Contract is reapproved and shall be and remain in full force as the agreement of the parties.

SECTION 49: Public Meeting. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 50: Effective Date. This Resolution shall be in force and effect from and after its passage on the date shown below.

[remainder of page left blank intentionally]

PASSED AND ADOPTED, this April 15, 2019.

GREATER TEXOMA UTILITY AUTHORITY

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(Seal)

EXHIBIT A

SERIES 2019 PROJECTS

Series 2019 Water Projects Description

Water System Improvements to include construction and professional services associated with improvements to the construction of the water crossing under US 75 at Choctaw, and cathodic protection improvements at the Lake Texoma Pump Station; and appurtenances and other costs as necessary for such water system improvements.

Series 2019 Sewer Projects Description

Sewer System Improvements to include construction and professional services associated with improvements to the wastewater treatment plant, including the aeration basin, biological clarifier, control building, and storm water lift station; construction and professional services associated with sewer line construction projects, including the construction of the Northwest Sewer, Sewer between Rosedale and First, and Moore Street Sewer and appurtenances and other costs as necessary for such sewer system improvements.

EXHIBIT B

Form of Paying Agent/Registrar Agreement

DRAFT

EXHIBIT C

Contract For Water Supply and Sewer Service

DRAFT



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.4.

Meeting Date: 04/15/2019

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6202

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-2 (Multi-Family Residential) District at 5217 North Travis Street, being 6.635 acres in the Alexander & Richards Survey, Abstract No. 42 (Ryan Family Trust, Owners; Brandon Miller, Prospective Buyer)

Issue:

To consider the request of Ryan Family Trust (Owners) and Brandon Miller (Prospective Buyer) concerning the property located at 5217 North Travis Street, being 6.635 acres in the Alexander & Richards Survey, Abstract No. 42, for a zone change from an SF-1 (Single Family Residential) District to an R-2 (Multi-Family Residential) District

Background:

The property is located at 5217 North Travis Street, the southeast corner of Travis Street and Knollwood Road, adjacent to the Northside on Travis Apartments. The property is zoned an SF-1 (Single Family Residential) District; and the prospective buyer is requesting a zone change and conceptual site plan approval to build The Lofts at Liberty Hill, an apartment community that will offer one and two bedroom units open to all ages and incomes. An exception to allow a wrought iron fence with stone columns every sixty feet was granted at the March 19, 2019 Planning and Zoning Commission Meeting.

Origination:

Ryan Family Trust (Owners)
Brandon Miller (Prospective Buyer)

Financial Consideration:

None

Staff Recommendation:

At the March 19, 2019 regular meeting, the Planning and Zoning Board voted 6/0 to recommend to the City Council that the zone change be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6202

Location Map

Zoning Map

Zoning Sign Photo

Narrative

Site Plan

Building Elevations

Staff Review Letter

P&Z Communication

ORDINANCE NO. 6202

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE R-2 (MULTI-FAMILY RESIDENTIAL) DISTRICT AT 5217 NORTH TRAVIS STREET, BEING 6.635 ACRES IN THE ALEXANDER & RICHARDS SURVEY, ABSTRACT NO. 42 (RYAN FAMILY TRUST, OWNERS; BRANDON MILLER, PROSPECTIVE BUYER); PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That, from and after the passage of this ordinance, the following described property shall be in the R-2 (Multi-family Residential) District at 5217 North Travis Street, and that Section 12, Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

SITUATED in the County of Grayson, State of Texas, being a part of the Alexander & Richards Survey, Abstract No. 42, being a part of the 21.50 acre tract of land (Tract Four) conveyed to Ryan Family Trust from Texlandev, LLC by Special Warranty Deed with Vendor 's Lien dated October 28, 2005 and recorded in Volume 3963, Page 863, Official Public Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a ½ inch capped rebar set, stamped "RPLS 6578" at the intersection of the East right-of-way line of F. M. Highway No. 131 (also known as Travis Street) with the South right-of-way line of Knollwood Drive (also known as Sherman Oaks Drive), at the Northwest corner of both said Ryan Family Trust 21.50 acres and the herein described tract;

THENCE South 88 deg. 47 min. 30 sec. East, with the South line of said Knollwood Drive and the North line of said Ryan Family Trust 21.50 acres, **PASSING** a concrete right-of-way monument found at 161.16 foot, and continuing for a **TOTAL** distance of 389.09 feet to a point at the beginning of a curve to the right, **SAID** point being South 07 deg. 34 min. 33 sec. West, 0.59 ft. from a ½ inch square rebar found;

THENCE Easterly, continuing with the South line of said Knollwood Drive and the North line of said Ryan Family Trust 21.50 acres, with a curve to the right having a radius of 542.96 feet, a central angle of 2 deg. 17 min. 30 sec. (chord bears South 87 deg. 40 min. 08 sec. East, 21.72 ft.) an arc distance of

21.72 feet to a ½ inch capped rebar set stamped "RPLS 6578" at the Northeast corner of the herein described tract;

THENCE South 03 deg. 37 min. 02 sec. West, over and across said Ryan Family Trust 21.50 acres, passing the most Northern corner of Lot 1, Block A, Northside on Travis Addition to the City of Sherman, Texas as per plat of record in Volume 19, Page 62, Plat Records, Grayson County, Texas at 0.96 feet, continuing now with the West line of said Lot 1, a distance of 491.66 feet to a ½ inch capped rebar set stamped "RPLS 6578" at the beginning of a curve to the right;

THENCE Southerly, with a curve to the right having a radius of 150.00 feet, a central angle of 118 deg. 16 min. 46 sec. (chord bears: South 06 deg. 59 min. 08 sec. West, 257.53 ft.) an arc distance of 309.65 feet to a point at the end of said curve, at an angle point in the North line of said Lot 1, SAID point being South 53 deg. 59 min. 47 sec. East, 1.1 foot from a 5/8 inch capped rebar found, stamped "BDD";

THENCE South 66 deg. 07 min. 31 sec. West, with a North line of said Lot 1, a distance of 171.49 feet to a point in the East right-of-way line of said F. M. Highway No. 131, the most Westerly Northwest corner of said Lot 1, at the Southwest corner of the herein described tract;

THENCE North 23 deg. 52 min. 25 sec. West, with the East line of said F. M. Highway No. 131 and the West line of said Ryan Family Trust 21.50 acres, a distance of 320.18 feet to a ½ inch rebar found at an angle point, at the beginning of a curve;

THENCE Northwesterly, continuing with the East line of said F.M. Highway No. 131 and the West line of said Ryan Family Trust 21.50 acres, with a curve to the right having a radius of 1,859.79 feet, a central angle of 11 deg. 07 min. 34 sec. (chord bears: North 18 deg. 18 min. 37 sec. West, 360.58 ft.) an arc distance of 361.15 feet to a ½ inch capped rebar found at an angle point, at the end of said curve,

THENCE North 15 deg. 08 min. 32 sec. East, continuing with the East line of said F. M. Highway No. 131 and the West line of said Ryan Family Trust 21.50 acres, a distance of 196.51 feet to the **PLACE OF BEGINNING** and containing **6.635 ACRES of land.....**

SECTION 2. That this ordinance shall not become effective until entered upon the official zoning map as provided in Section 12, Ordinance No. 2280.

SECTION 3. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 4. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

INTRODUCED on this the _____ day of _____, 2019.

ADOPTED on this the _____ day of _____, 2019.

EFFECTIVE DATE on this the _____ day of _____, 2019.

CITY OF SHERMAN, TEXAS

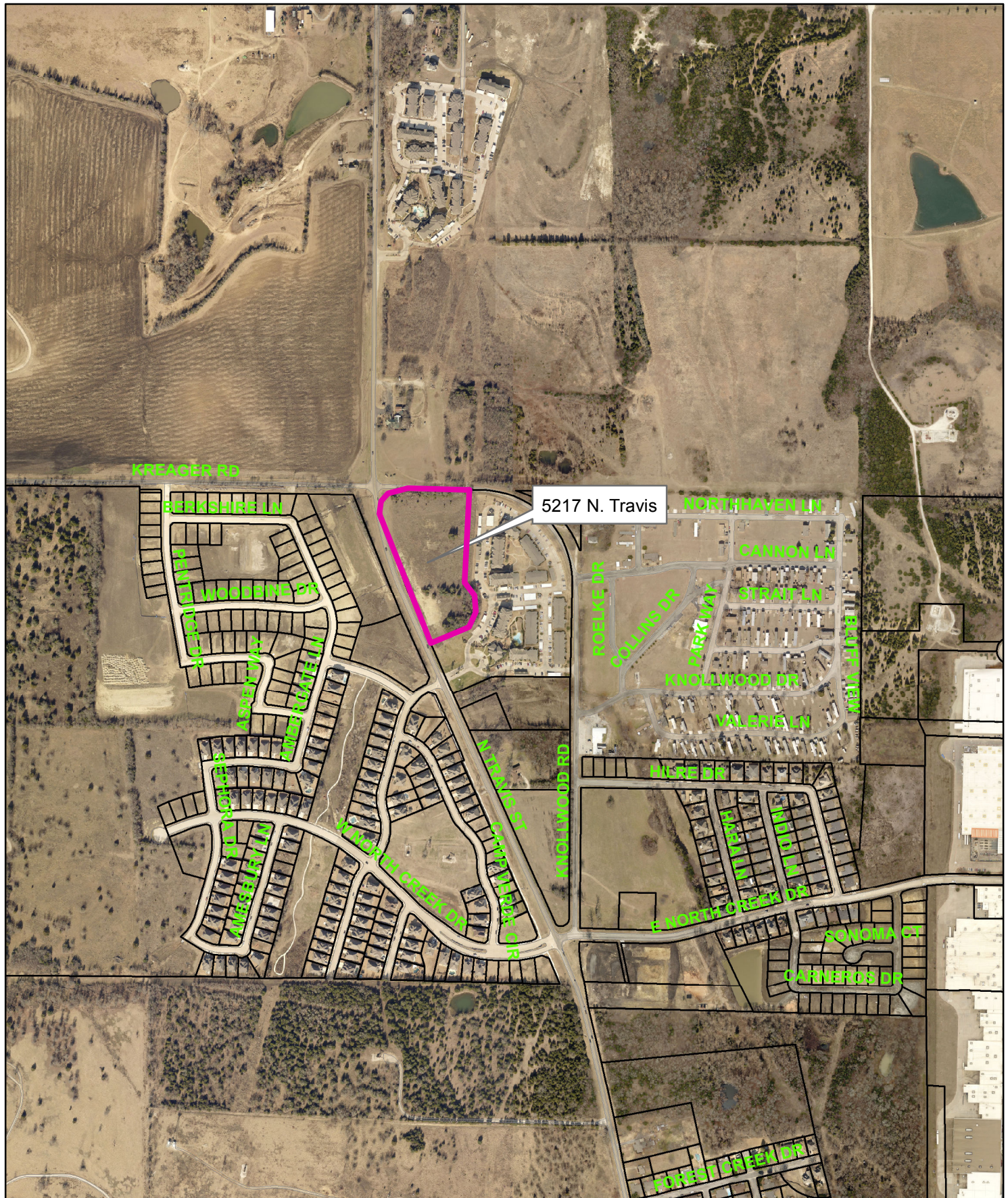
BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

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



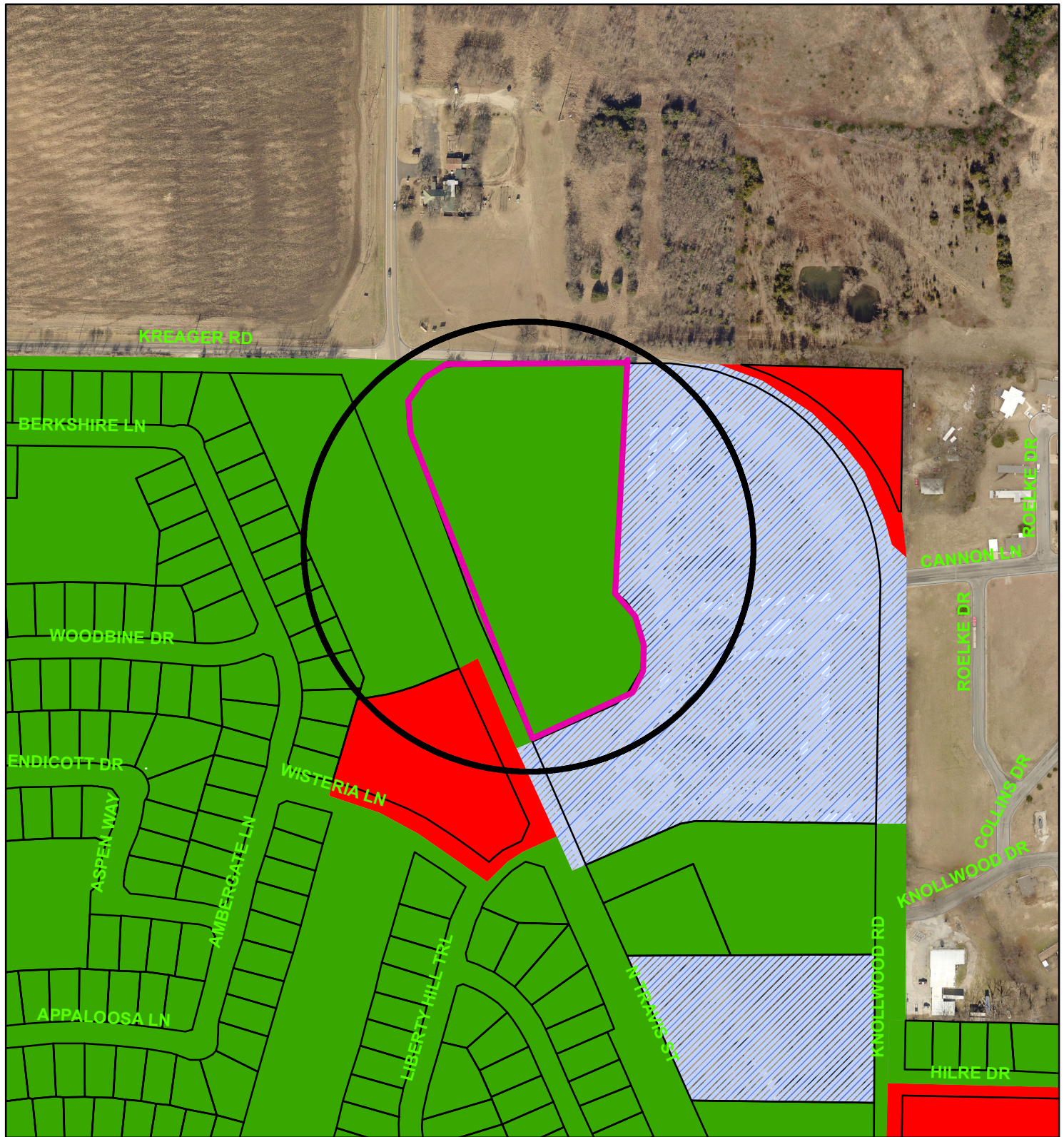
5217 North Travis



NOT TO SCALE

1 in = 700 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 5217 North Travis Street

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District
- Transportation Corridor

Representation: SpermGIS.DBO.TransportationCorridor_Rep_1

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: SpermGIS.DBO.ZoningDistrict_Rep

- BIP Blalock Industrial Park
- C-1 Retail Business District

- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing District
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District



NOT TO SCALE

1 in = 300 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

5217 North Travis Street



Zoning application & Variance Request Information

THE LOFTS

at Liberty Hill

Location: 6.635 acres at SE corner of Travis st & Knollwood st, Sherman, TX; Grayson CAD Parcel # 118525

The applicant submits this zoning change and variance requests with the intent to develop The Lofts at Liberty Hill, a luxury apartment community on the vacant 6.635 acre tract of land at the SE corner of Travis st & Knollwood, Sherman, TX. The development will offer 1 & 2 bedroom units open to all ages & incomes. Amenities and features will include granite counters, luxury floors, SS appliances, tiled backsplash, 24 hr fitness center, luxury swimming pool with spa, and gated entrance.

The zoning is requested to be changed from R-1 to R-2. Applicant deems R-2 as the best and most conforming use for the land. The property is directly adjacent to The Northside on Travis, a 200 unit, 3 story apartment community. In late 2018 the 3+ acre property that is 700 feet to the south along Travis street was successfully re-zoned to R-2. The Bridges on Travis, a 3 story apartment is 1500 feet to the north. Essentially, all properties on the east side of Travis street are multi-family or Commercial.

Variance Requests:

1. **Parking spaces:** Ordinance states a minimum of 2 parking spots per dwelling unit. Applicant requests the parking to be greater than 1 parking spot per 1 bedroom unit and 1.5 spots per 2 bedroom unit. This density exceeds the # of spaces per unit compared to the other apartments in the area. (see table below for comparison)

Property	# of Dwelling Units	Total # Parking Spaces	Parking Spots per Dwelling	1 Bedroom		2 Bedroom	
				# Units	Parking Ratio per 1 BR	# Units	Parking ratio per 2 BR
The Lofts at Liberty Hill	156	192	1.23	84	1	72	1.5
The Bridges on Travis	226	204	0.90	118	0.85	108	0.96

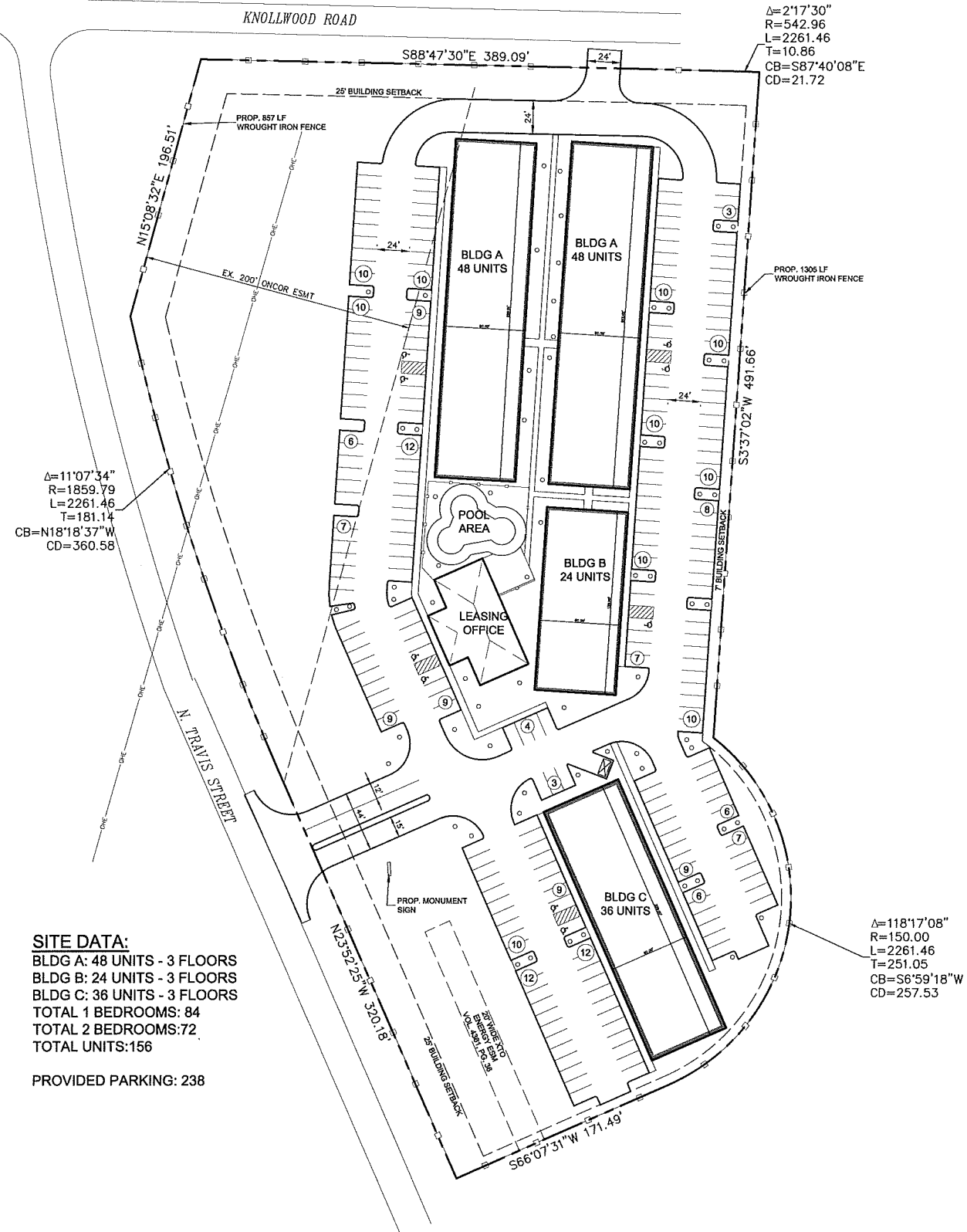
2. **Exterior Fence:** Sherman's ordinance specifies a minimum 6 foot masonry screening on perimeter. Applicant requests a variance to build a wrought iron or cedar board on board fence similar to the Northside on Travis (wrought iron) and The Bridges on Travis (wrought iron).
3. **Exterior Veneer:** The ordinance specifies all wall finishes be masonry or masonry veneer. Applicant wishes to build a more modern/urban looking development with the use of a combination of brick, stone, stucco, siding, and possibly corrugated standing seam metal. The request is a variance be granted for use of an exterior veneer/facade other than 100% masonry with the understanding that the city planning department will have the ability to review and approve of the proposed building detail and design before issuance of permit to build.

Thank you for your time, Brandon Miller, The Lofts at Liberty Hill



THE LOFTS
at Liberty Hill

DATE	PROJECT #	SHEET
FEBRUARY 2019	18-220	SP



THE LOFTS AT LIBERTY HILL

THE LOFTS
at Liberty Hill

DATE	PROJECT #	SHEET
FEBRUARY 2019	18-220	SP





STAFF REVIEW LETTER

March 12, 2019

Ryan Family Trust
D William Ryan
3002 Brillante
San Clement, CA 92673

Helvey-Wagner Surveying, Inc.
222 W. Main St.
Denison, TX 75020

Brandon Miller
107 Gene Autry Dr.
Tioga, TX 76271

Dear Applicants,

The request for a zone change and site plan approval for The Lofts at Liberty Hill Apartments from an SF-1 (Single Family Residential) District to an R-2 (Multi-Family Residential) District for the property located at 5217 North Travis Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, March 19, 2019 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the R-2 (Multi-Family Residential) District, the Residential Tree and Landscaping Ordinance must be followed.
2. A minimum 6' masonry perimeter wall shall be provided to surround the development unless an exception is granted.
3. No building shall exceed 45 feet in height.
4. Fire lanes and codes shall be coordinated with the Fire Marshal, (903.892.7267).
5. Parking is permitted on paved surfaces only (concrete and asphalt).
6. Parking shall be provided for one space per bedroom, minimum two per unit; a parking space is considered to be 9'x20'.
7. All parking shall be on private property and shall not encroach into Travis Street or Knollwood Road right-of-way.
8. The trash dumpster will need to be located inside the main building area and screened.
9. All finishes shall be masonry or masonry veneer (including carports/garages) unless an exception is approved.
10. An exception would need to be approved for any freestanding signage; only wall signs are allowed.
11. Any structures or signs built over any of the easements on the property will require approval for an encroachment easement from the City Council.
12. Review the zoning and development ordinance for additional requirements.
13. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

1. Platting of the property is required.
2. Drive approaches and sidewalks must conform to City of Sherman and TxDOT standards and a permit is required from City of Sherman Engineering Department.

3. The location of the trash receptors must be approved by the Public Works Department.
4. Privately owned and maintained detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
5. Water Pro-Rata will be due upon development.
6. Sewer shall be extended to serve the development. Sewer capacity shall be verified for proposed use.
7. Internal water and sewer lines will be privately owned and maintained.
8. No structures will be permitted within any existing easements.
9. Easement Encroachment Agreement must be obtained, filed for record in Grayson County Official Public Records, and a copy of filed Agreement provided to City of Sherman for review prior to any structures being approved within existing easements. Specifically the Northwest corner of the Westernmost Building "A."
10. Drawing shows two Building A's; each building must have a different name.

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

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

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

Respectfully,



Scott Shadden

Secretary, Planning and Zoning Board and Board of Adjustment

CC: Robby Hefton, City Manager
Mark Gibson, Director of Utilities
Clint Philpott, P.E., Director of Engineering
Amber Doan, Engineering Coordinator

Billy Hartsfield, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager



Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 11.

Meeting Date: 03/19/2019

Prepared by: Patsy Reeves, Developmental Services Coordinator
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

Requested Action/Proposed Use:

5217 NORTH TRAVIS STREET

The request of Ryan Family Trust (Owners) and Brandon Miller (Prospective Buyer) concerning the property located at 5217 North Travis Street, being 6.635 acres in the Alexander & Richards Survey, Abstract No. 42, as follows:

Board of Adjustments

- Exception under Ordinance No. 2280, Section 6.3 Subsection (6) to allow a combination of brick, stone, stucco, siding and corrugated standing seam metal in lieu of the required masonry for The Lofts at Liberty Hill Apartments in an R-2 (Multi-family Residential) District.
- Exception under Ordinance No. 2280, Section 6.3 Subsection (7) to allow a wrought iron or cedar fence in lieu of the required masonry perimeter wall in an R-2 (Multi-family Residential) District.
- Exception under Ordinance No. 2280, Section 6.3 Subsection (4) to allow 238 parking spaces in lieu of the required 312 for The Lofts at Liberty Hill Apartments in an R-2 (Multi-family Residential) District.

Planning and Zoning Commission

Zone change and site plan approval for The Lofts at Liberty Hill Apartments under Ordinance No. 2280, Section 12, from an SF-1 (Single Family Residential) District to an R-2 (Multi-Family Residential) District.

Background:

The property is located at 5217 North Travis Street, the southeast corner of Travis Street and Knollwood Road, adjacent to the Northside on Travis Apartments. The property is zoned a SF-1 (Single Family Residential) District. The applicant would like to build The Lofts at Liberty Hill, an apartment community that will offer one and two bedroom units open to all ages and incomes. There will be a total of one hundred fifty six units (1 bedroom - 84 units; 2 bedrooms - 72 units); the apartment building will have amenities and features will include granite counters, luxury floors, stainless steel appliances, tiled backsplash, 24-hr fitness center, luxury swimming pool with spa and gated entrance.

They are requesting exceptions for the number of parking spaces required from 312 to 238; the exterior facade, they would like to build a more modern/urban looking development with the use of a combination of brick, stone, stucco, siding and possibly corrugated standing seam metal; and they would like to build a wrought iron or cedar board on board fence in lieu of the required masonry wall.

Adjacent Zoning:

SF-1 (Single Family Residential) District
R-2 (Multi-Family Residential) District
C-1 (Retail Business) District

Origination:

Ryan Family Trust (Owners)
Brandon Miller (Prospective Buyer)

Master Plan Designation:

Auto-Urban Multi-Family – Multi-Family residential consists of residential apartment buildings and duplexes, in which the lot carries very similar characteristics as Auto-Urban Single-Family. The parking requirements mandate that the automobile becomes an important feature of the landscape.
and

Suburban Residential – Increased density and closer building setbacks separate Suburban Residential from Countryside and Estate, but more landscaping and open space distinguish Suburban Residential from Urban and Auto-Urban categories. New suburban subdivisions typically have curvilinear streets and sidewalks, as well as curb and gutter.

Number of notices mailed:

2

Objections Received:

0

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Narrative
Site Plan
Building Elevations
Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.5.

Meeting Date: 04/15/2019

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6203

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District at 205 and 215 East Brockett Street, being all of Lot 3 and part of Lots 4, 5 and 6, Block 4, Bond's Supplement Number Two, containing 0.392 acres in the J.B. McAnair Survey, Abstract No. 763 (Mae Lou Wright, Owner; Ralph and Rosalind Holt, Representatives; and Preston Trail Land Surveying, Surveyor)

Issue:

To consider the request of Mae Lou Wright (Owner), Ralph and Rosalind Holt (Representatives), and Preston Trail Land Surveying (Surveyor) concerning the property located at 205 and 215 East Brockett Street, being all of Lot 3 and part of Lots 4, 5 and 6, Block 4, Bond's Supplement Number Two, containing 0.392 acres in the J.B. McAnair Survey, Abstract No. 763

Background:

The property is located at 205 and 215 East Brockett Street, the northeast corner of Walnut and Brockett Streets. The property is zoned a C-1 (Retail Business) District; it was formerly Wayside Florist before it was destroyed by fire. The owner would like to rezone the property to an R-1 (One Family Residential) District.

Origination:

Mae Lou Wright (Owner)
Ralph and Rosalind Holt (Representatives)
Preston Trail Land Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the March 19, 2019 regular meeting, the Planning and Zoning Board voted 6/0 to recommend to the City Council that the zone change be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6203

Location Map

Zoning Map

Zoning Sign Photo

Plat

Survey

Staff Review Letter

P&Z Communication

ORDINANCE NO. 6203

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE R-1 (ONE FAMILY RESIDENTIAL) DISTRICT AT 205 AND 215 EAST BROCKETT STREET, BEING ALL OF LOT 3 AND PART OF LOTS 4, 5 AND 6, BLOCK 4, BOND'S SUPPLEMENT NUMBER TWO, CONTAINING 0.392 ACRES IN THE J.B. MCANAIR SURVEY, ABSTRACT NO. 763 (MAE LOU WRIGHT, OWNER; RALPH AND ROSALIND HOLT, REPRESENTATIVES; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR); PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That, from and after the passage of this ordinance, the following described property shall be in the R-1 (One Family Residential) District at 205 and 215 East Brockett Street, and that Section 12, Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

BEING all of that certain tract or parcel of land situated in the J.B. McAnair Survey, Abstract No. 763, City of Sherman, Grayson County, Texas, and being all of Lot 3, and part of Lots 4, 5, and 6 in Block 4 of G.W. Bond's Supplement Number Two to the City of Sherman according to the plat thereof recorded in Volume M, Page 63, Deed Records of Grayson County, Texas, and being the same tract of land described in the deed to Mae L. Wright recorded in Volume 5966, Page 91, said Deed Records, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with a plastic cap stamped "RPLS 5433" found for the southeast corner of said Wright tract (5966-91), common to the southwest corner of a tract of land described in the deed to William N. Bowen recorded in Volume 4104, Page 797, Official Records of Grayson County, Texas, and on the apparent northerly right-of-way line of East Brockett Street (No Record Found);

THENCE South 74°05'49" West, with the southerly line of said Wright tract (5966-91) and with the apparent northerly right-of-way line of East Brockett Street, a distance of 201.56 feet to 1/2-inch iron rod with plastic cap stamped "PRESTON TRAIL LAND SURVEYING RPLS 6585" (hereinafter referred to as Capped Iron Rod) set for the southwest corner of said Wright tract (5966-91), and at the intersection of the apparent northerly right-of-way line of East Brockett Street and the apparent easterly right-of-way line of North Walnut Street (No Record Found);

THENCE North 15°26'19" West, with the westerly line of said Wright tract (5966-91) and with the apparent easterly right-of-way line of North Walnut Street, a distance of 84.66 feet to a Capped Iron Rod set for the northwest corner of said Wright tract (5966-91), common to the southwest corner of a called 50-foot x 200-foot tract of land described in the deed to Johnie L. Wright and wife, Mae L. Wright, recorded in Volume 1647, Page 380, said Deed Records;

THENCE North 74°05'49" East, with the northerly line of said Wright tract (5966-91) and with the southerly line of said Wright tract (1647-380), a distance of 201.56 feet to a Capped Iron Rod set for the northeast corner of said Wright tract (5966-91), common to the southeast corner of said Wright tract (1647-380), and on the westerly line of aforesaid Bowen tract;

THENCE South 15°26'19" East, with the easterly line of said Wright tract (5966-91) and with the easterly line of said Bowen tract, a distance of 84.66 feet to the **POINT OF BEGINNING and enclosing 0.392 of an acre (17,064 square feet) of land, more or less.....**

SECTION 2. That this ordinance shall not become effective until entered upon the official zoning map as provided in Section 12, Ordinance No. 2280.

SECTION 3. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 4. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

INTRODUCED on this the _____ day of _____, 2019.

ADOPTED on this the _____ day of _____, 2019.

EFFECTIVE DATE on this the _____ day of _____, 2019.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

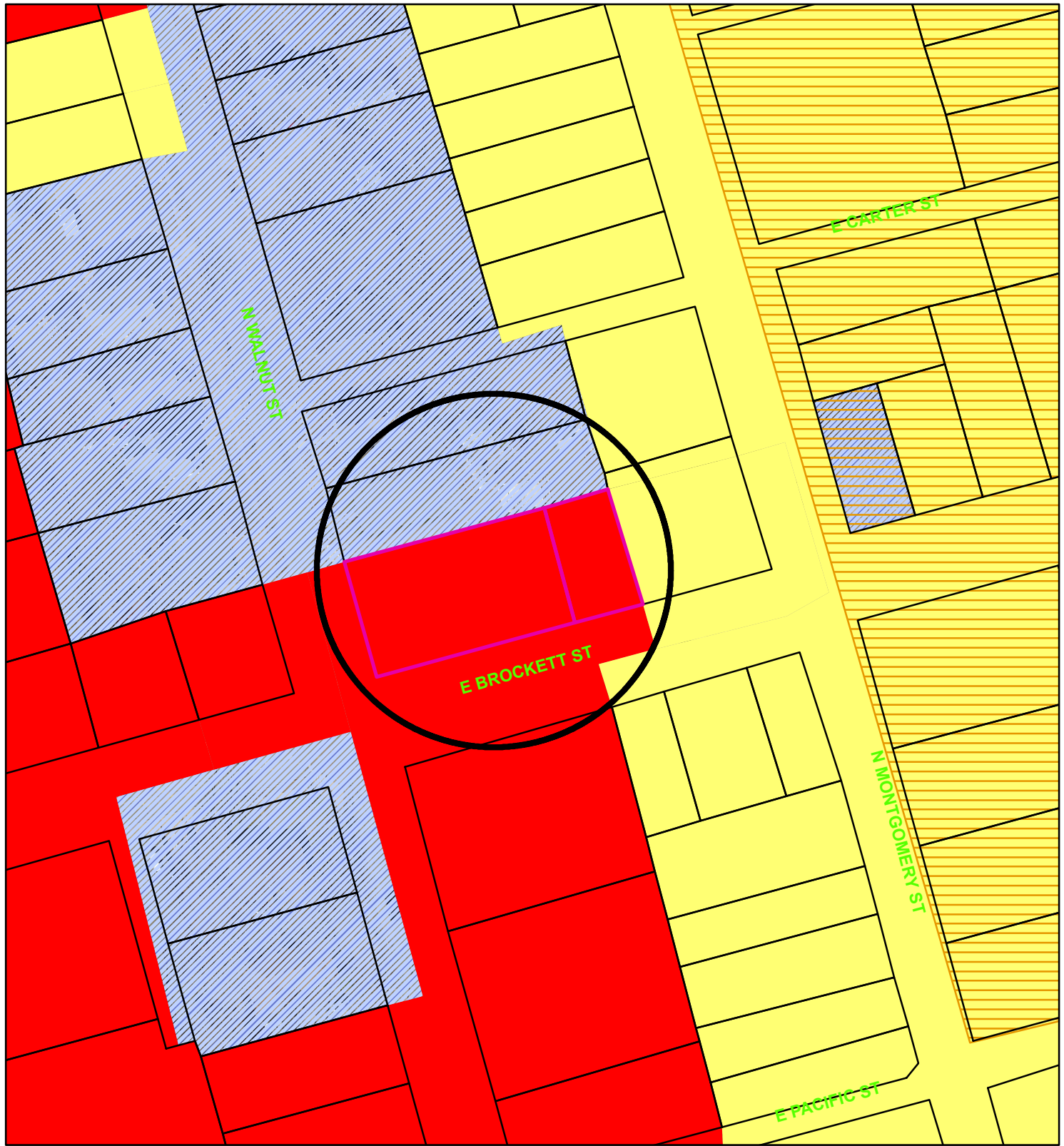
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY





Zoning - 205 & 215 E. Brockett Street

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District
- Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep_1

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District

Representation: ShermGIS.DBO.ZoningDistrict_Rep

- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing District
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District



City of Sherman, Texas
Developmental Services Department



NOT TO SCALE

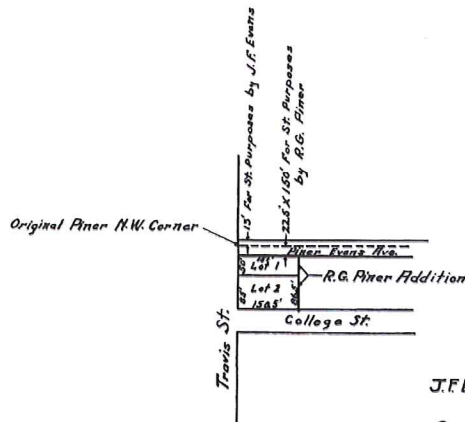
1 in = 100 ft

205 E. Brockett Street

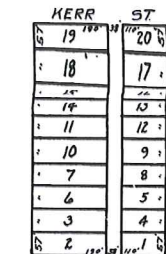
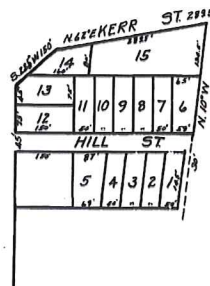


215 E. Brockett Street

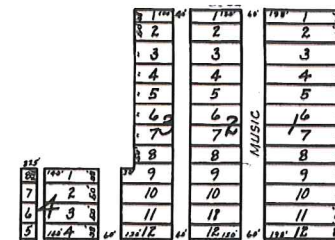




J.F. EVAN'S ADDITION
TO
CITY OF SHERMAN
VOL. 166 PAGE 112

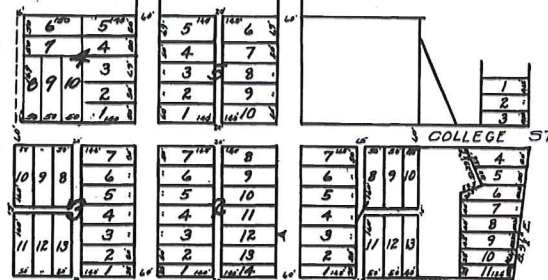


J.Q.A. CARTER'S ADDITION
TO
CITY OF SHERMAN
VOL. 35 PAGE 546



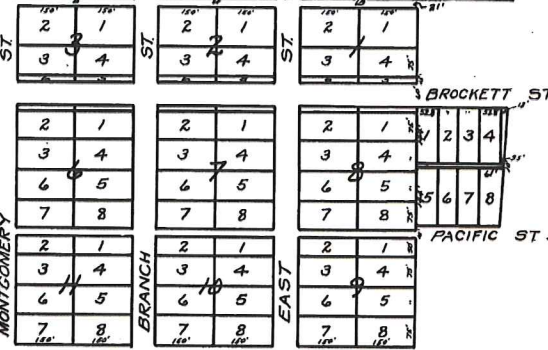
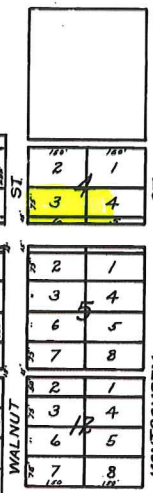
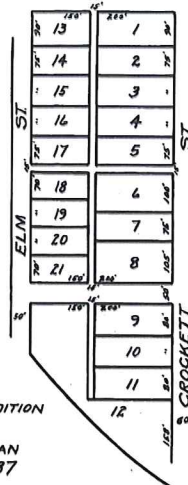
VEAL & ALFORD'S ADDITION
TO
CITY OF SHERMAN
VOL. 43 PAGE 200

HALL & JONES ADD.
TO
CITY OF SHERMAN
VOL. 58 PAGE 245



BOYER & LUCAS ADDITION
TO
CITY OF SHERMAN
VOL. 120 PAGE 94

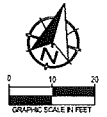
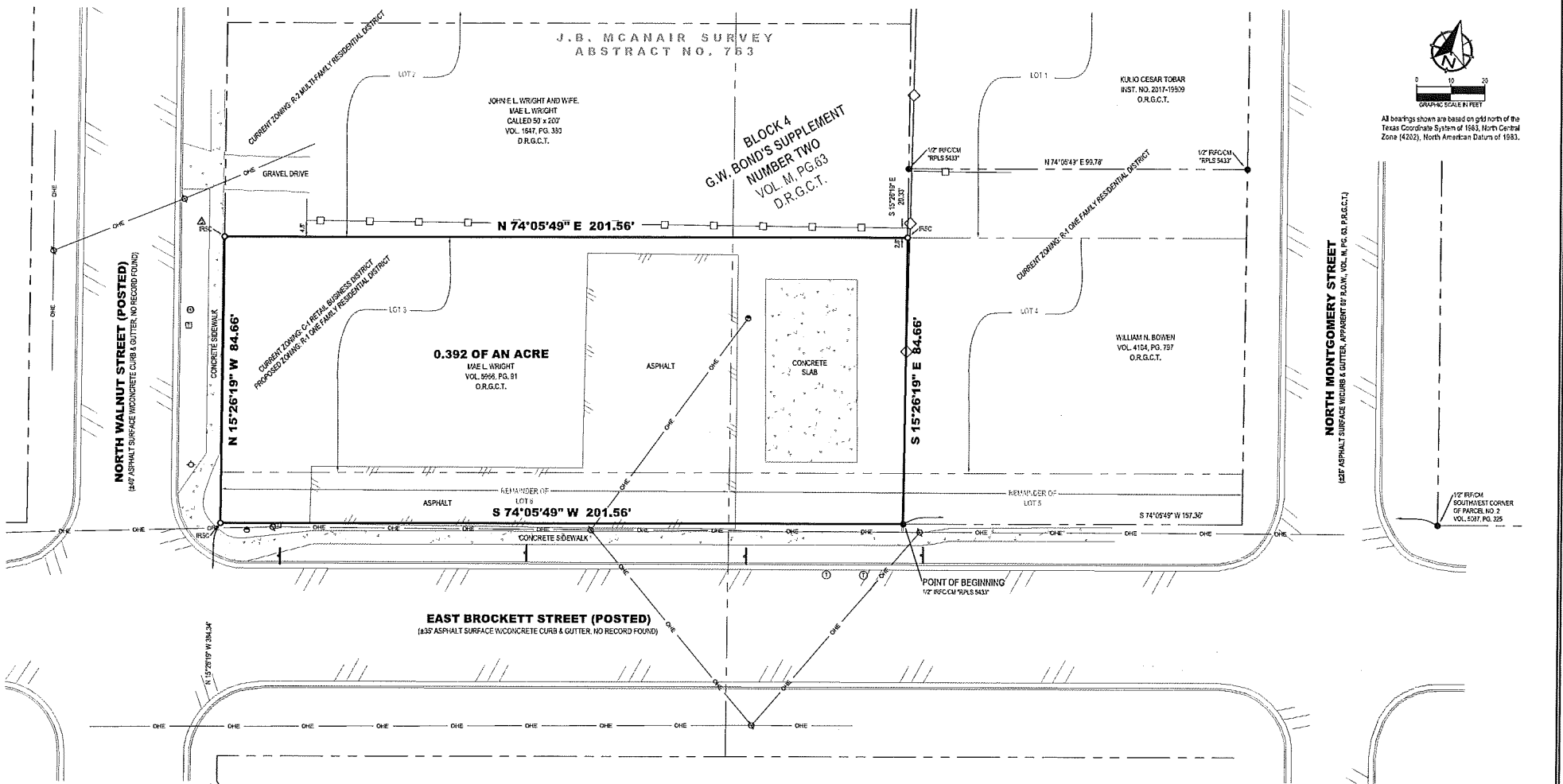
L.C. CHAPMAN'S ADDITION
TO
CITY OF SHERMAN
VOL. 96 PAGE 437



W.S. McDUFFIE BLOCK
TO
CITY OF SHERMAN
VOL. 88 PAGE 543

BOND'S 1ST ADDITION
TO
CITY OF SHERMAN
VOL. J PAGE 425

BOND'S 2ND ADDITION
TO
CITY OF SHERMAN
VOL. M PAGE 63



All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

NORTH MONTGOMERY STREET
(1/2" ASPHALT SURFACE W/CONCRETE CURB & GUTTER, APPARENT BY ROW, VOL. M, PG. 63, D.R.G.C.T.)

1/2" IRON ROD
SOUTHWEST CORNER
OF PARCEL NO. 2
VOL. 5307, PG. 325

LEGEND

●	FOUND MONUMENT
○	SET MONUMENT
IRSC	1/2" IRON ROD W/ "PRESTON TRAIL LAND SURVEYING, RPLS 6585" CAP SET
IRF	IRON ROD FOUND
IRFC	IRON ROD FOUND W/ PLASTIC CAP
IRP	IRON PIPE FOUND
CM	CONTROLLING MONUMENT
R.O.W.	RIGHT-OF-WAY
D.R.G.C.T.	DEED RECORDS, GRAYSON COUNTY, TEXAS
O.R.G.C.T.	OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS
U	UTILITY/POWER POLE
L	LIGHT
T	TELEPHONE BOX
M	TELEPHONE MANHOLE
H	FIRE HYDRANT
W	WATER METER
B	BURIED NATURAL GAS MARKER
S	STREET SIGN
---	BOUNDARY LINE
- - -	ADJONK LINE
- - -	WOOD FENCE
- - -	CHAIN LINK FENCE
- - -	ASPHALT
- - -	OVERHEAD ELECTRIC UTILITY

EAST PECAN STREET

GENERAL NOTES:

- This survey was completed without the benefit of a title commitment. Easements and/or other matters of record may affect the surveyed property. The Surveyor did not perform an Abstract of Title.
- Current Zoning: C-1 Retail Business District
Proposed Zoning: R-1 One Family Residential District

LAND DESCRIPTION:

BEING all of that certain tract or parcel of land situated in the J.B. McAnair Survey, Abstract No. 763, City of Sherman, Grayson County, Texas, and being all of Lot 3, and part of Lots 4, 5, and 6 in Block 4 of G.W. Bonds Supplement Number Two to the City of Sherman according to the plat thereof recorded in Volume M, Page 63, Deed Records of Grayson County, Texas, and being the same tract of land described in the deed to Mae L. Wright recorded in Volume 5966, Page 91, said Deed Records, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with a plastic cap stamped "RPLS 5433" found for the southeast corner of said Wright tract (5966-91), common to the southwest corner of a tract of land described in the deed to William M. Bowen recorded in Volume 4104, Page 797, Official Records of Grayson County, Texas, and on the apparent northerly right-of-way line of East Brockett Street (No Record Found);

THENCE South 74°05'49" West, with the southerly line of said Wright tract (5966-91) and with the apparent northerly right-of-way line of East Brockett Street, a distance of 201.56 feet to 1/2-inch iron rod with plastic cap stamped "PRESTON TRAIL LAND SURVEYING RPLS 6585" (hereinafter referred to as Capped Iron Rod) set for the southwest corner of said Wright tract (5966-91), and at the intersection of the apparent northerly right-of-way line of East Brockett Street and the apparent easterly right-of-way line of North Walnut Street (No Record Found);

THENCE North 15°26'19" West, with the westerly line of said Wright tract (5966-91) and with the apparent easterly right-of-way line of North Walnut Street, a distance of 84.66 feet to a Capped Iron Rod set for the northwest corner of said Wright tract (5966-91), common to the southwest corner of a called 50-foot x 200-foot tract of land described in the deed to Johnnie L. Wright and wife, Mae L. Wright, recorded in Volume 1647, Page 380, said Deed Records;

THENCE North 74°05'49" East, with the northerly line of said Wright tract (5966-91) and with the southerly line of said Bowen tract (1647-380), a distance of 201.56 feet to a Capped Iron Rod set for the northeast corner of said Wright tract (5966-91), common to the southeast corner of said Wright tract (1647-380), and on the westerly line of aforesaid Bowen tract;

THENCE South 15°26'19" East, with the easterly line of said Wright tract (5966-91) and with the easterly line of said Bowen tract, a distance of 84.66 feet to the POINT OF BEGINNING and enclosing 0.392 of an acre (17,064 square feet) of land, more or less.

PRELIMINARY

THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

ZONING EXHIBIT 0.392 OF AN ACRE

**J.B. McANAIR SURVEY, ABSTRACT NO. 763
ALL OF LOT 3 AND PART OF LOTS 4, 5, AND 6
BLOCK 4, G.W. BONDS SUPPLEMENT NUMBER TWO
TBD East Brockett Street, Sherman
Grayson County, Texas**

Preston Trail
LAND SURVEYING

83493 N. State Hwy 289, Suite 5
Patterson, TX 75076
www.prestontrailandsurveying.com
937-786-6029

18PLS Film No.
10194175

Drawn by: CBN
Checked by: BNH

Scale: 1"=20'
Date: 02/22/2019

Project No. 190077
Sheet No. 1 of 1

STAFF REVIEW LETTER

March 12, 2019

Mae L. Wright
711 N. Walnut
Sherman, TX 75090

Preston Trail Land Surveying
83493 N. State Highway 289, Ste. 5
Pottsboro, TX 75076

Rosalind Holt
502 E. Centennial
Sherman, TX 75090

Dear Applicants,

The request for zone change approval from a C-1 (Retail Business) District to an R-1 (One Family Residential) District for the property located at 205 and 215 East Brockett Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, March 19, 2019 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the R-1 (One Family Residential) District and the Residential Tree and Landscaping Ordinance must be followed.
2. Fire lanes and codes shall be coordinated with the Fire Marshal, (903.892.7267).
3. Parking is permitted on paved surfaces only (concrete and asphalt).
4. All parking shall be on private property and shall not encroach into Brockett Street or Walnut Street right-of-way.
5. Review the zoning and development ordinance for additional requirements.
6. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

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

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

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

Respectfully,



Scott Shadden

Secretary, Planning and Zoning Board and Board of Adjustment

CC: Robby Hefton, City Manager
Mark Gibson, Director of Utilities
Clint Philpott, P.E., Director of Engineering
Amber Doan, Engineering Coordinator

Billy Hartsfield, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager



**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 6.

Meeting Date: 03/19/2019

Prepared by: Patsy Reeves, Developmental Services Coordinator
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

Requested Action/Proposed Use:

205 & 215 EAST BROCKETT STREET

The request of Mae Lou Wright (Owner), Ralph & Rosalind Holt (Representatives) and Preston Trail Land Surveying (Surveyor) concerning the property located at 205 and 215 East Brockett Street, being all of Lots 3 and part of Lots 4, 5 and 6, Block 4, Bond's Supplement Number Two, containing 0.392 acres in the J.B. McAnair Survey, Abstract No. 763, as follows:

Planning and Zoning Commission

Zone change approval under Ordinance No. 2280, Section 12, from a C-1 (Retail Business) District to an R-1 (One Family Residential) District.

Background:

The property is located at 205 and 215 East Brockett Street, the northeast corner of Walnut and Brockett Streets. The property is zoned a C-1 (Retail Business) District and was formerly Wayside Florist before it was destroyed by fire in 2008. The owners would like to rezone the property to an R-1 (One Family Residential) District.

Adjacent Zoning:

R-1 (One Family Residential) District

R-2 (Multi-Family Residential) District

C-1 (Retail Business) District

Origination:

Mae Lou Wright (Owner)

Ralph & Rosalind Holt (Representatives)

Preston Trail Land Surveying (Surveyor)

Master Plan Designation:

Auto Urban Commercial – Require more land for parking than building floor area. Automobiles and parking are the most prominent features. Parking lots reduce building density and prevent any possibility of creating an enclosed space.

and

Auto-Urban Single Family Residential – This character type is the single-family residential category with the greatest density and the shortest building setbacks. Most driveways will face the street as well as the garage. Sidewalks are available for pedestrians. Less lot area is devoted to open space and greenery.

Number of notices mailed:

20

Objections Received:

0

Attachments

Location Map

Zoning Map

Zoning Sign Photo

Plat

Survey

Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.6.

Meeting Date: 04/15/2019

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6204

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant an Amendment to the Specific Use Permit to Allow an Automobile Body Repair Shop for Sherman Collision Repair in a C-2 (General Commercial) District/O-1.2 (Sam Rayburn Overlay) District at 1317 South Sam Rayburn Freeway, being Lot 1 of the SCR 1 Addition, being a Replat of a part of Lot 8, Block 23 and a part of Lot 4, Block 24 and part of the former Hester Street Right-of-Way between Blocks 23 and 24, B.H. Moore Heirs Addition (Sherman Collision Repair, LLC, Owners; and Terry Moore, Representative); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00

Issue:

To consider the request of Sherman Collision Repair, LLC (Owners) and Terry Moore (Representative) concerning the property located at 1317 South Sam Rayburn Freeway, being Lot 1 of the SCR 1 Addition, being a Replat of a part of Lot 8, Block 23 and a part of Lot 4, Block 24 and part of the former Hester Street Right-of-Way between Blocks 23 and 24, B.H. Moore Heirs Addition for an Amendment to the Specific Use Permit to allow an automobile body repair shop for Sherman Collision Repair in a C-2 (General Commercial) District/O-1.2 (Sam Rayburn Overlay) District

Background:

The property is located at 1317 South Sam Rayburn Freeway between Dulin and Hester Streets; Sherman Collision Repair is the tenant. The property is zoned a C-2 (General Commercial) District; and it is also located in the Sam Rayburn Overlay District. Sherman Collision would like to expand their business by constructing a 3,600 square foot metal building with five bays facing Sam Rayburn Freeway. The building will be located behind the other buildings closer to Austin Street. Exceptions were granted by the Planning and Zoning Commission to allow the exterior facade to be metal with a time limit of one year and limiting the doors to glass panel aluminum doors as presented to the Board at the March 19, 2019 meeting.

Origination:

Sherman Collision Repair, LLC (Owners)
Terry Moore (Representative)

Financial Consideration:

None

Staff Recommendation:

At the March 19, 2019 regular meeting, the Planning and Zoning Board voted 6/0 to recommend to the City Council that the amendment to the Specific Use Permit be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6204

Location Map

Zoning Map

Zoning Sign Photo

Plat

Site Plan

Building Elevations

Glass Panel Doors

Staff Review Letter

P&Z Communication

Letter from Danny Hutchins

ORDINANCE NO. 6204

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT AN AMENDMENT TO THE SPECIFIC USE PERMIT TO ALLOW AN AUTOMOBILE BODY REPAIR SHOP FOR SHERMAN COLLISION REPAIR IN A C-2 (GENERAL COMMERCIAL) DISTRICT/O-1.2 (SAM RAYBURN OVERLAY) DISTRICT AT 1317 SOUTH SAM RAYBURN FREEWAY, BEING LOT 1 OF THE SCR 1 ADDITION, BEING A REPLAT OF A PART OF LOT 8, BLOCK 23 AND A PART OF LOT 4, BLOCK 24 AND PART OF THE FORMER HESTER STREET RIGHT-OF-WAY BETWEEN BLOCKS 23 AND 24, B.H. MOORE HEIRS ADDITION (SHERMAN COLLISION REPAIR, LLC, OWNERS; AND TERRY MOORE, REPRESENTATIVE); 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; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

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

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

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

SECTION 1. That, from and after the passage of this ordinance, Sherman Collision Repair, LLC (Owner) and Terry Moore (Representative) concerning the property located at 1317 South Sam Rayburn Freeway and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

BEING Lot 1 of the SCR 1 Addition, being a Replat of a part of Lot 8, Block 23 and a part of Lot 4, Block 24 and part of the former Hester Street Right-of-way between Blocks 23 and 24, B.H. Moore Heirs Addition.

SECTION 2. That this specific use permit is granted on the following conditions:

Zoning:

1. All aspects of the C-2 (General Commercial) District, the O-1.2 (Sam Rayburn Overlay) District, the sign ordinance, the fence ordinance and the Commercial Tree and Landscaping Ordinance must be followed.
2. A minimum 6' screening shall be provided and maintained abutting any residentially zoned property.
3. Every site adjacent to the highway right-of-way shall include a buffer strip, landscaped and irrigated, being ten (10) feet in depth adjacent to the highway right of way.
4. Wall finishes shall be masonry, masonry veneer, or concrete siding unless an exception is approved.
5. Fire lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
6. Parking and service driveways are permitted on paved surfaces only (concrete or asphalt).
7. A parking space is considered to be 9' x 20'.
8. All parking shall be on private property and shall not encroach onto Sam Rayburn Freeway, Austin Street or Hester Street right-of-way.
9. No outside parking or storage of dismantled, junk or inoperable vehicles, wrecks, tires or parts are allowed.
10. Shall comply with all EPA, City, Federal and State regulations for this use.
11. Violations of the conditions of the SUP will terminate the Specific Use Permit.
12. Review the zoning and development ordinance for additional requirements.
13. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

14. No business or employee parking will be permitted along Austin Street.

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

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

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

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

INTRODUCED on this the _____ day of _____, 2019.

ADOPTED on this the _____ day of _____, 2019.

EFFECTIVE DATE on this the _____ day of _____, 2019.

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**



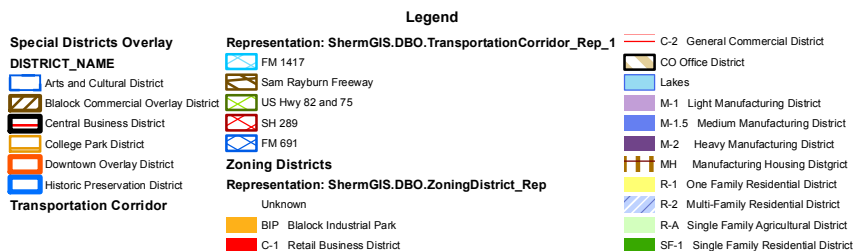
1317 S. Sam Rayburn Freeway



1 in = 300 ft

City of Sherman, Texas
Developmental Services Department

Zoning - 1317 S. Sam Rayburn Freeway



1317 South Sam Rayburn Freeway



Proposed
New Bldg 15'
From No. Prop.
line

1/2" rebar
(RPLS 3654)
found

1/2" rebar
(RPLS 3694)
found

urvey
56

85 bears N66°E 0.41'
from a 1/2" rebar
(RPLS 3694) found

Existing wood fence 25' off East line

1/2" rebar
(RPLS 6578)
found

1/2" rebar
(RPLS 5433)
found bears N17°34'E 1.9'
from rebar set

1/2" rebar
(RPLS 6578)
found

1/2" rebar
(RPLS 3694)
found

1/2" rebar found

1/2" rebar
(RPLS 3694)
found

Hester
Street
asphalt paving
80' wide

Austin Street
26 ft. wide curb & gutter street
40 ft wide right-of-way

S13°50'25"E
61.80'

S14°25'44"E
100.02'

10' utility easement

This portion of Hester Street
abandoned per City of Sherman
Ordinance No. 5910 executed
on October 19, 2015 and dedicated
as a utility easement per this plat
and per said Ordinance No. 5910

Lot 2
0.230 Acres and/or
9,997 Sq. Ft.

N14°14'24"W
61.69'

N14°16'56"W
99.96'

S75°41'42"W
100.11'

One
Properties, LLC

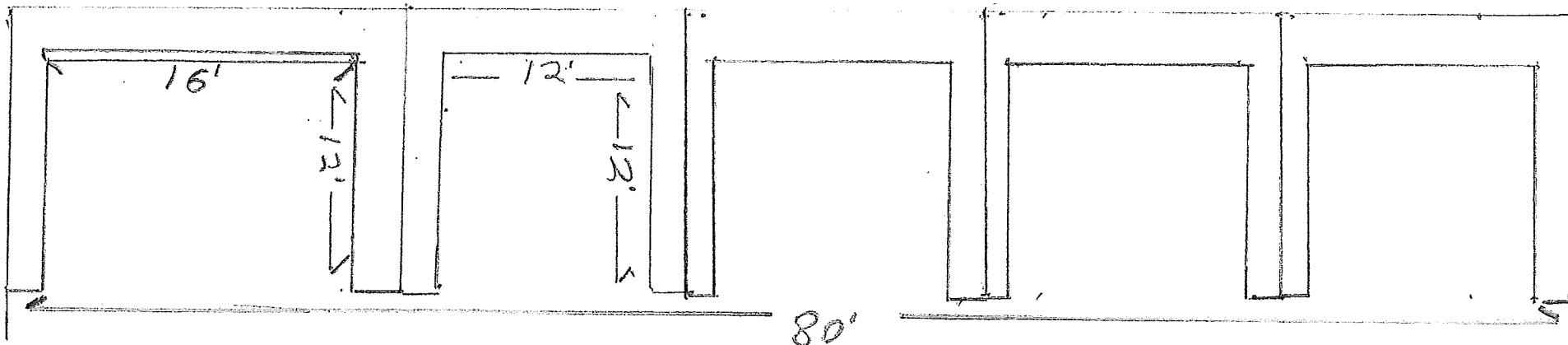
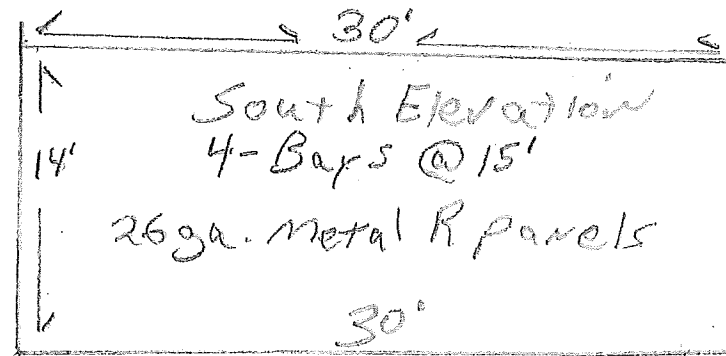
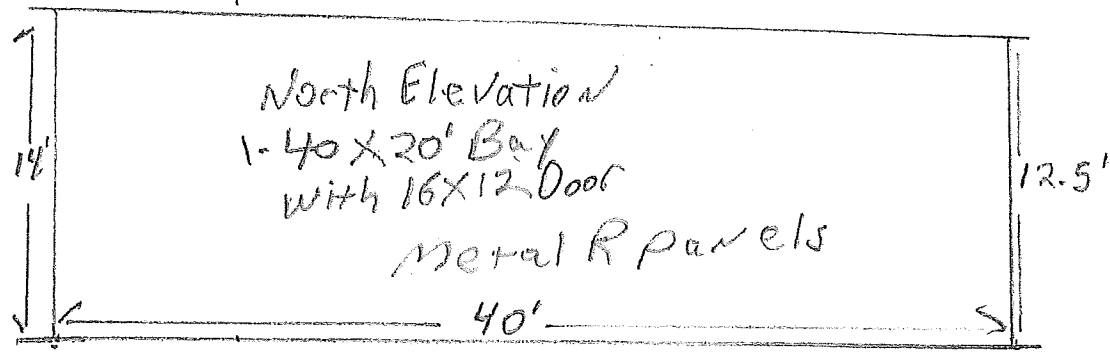
One

Crossin &
Arman, Texas
S, P.R.O.C.F.

Proposed New Building



Rear elevation behind
wood fence to be metal R
panels

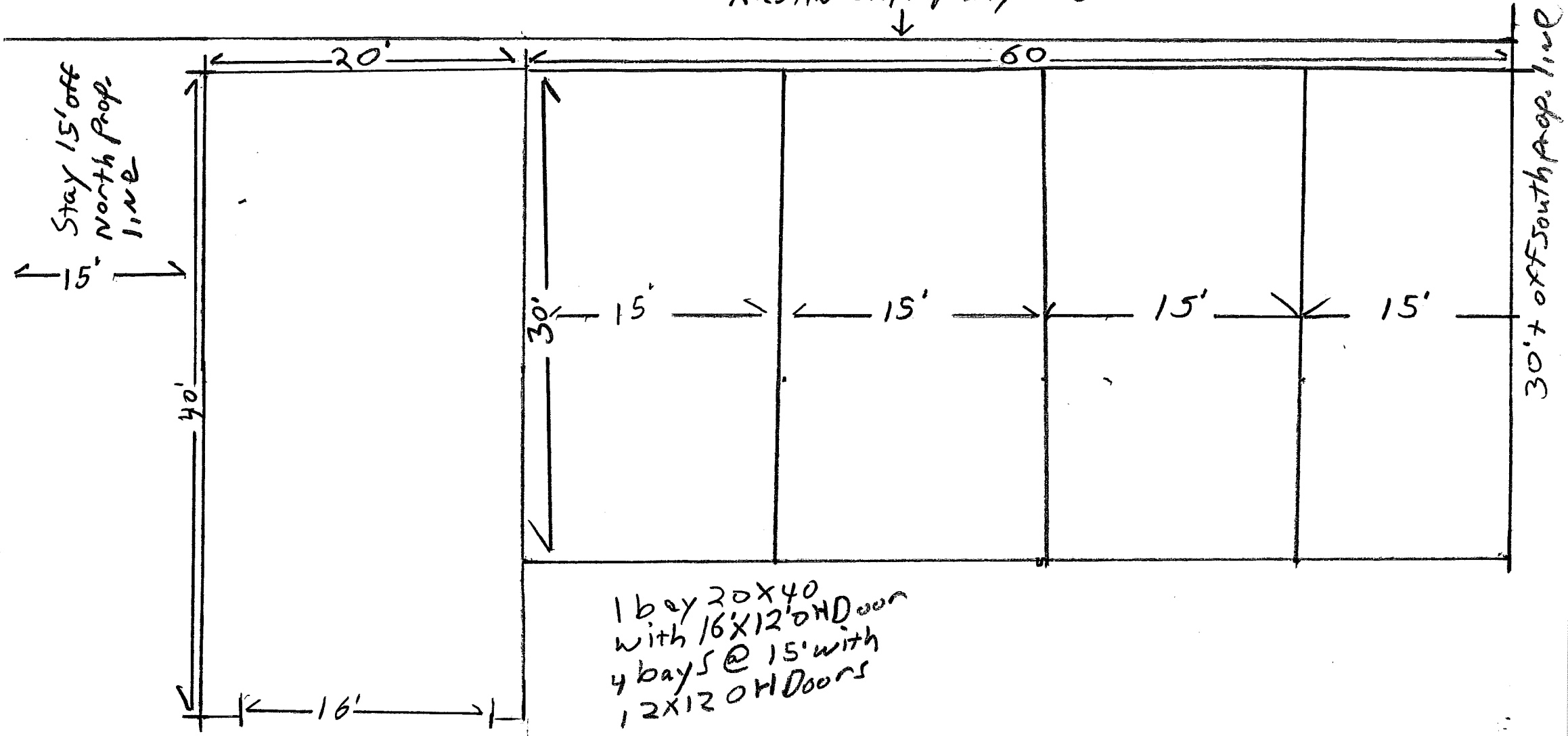


West Elevation Metal R
panels with 1-16' X 12' & 4-12' X 12' Doors
Facing So. San Rayburn Freeway

Austin Street

2 ←

Existing Wood Fence 25' off
Austin St. Property line
↓





CUSTOMERS
DUE TO INSURANCE & OSHA
REGULATIONS, PLEASE DO NOT
ENTER OUR WORK AREA UNLESS
YOU ARE ACCOMPANIED BY
OUR SERVICE ADVISOR.
THANK YOU FOR YOUR COOPERATION.

STAFF REVIEW LETTER

March 12, 2019

Sherman Collision Repair
Kelly Baker
1317 S. Sam Rayburn Frwy.
Sherman, TX 75090

Terry Moore
85515 N. S.H. 289
Pottsboro, TX 75076

Dear Applicants,

The request for exceptions to allow a metal building in lieu of required masonry, to allow overhead doors facing the highway and an amended Specific Use Permit and site plan approval for an automobile body repair shop for Sherman Collision Repair in a C-2 (General Commercial) District/O-1.2 (Sam Rayburn Overlay) District for the property located at 1317 South Sam Rayburn Freeway has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, March 19, 2019 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the C-2 (General Commercial) District, the O-1.2 (Sam Rayburn Overlay) District, the sign ordinance, the fence ordinance and the Commercial Tree and Landscaping Ordinance must be followed.
2. A minimum 6' screening shall be provided and maintained abutting any residentially zoned property.
3. Every site adjacent to the highway right-of-way shall include a buffer strip, landscaped and irrigated, being ten (10) feet in depth adjacent to the highway right of way.
4. Wall finishes shall be masonry, masonry veneer, or concrete siding unless an exception is approved.
5. Fire lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
6. Parking and service driveways are permitted on paved surfaces only (concrete or asphalt).
7. A parking space is considered to be 9' x 20'.
8. All parking shall be on private property and shall not encroach onto Sam Rayburn Freeway, Austin Street or Hester Street right-of-way.
9. No outside parking or storage of dismantled, junk or inoperable vehicles, wrecks, tires or parts are allowed.
10. Shall comply with all EPA, City, Federal and State regulations for this use.
11. Violations of the conditions of the SUP will terminate the Specific Use Permit.
12. Review the zoning and development ordinance for additional requirements.
13. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

14. No business or employee parking will be permitted along Austin Street.

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

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

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

Respectfully,

A handwritten signature in black ink, appearing to read "Scott Shadden", written in a cursive style.

Scott Shadden

Secretary, Planning and Zoning Board and Board of Adjustment

CC: Robby Hefton, City Manager
Mark Gibson, Director of Utilities
Clint Philpott, P.E., Director of Engineering
Amber Doan, Engineering Coordinator

Billy Hartsfield, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager



Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 7.

Meeting Date: 03/19/2019

Prepared by: Patsy Reeves, Developmental Services Coordinator
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

Requested Action/Proposed Use:

1317 SOUTH SAM RAYBURN FREEWAY

The request of Sherman Collision Repair, LLC (Owner) and Terry Moore (Representative) concerning the property located at 1317 South Sam Rayburn Freeway, being Lot 1 of the SCR 1 Addition, being a Replat of a part of Lot 8, Block 23 and a part of Lot 4, Block 24 and part of the former Hester Street Right-of-way between Blocks 23 & 24, B.H. Moore Heirs Addition, as follows:

Board of Adjustments

- Exception under Ordinance No. 2280, Section 6.8.2 Subsection (4)(b) to allow a metal building in lieu of required masonry in a C-2 (General Commercial) District/O-1.2 (Sam Rayburn Overlay) District.
- Exception under Ordinance No. 2280, Section 6.8.2 Subsection (5)(c) to allow overhead doors facing the highway in a C-2 (General Commercial) District/O-1.2 (Sam Rayburn Overlay) District.

Planning and Zoning Commission

Amending the Specific Use Permit and site plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow an Automobile Body Repair Shop for Sherman Collision Repair in a C-2 (General Commercial) District/O-1.2 (Sam Rayburn Overlay) District.

Background:

The property is located at 1317 South Sam Rayburn Freeway between Dulin and Hester Streets, Sherman Collision Repair is the tenant. The property is zoned a C-2 (General Commercial) District and it is also located in the Sam Rayburn Overlay District. A Specific Use Permit to allow automobile sales and repair was approved by the City Council in 2007. An exception to allow a metal exterior facade with a 2' side yard setback in lieu of the required 5' and a 4' rear setback in lieu of the required 15' for additions to existing buildings was approved by the Planning and Zoning Commission August 20, 2013.

Sherman Collision would like to construct a 3,600 square foot metal building with five bays facing Sam Rayburn Freeway.

Adjacent Zoning:

R-1 (One Family Residential) District

C-2 (General Commercial) District

Origination:

Sherman Collison Repair, LLC (Owner)

Terry Moore (Representative)

Master Plan Designation:

Auto Urban Commercial – Require more land for parking than building floor area. Automobiles and parking are the most prominent features. Parking lots reduce building density and prevent any possibility of creating an enclosed space.

and

Auto-Urban Single Family Residential – This character type is the single-family residential category with the greatest density and the shortest building setbacks. Most driveways will face the street as well as the garage. Sidewalks are available for pedestrians. Less lot area is devoted to open space and greenery.

Number of notices mailed:

17

Objections Received:

1

Attachments

Location Map

Zoning Map

Zoning Sign Photo

Plat

Site Plan

Building Elevations

Staff Review Letter

Letter from Danny Hutchins

March 1, 2019

Danny Hutchins
474 Hog Skin Rd.
Sherman, TX 75090

RECEIVED

MAR 7 2018

The Planning and Zoning Commission of the City of Sherman will hold a public hearing on the day of Tuesday, March 19, 2019 at 5:00 P.M. in the City Council Chambers, at 220 W. Mulberry, to hear the request of:

Sherman Collison Repair, LLC (Owner) and Terry Moore (Representative) concerning the property located at 1317 South Sam Rayburn Freeway, being Lot 1 of the SCR 1 Addition, being a Replat of a part of Lot 8, Block 23 and a part of Lot 4, Block 24 and that part of the former Hester Street Right-of-way between Blocks 23 & 24, B.H. Moore Heirs Addition

The request is as follows:

Board of Adjustments

- Exception under Ordinance No. 2280, Section 6.8.2 Subsection (4)(b) to allow a metal building in lieu of required masonry in a C-2 (General Commercial) District/O-1.2 (Sam Rayburn Overlay) District.
- Exception under Ordinance No. 2280, Section 6.8.2 Subsection (5)(c) to allow overhead doors facing the highway in a C-2 (General Commercial) District/O-1.2 (Sam Rayburn Overlay) District.

Planning and Zoning Commission

Amending the Specific Use Permit and site plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow an Automobile Body Repair Shop for Sherman Collison Repair in a C-2 (General Commercial) District/O-1.2 (Sam Rayburn Overlay) District.

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

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


Secretary, Planning & Zoning Board

I oppose to any changes to Ordinances in effect at this time. I feel no exceptions should be granted to Sherman Collison Repair, LLC. If you have any questions, you may call.

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



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.7.

Meeting Date: 04/15/2019

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6205

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow New and Used Compact and Construction Equipment Sales, Parts, Rentals, and Service with Displays in a C-2 (General Commercial) District at 4612 Texoma Parkway, being 2.698 acres in the W. F. Patterson Survey, Abstract No. 969 and the John Hendrix Survey, Abstract No. 503 (MLJ Real Estate, LP, Owners; Randy Vickers, Berry Companies, Inc., Prospective Buyer; and Cox Land Surveying, Surveyor); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00

Issue:

To consider the request of MLJ Real Estate LP (Owners), Randy Vickers, Berry Companies, Inc. (Prospective Buyer), and Cox Land Surveying (Surveyor) concerning the property located at 4612 Texoma Parkway, being 2.698 acres in the W. F. Patterson Survey, Abstract No. 969 and the John Hendrix Survey, Abstract No. 503, for a Specific Use Permit to allow new and used compact and construction equipment sales, parts, rentals, and service with displays in a C-2 (General Commercial) District

Background:

The property is located at 4612 Texoma Parkway between Frisco Road and Fallon Drive; Haverty's Furniture was the former tenant. The property is zoned a C-2 (General Commercial) District. Bobcat would like to open a new and used equipment sales, parts, rentals and service with displays at this location.

Bobcat is a full service Bobcat Dealership in Texas offering new and used compact and construction equipment sales, rentals, parts, and service. They have several locations in North Texas including Cedar Hill, Lewisville, McKinney, Bobcat of Fort Worth, and Bobcat of Longview. They are part of a larger group of over 25 dealerships owned by Berry Companies, Inc. and located throughout the Midwest. They carry a full line of Bobcat Compact Equipment including Skid-Steer Loaders, Compact Track Loaders, Mini Excavators, Utility Vehicles, and attachments. They carry Multiquip light construction equipment, concrete equipment and supplies, and concrete products. They also offer rentals, parts, and service in support of the products they handle.

Origination:

MLJ Real Estate, LP (Owners)
Randy Vickers, Berry Companies, Inc. (Prospective Buyer)
Cox Land Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the March 19, 2019 regular meeting, the Planning and Zoning Board voted 6/0 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6205
Location Map
Zoning Map
Zoning Sign Photo
Site Plan
Building Elevations
Similar Location
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6205

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 NEW AND USED COMPACT AND CONSTRUCTION EQUIPMENT SALES, PARTS, RENTALS, AND SERVICE WITH DISPLAYS IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 4612 TEXOMA PARKWAY, BEING 2.698 ACRES IN THE W. F. PATTERSON SURVEY, ABSTRACT NO. 969 AND THE JOHN HENDRIX SURVEY, ABSTRACT NO. 503 (MLJ REAL ESTATE, LP, OWNERS; RANDY VICKERS, BERRY COMPANIES, INC., PROSPECTIVE BUYER; AND COX LAND SURVEYING, SURVEYOR); 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; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

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

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

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

SECTION 1. That, from and after the passage of this ordinance, MLJ Real Estate. LP (Owners), Randy Vickers, Berry Companies, Inc. (Prospective Buyer), and Cox Land Surveying (Surveyor) concerning the property located at 4612 Texoma Parkway and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

ALL that certain tract or parcel of land situated in the W.F. Patterson Survey, Abstract Number 969, and in the John Hendrix Survey, Abstract Number 503, County of Grayson, State of Texas, said tract being all of a tract as described in Deed to Haverty Furniture Company, Inc., filed January 31, 1997, and recorded in

Volume 2320, Page 699 of said Deed Records of the County of Grayson, State of Texas, and being more fully described as follow:

BEGINNING for the southeast corner of the tract being described for a found pipe, said pipe being the southeast corner of said Haverty tract, and being the northeast corner of a tract as described in deed to Robert J. Tate, filed April 27, 2017, and recorded in Volume 5988, Page 879 of said Deed Records, said pipe also being on the west right-of-way line of Texoma Parkway;

THENCE North 89 degrees 17 minutes 00 seconds West, and passing a found ½ inch steel rebar being the northwest corner of said Tate tract, and the northeast corner of a tract as described in deed to S&M Interest, LLC filed January 19, 2005, and recorded in Volume 3796, Page 897 of said Deed Records and continuing on said course for a distance of 479.81 feet to a set ½ steel square tubing for the southwest corner of said Haverty tract;

THENCE North 02 degrees 24 minutes 00 seconds East, with the west line of said Haverty tract, a distance of 218.93 feet to a set ½ inch steel square tubing for the northwest corner of said Haverty tract;

THENCE South 89 degrees 16 minutes 58 seconds East, with the north line of said Haverty tract, a distance of 594.26 feet to a set ½ inch steel square tubing for the northeast corner of said Haverty tract, and being on the west ROW line of said Texoma Parkway;

THENCE South 29 degrees 38 minutes 00 seconds West, with the east line of said Haverty tract, and the west ROW line of said Texoma Parkway, a distance of 250.00 feet to the **POINT OF BEGINNING and containing 2.698 acres of land.....**

SECTION 2. That this specific use permit is granted on the following conditions:

Zoning:

1. All aspects of the C-2 (General Commercial) District, the sign ordinance, the fence ordinance and the Commercial Tree and Landscaping Ordinance must be followed.
2. No outside parking or storage of dismantled, junk or inoperable vehicles, equipment, wrecks, tires or parts is allowed.
3. Parking of vehicles, equipment or signage is not allowed in the right-of-way.
4. Fire lanes and codes shall be coordinated with the Fire Marshal, (903.892.7267).
5. All parking shall be on private property and shall not encroach into Texoma Parkway or Frisco Road right-of-way.
6. Parking and service driveways are permitted on paved surfaces only; concrete or asphalt.
7. A parking space is considered to be 9'x20'.
8. Shall comply with all EPA, City, Federal and State regulations for this use.
9. Violations of the conditions of the SUP will terminate the Specific Use Permit.

10. Review the zoning and development ordinance for additional requirements.
11. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

12. New drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from the City of Sherman Engineering Department.
13. Parking will be permitted on improved surfaces only.

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

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

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

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

INTRODUCED on this the _____ day of _____, 2019.

ADOPTED on this the _____ day of _____, 2019.

EFFECTIVE DATE on this the _____ day of _____, 2019.

CITY OF SHERMAN, TEXAS

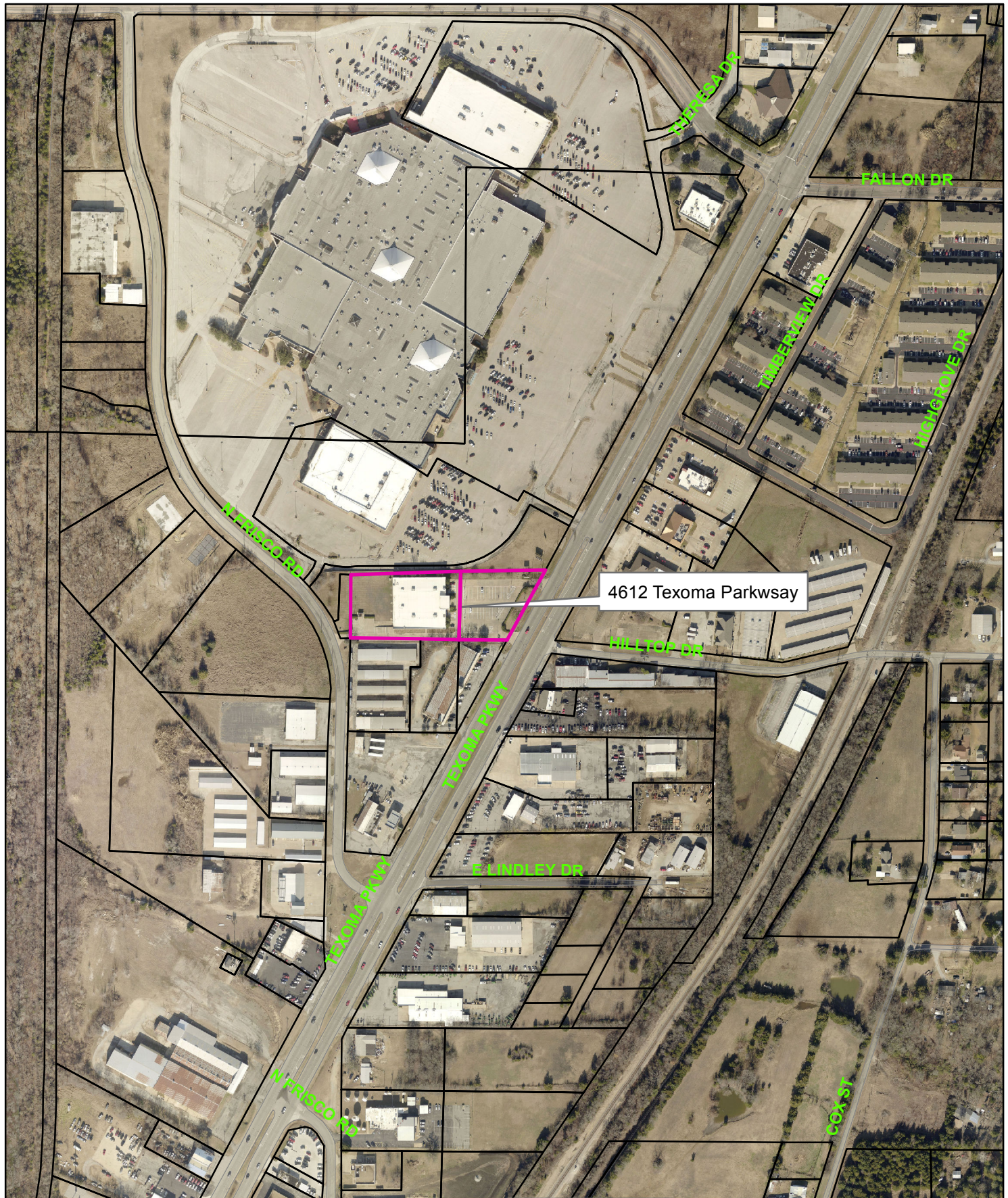
ATTEST:

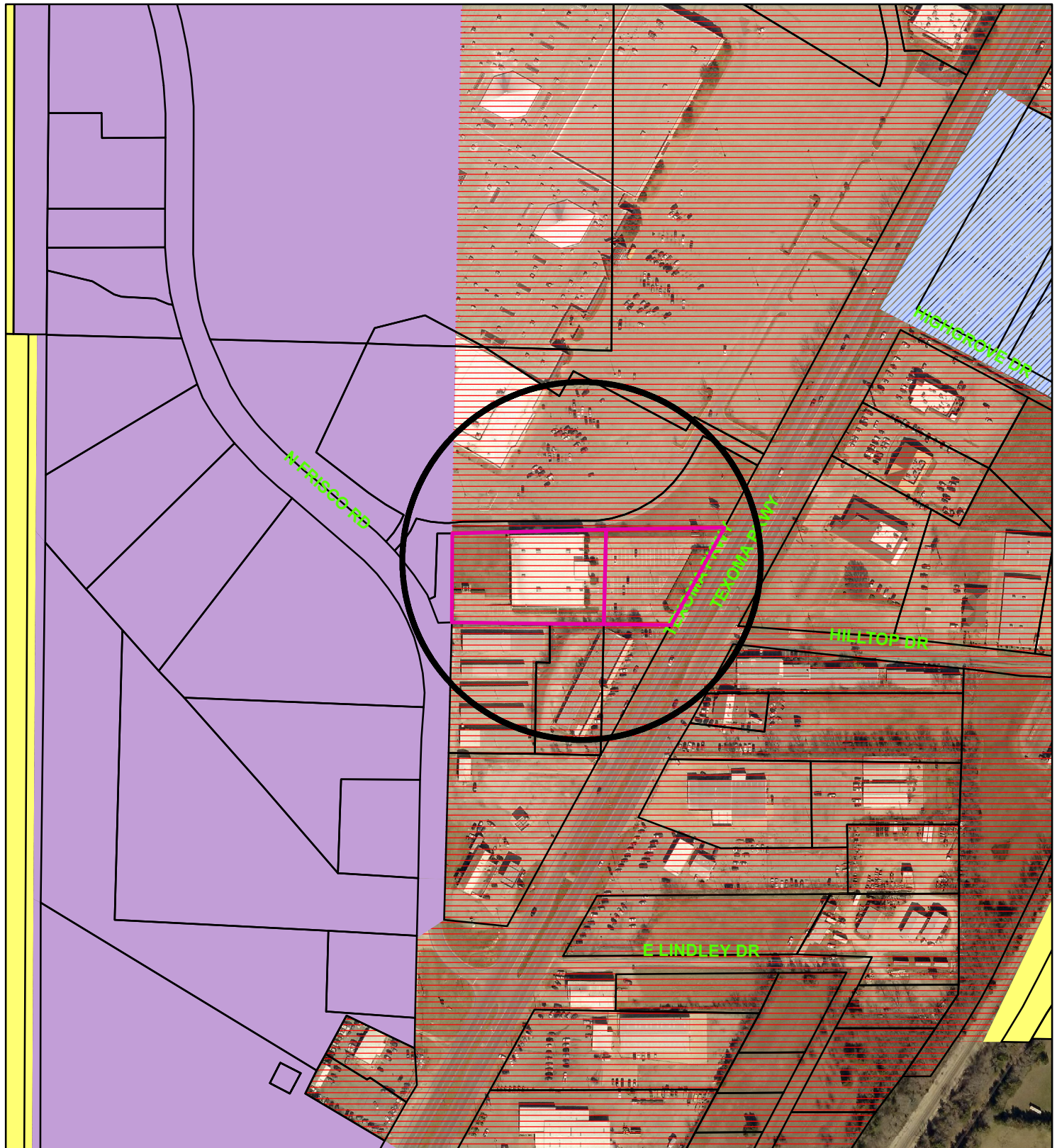
BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

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





Zoning - 4612 Texoma Parkway

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District

- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing District
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District



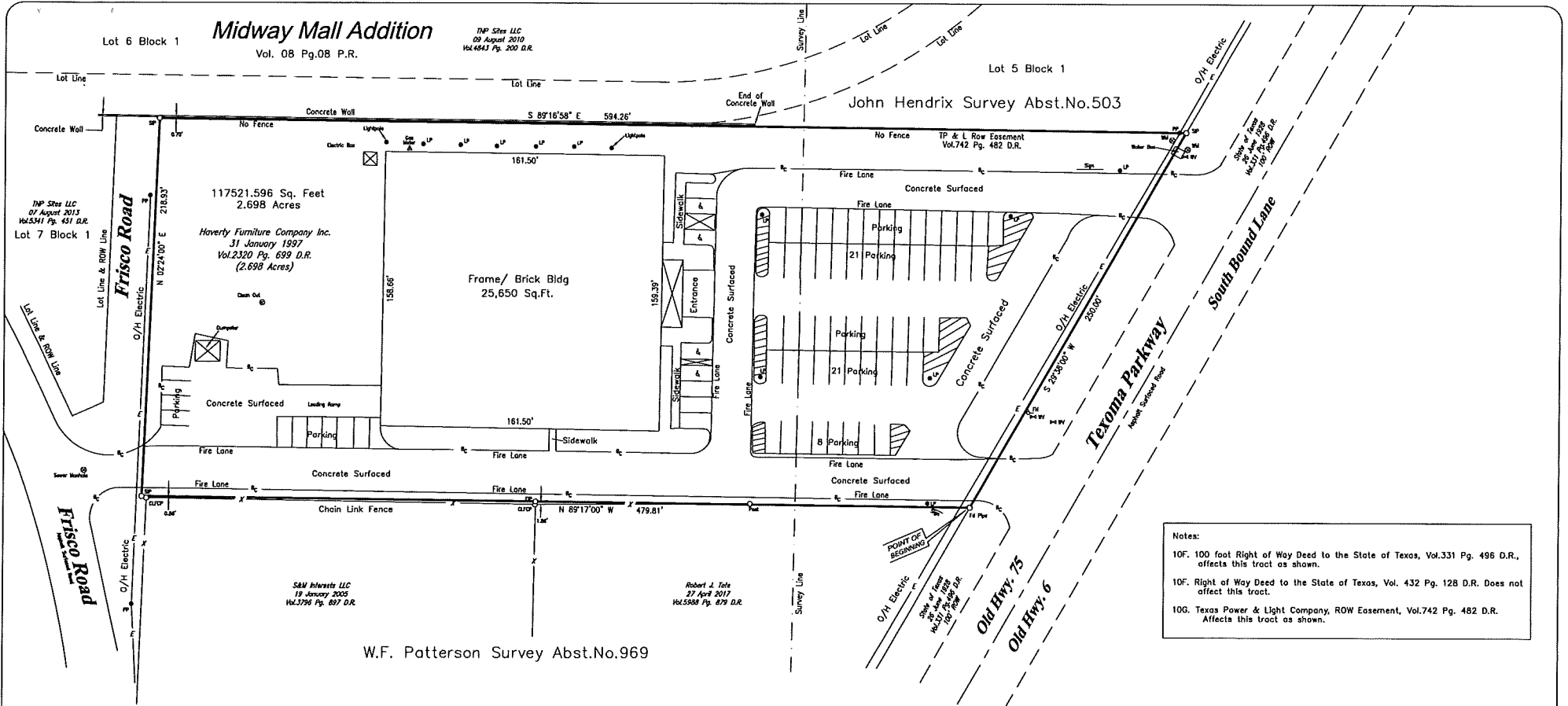
NOT TO SCALE

1 in = 300 ft



4612 Texoma Parkway





**** PROPERTY DESCRIPTION ****

All that certain tract or parcel of land situated in the W. F. Patterson Survey, Abstract Number 969, and in the John Hendrix Survey, Abstract Number 503, County of Grayson, State of Texas, said tract being all of a tract as described in Deed to Haverty Furniture Company INC, filed 31 January 1997, and Recorded in Volume 2320 Page 699 of said Deed Records of the County of Grayson, State of Texas, and being more fully described as follows:

Beginning for the southeast corner of the tract being described for a found Pipe, said pipe being the southeast corner of said Haverty tract, and being the northeast corner of a tract as described in deed to Robert J. Tate, filed 27 April 2017, and Recorded in Volume 5988 Page 879 of said Deed Records, said pipe also being on the west Right of Way line of Texoma Parkway;

Thence: North 89 degrees 17 minutes 00 seconds West, and passing a found 1/2 inch Steel Rebar being the northwest corner of said Tate tract, and the northeast corner of a tract as described in deed to S & M Interests LLC, filed 19 January 2005, and Recorded in Volume 3796 Page 897 of said Deed Records and continuing on said course for a distance of 479.81 to a set 1/2 inch Steel Square Tubing for the southwest corner of said Haverty tract;

Thence: North 02 degrees 24 minutes 00 seconds East, with the west line of said Haverty tract, a distance of 218.93 feet to a set 1/2 inch Steel Square Tubing for the northwest corner of said Haverty tract;

Thence: South 89 degrees 16 minutes 58 seconds East, with the north line of said Haverty tract, a distance of 594.26 feet to a set 1/2 inch Steel Square Tubing for the northeast corner of said Haverty tract, and being on the west ROW line of said Texoma Parkway;

Thence: South 29 degrees 38 minutes 00 seconds West, with the east line of said Haverty tract, and the west ROW line of said Texoma Parkway, a distance of 250.00 feet to the POINT OF BEGINNING and containing 2.698 acres of land.

The undersigned does hereby State to MLJ Real Estate, LP that a survey was made on the ground, dated 11 April 2018, on the property legally described hereon or in attached field notes and is correct; except as shown on the plat hereon, there are no visible discrepancies, conflicts, shortages in area, boundary line conflicts, overlapping of improvements, easements or right-of-ways, or of which I have been informed; that the quantity of land therein has been accurately calculated, that said property has access to and from a public roadway; and, that the plat hereon is a true, correct and accurate representation of the property described hereinabove.

This Plat and Description was prepared for the exclusive use of the person or persons named in the above statements. Said statement does not extend to any unnamed person without an express restating by the surveyor naming said person, This survey was prepared for the transaction as dated hereon, this Plat or Map is the Property of Cox Land Surveying Corp., and IS NOT to be used in any other Transactions, and the COPY RIGHTS ARE RESERVED.

20 April 2018

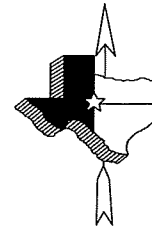


Don K. Cox, Texas Registered Professional Land Surveyor Number 4577

FLOOD STATEMENT:

I have examined the Department of Housing and Urban Development, Federal Flood Hazard Boundary Map for the County of Grayson, State of Texas, community Panel Number 48181C effective date of 29 September 2010, and that map indicates that this property is Not within Zone "A" (special flood hazard area) as shown on Panel Number 0290F of said map.

This flood statement does not imply that the property and/or the structures thereon will be free from flooding or flood damage on rare occasions. Greater floods can and will occur and flood heights may be increased by man made or natural causes. This flood statement shall not create liability on the part of the surveyor.



SCALE: 1"= 40'

- Notes:**
1. There May Or May Not Be Pipe Lines On This Property.
 2. Adjoining tract data is for informational purposes only and does not represent a complete survey of those lands.
 3. This Survey May or May Not Comply With City, County or State Planning Regulations.
 4. The Client or Client's representatives will have 45 days from the date the survey was issued to change any mispellings or any errors on the survey report, after this time has expired all parties involved must accept the survey as issued.



COX LAND SURVEYING CO.

P.O. BOX 597 108 N. MAIN ST. COLLINSVILLE, TEXAS 76233
COLLINSVILLE 903-429-6125 FAX 903-429-6971 E-mail: CLSC108@aol.com
Gainesville 940-612-LAND Denton 940-381-5070 McKinney 469-952-5070

4612 Texoma Parkway
2.698 Acres in the
W.F. Patterson Survey Abst.No.969
John Hendrix Survey Abst.No.503

City of Sherman
County of Grayson
State of Texas

Drawn by: DKC
Check by: DKC

Job No.
18-12147
Firm # 10005500

Date: 23 April 2018

• • Basis of Bearing • •
Course along the south line
Haverty Furniture Company Deed
Vol. 2320 Pg. 699 D.R.

LEGEND

S/R = Set 3/4" Rod
F/R = Found Rebar
SIP = Set 1/2" Sq. Tubing
FSR = Set 1/2" Sq. Tubing
F/R = Found Rebar
ROW = Right-of-Way
X = Fence Line
C = Dead Cais
E = Electric Line
T = Telephone Line
TV = TV Cables
G = Gas Meter
PP = Power Pole
WM = Water Meter
AC = Air Cond.
BL = Building Line
UGT = Underground
FOP = Fence Corner Post
UE = Utility Easement
BC = Back of Curb











STAFF REVIEW LETTER

March 12, 2019

MLJ Real Estate LP
PO Box 707
Whitesboro, TX 76273

Cox Land Surveying Co.
PO Box 597
Collinsville, TX 76233

Randy Vickers
3223 N. Hydraulic
Wichita, KS 67215

Dear Applicants,

The request for Specific Use Permit and site plan approval to allow new and used compact and construction equipment sales, parts, rentals, and service with displays in a C-2 (General Commercial) District for the property located at 4612 Texoma Parkway has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, March 19, 2019 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the C-2 (General Commercial) District, the sign ordinance, the fence ordinance and the Commercial Tree and Landscaping Ordinance must be followed.
2. No outside parking or storage of dismantled, junk or inoperable vehicles, equipment, wrecks, tires or parts is allowed.
3. Parking of vehicles, equipment or signage is not allowed in the right-of-way.
4. Fire lanes and codes shall be coordinated with the Fire Marshal, (903.892.7267).
5. All parking shall be on private property and shall not encroach into Texoma Parkway or Frisco Road right-of-way.
6. Parking and service driveways are permitted on paved surfaces only; concrete or asphalt.
7. A parking space is considered to be 9'x20'.
8. Shall comply with all EPA, City, Federal and State regulations for this use.
9. Violations of the conditions of the SUP will terminate the Specific Use Permit.
10. Review the zoning and development ordinance for additional requirements.
11. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

12. New drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from the City of Sherman Engineering Department.
13. Parking will be permitted on improved surfaces only.

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

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

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

Respectfully

A handwritten signature in black ink, appearing to read "Scott Shadden", written in a cursive style.

Scott Shadden

Secretary, Planning and Zoning Board and Board of Adjustment

CC: Robby Hefton, City Manager
Mark Gibson, Director of Utilities
Clint Philpott, P.E., Director of Engineering
Amber Doan, Engineering Coordinator

Billy Hartsfield, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager



**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 10.

Meeting Date: 03/19/2019

Prepared by: Patsy Reeves, Developmental Services Coordinator
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

Requested Action/Proposed Use:

4612 TEXOMA PARKWAY

The request of MLJ Real Estate LP (Owners), Randy Vickers, Berry Companies, Inc. (Prospective Buyer) and Cox Land Surveying (Surveyor) concerning the property located at 4612 Texoma Parkway, being 2.698 acres in the W. F. Patterson Survey, Abstract No. 969 and the John Hendrix Survey, Abstract No. 503, as follows;

Planning and Zoning Commission

Specific Use Permit and site plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow new and used compact and construction equipment sales, parts, rentals, and service with displays in a C-2 (General Commercial) District.

Background:

The property is located at 4612 Texoma Parkway between Frisco Road and Fallon Drive; Haverty's Furniture was the former tenant. The property is zoned a C-2 (General Commercial) District. A Specific Use Permit to allow new and pre-owned motorcycle/ATV/UTV sales, parts and accessories sales, service and repairs was approved September 17, 2018.

Bobcat would like to open a new and used equipment sales, parts, rentals and service with displays at this location. Bobcat is a full service Bobcat Dealership in Texas offering new and used compact and construction equipment sales, rentals, parts, and service. They have several locations in North Texas including Cedar Hill, Lewisville, McKinney, Bobcat of Fort Worth, and Bobcat of Longview. They are part of a larger group of over 25 dealerships owned by Berry Companies, Inc. and located throughout the Midwest. They carry a full line of Bobcat Compact Equipment including Skid-Steer Loaders, Compact Track Loaders, Mini Excavators, Utility Vehicles, and attachments. They carry Multiquip light construction equipment, concrete equipment and supplies, and concrete products. They also offer rentals, parts, and service in support of the products they handle.

Adjacent Zoning:

C-2 (General Commercial) District

M-1 (Light Manufacturing) District

Origination:

MLJ Real Estate LP (Owners)
Randy Vickers, Berry Companies, Inc. (Prospective Buyer)
Cox Land Surveying (Surveyor)

Master Plan Designation:

Auto Urban Commercial – Require more land for parking than building floor area. Automobiles and parking are the most prominent features. Parking lots reduce building density and prevent any possibility of creating an enclosed space.

Number of notices mailed:

7

Objections Received:

0

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Site Plan
Building Elevations
Similar Location in McKinney
Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.8.

Meeting Date: 04/15/2019

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers: 6200, 6201, 6202, 6203, 6204 and 6205

Issue:

B. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6200

Authorizing the Issuance of "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2019"; Specifying the Terms and Features of Said Certificates; Providing for the Payment of Said Certificates of Obligation by the Levy of an Ad Valorem Tax Upon All Taxable Property within the City and a Limited Pledge of the Net Revenues from the Operation of the City's Waterworks and Sewer System; Resolving Other Matters Incident and Relating to the Issuance, Payment, Security, Sale and Delivery of Said Certificates, Including the Approval and Execution of a Paying Agent/Registrar Agreement and the Approval and Distribution of an Official Statement; and Providing an Effective Date

B. 3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6201

Relating to Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project); Approving the Issuance Thereof, the Refunding of Certain Outstanding Bonds of the Authority and the Facilities to be Constructed or Acquired by the Authority for the Benefit of the City

B. 4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6202

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-2 (Multi-Family Residential) District at 5217 North Travis Street, being 6.635 acres in the Alexander & Richards Survey, Abstract No. 42 (Ryan Family Trust, Owners; Brandon Miller, Prospective Buyer)

B. 5. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6203

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District at 205 and 215 East Brockett Street, being all of Lot 3 and part of Lots 4, 5 and 6, Block 4, Bond's Supplement Number Two, containing 0.392 acres in the J.B. McAnair Survey, Abstract No. 763 (Mae Lou Wright, Owner; Ralph and Rosalind Holt, Representatives; and Preston Trail Land Surveying, Surveyor)

B. 6. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6204

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant an Amendment to the Specific Use Permit to Allow an Automobile Body Repair Shop for Sherman Collision Repair in a C-2 (General Commercial) District/O-1.2 (Sam Rayburn Overlay) District at 1317 South Sam Rayburn Freeway, being Lot 1 of the SCR 1 Addition, being a Replat of a part of Lot 8, Block 23 and a part of Lot 4, Block 24 and part of the former Hester Street Right-of-Way between Blocks 23 and 24, B.H. Moore Heirs Addition (Sherman Collision Repair, LLC, Owners; and Terry Moore, Representative); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00

B. 7. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6205

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow New and Used Compact and Construction Equipment Sales, Parts, Rentals, and Service with Displays in a C-2 (General Commercial) District at 4612 Texoma Parkway, being 2.698 acres in the W. F. Patterson Survey, Abstract No. 969 and the John Hendrix Survey, Abstract No. 503 (MLJ Real Estate, LP, Owners; Randy Vickers, Berry Companies, Inc., Prospective Buyer; and Cox Land Surveying, Surveyor); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

B.9.

Meeting Date: 04/15/2019

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:

C. 2. * RESOLUTION NO. 6475

Abandoning a Portion of Two (2) Twenty Foot (20') Sanitary Sewer Easements located in Lot 4 of the MBG Sherman Addition, Document No. 2018-51, Official Public Records, Grayson County, Texas, and being more particularly described on the Exhibit "A" attached hereto and made a part hereof for all purposes, which Sanitary Sewer Easements are recorded in Volume 860, Page 407 of the Deed Records and in Volume 1623, Page 302 of the Real Property Records of Grayson County, Texas

C. 3. * RESOLUTION NO. 6476

Authorizing Execution of an Encroachment Easement to M&G Home Builders, LLC for the Installation of a Private Sanitary Sewer Service Lateral Line within the Platted Right of Way running North and South along North Branch Street in the J.Q.A. Carter's Addition for Sanitary Sewer Services at 1104 North Branch Street in the City of Sherman, Texas

C. 4. * RESOLUTION NO. 6477

Declaring the City of Sherman's Eligibility and Intention to Participate in a Residential Tax Abatement Program to Promote Development/Redevelopment in Certain Areas of the City; Establishing Guidelines and Criteria

D. 1. * REQUEST TO ADVERTISE

Community Development Software

E. 2. * OTHER BUSINESS

Repair and Rework the Dorchester 8 Trinity Well under an Emergency Designation

E. 3. * OTHER BUSINESS

Consider Request of True Options Pregnancy Center to Temporarily Close Certain Streets for the Fourth Annual "Turkey Trot 5K & Fun Run" on Saturday, November 23, 2019

E. 4. * OTHER BUSINESS

Final Plat Approval of Maverick Addition, Phase Two, being 0.341 acres in the J.B. McAnair Survey, Abstract No. 763; MJLM Holdings, LLC, Owner; and Helvey-Wagner Surveying, Inc., Surveyor (1300 North Broughton Street)

E. 5. * OTHER BUSINESS

Replat Approval of Lot 1 of the Amended Plat of Haliburton Addition, being 9.524 acres in the Elizabeth Jones Survey, Abstract No. 625; East Sherman Baptist Church, Owners; Bluestone Partners, Developer/Representative; and Underwood Drafting and Surveying, Inc., Surveyor [2122 South F.M. 1417 (Heritage Parkway)]

E. 6. * OTHER BUSINESS

Replat Approval of Midway Industrial Park Addition, Lots 2R, 6 and 7, Block 1, a Replat of Lot 2, Block 1, Midway Industrial Park Addition, being all of Lot 2, Block 1, Midway Industrial Park Addition and a portion of Midway Drive, containing 70.76 acres in the J.B. Shannon Survey, Abstract No. 1085; Datavault Joint Venture, Owners; Holtman Designworks, Developer; and Eagle Surveying, LLC, Surveyor (2900 block of Fallon Drive)

E. 7. * OTHER BUSINESS

Approve Quarterly Investment Report for Quarter Ended March 31, 2019



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C.1.

Meeting Date: 04/15/2019

Prepared By: Brandon Shelby, City Attorney

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6474

Finding that Oncor Electric Delivery Company LLC's ("Oncor" or "Company") Application for Approval to Amend Its Distribution Cost Recovery Factor Pursuant to 16 TEX. ADMIN. CODE § 25.243 to Increase Distribution Rates within the City Should Be Denied; Finding that the City's Reasonable Rate Case Expenses Shall Be Reimbursed by the Company; Requiring Notice of this Resolution to the Company and Legal Counsel

Issue:

Denial of the filing by Oncor Electric Delivery Company of an application to change rates within the City of Sherman, Texas

Background:

On April 8, 2019, Oncor Electric Delivery Company LLC ("Oncor" or "the Company") filed an Application for Approval to Amend its Distribution Cost Recovery Factor ("DCRF") in Public Utility Commission of Texas ("PUC") Docket No. 49427. In the filing, the Company is seeking an increase in distribution revenues of \$29,433,804. This is Oncor's second DCRF filing under a law adopted in 2011 allowing electric utilities to file limited issue, limited review cases.

The Steering Committee of Cities Served by Oncor ("OCSC") has engaged the services of a consultant to review the Company's filing and identify adjustments that should be made to the Company's request. Legal Counsel for OCSC is recommending that cities retaining original jurisdiction deny the requested relief. The PUC's rules allow cities 60 days to act on this application, subsequently, the City must take action no later than June 7, 2019.

Origination:

Thomas Brocato and Jamie L. Mauldin
Lloyd Gosselink Blevins Rochelle & Townsend, P.C.,
Legal Counsel to the Steering Committee of Cities Served by Oncor

Financial Consideration:

If the Company's application is approved, the City's residential customers would see an 0.25% increase in rates, or a monthly bill increase of approximately \$0.34.

The City's reasonable rate case expenses will be reimbursed by Oncor.

Staff Recommendation:

It is the staff's recommendation that the City Council approve Resolution No. 6474, as recommended by the Steering Committee's legal counsel.

Alternatives:

No alternatives are recommended.

Attachments

Resolution No. 6474

Staff Report regarding Oncor's DCRF Filing

Steering Committee Cities Served by Oncor

RESOLUTION NO. 6474

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S ("ONCOR" OR "COMPANY") APPLICATION FOR APPROVAL TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR PURSUANT TO 16 TEX. ADMIN. CODE § 25.243 TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL; 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, Texas ("City") is an electric utility customer of Oncor Electric Delivery Company LLC ("Oncor" or "Company"), and a regulatory authority with an interest in the rates and charges of Oncor; and

WHEREAS, the City is a member of the Steering Committee of Cities Served by Oncor ("OCSC" or "Cities"), a membership of similarly situated cities served by Oncor that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in Oncor's service area; and

WHEREAS, on or about April 8, 2019, Oncor filed with the City an Application for Approval to Amend its Distribution Cost Recovery Factor ("DCRF"), PUC Docket No. 49427, seeking to increase electric distribution rates by approximately \$29,433,804; and

WHEREAS, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if it is granted; and

WHEREAS, the OCSC is coordinating its review of Oncor's DCRF filing with designated attorneys and consultants to resolve issues in the Company's filing; and

WHEREAS, OCSC members and attorneys recommend that members deny the DCRF;

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

SECTION 1. That the City of Sherman is authorized to participate with the OCSC in PUC Docket No. 49427.

SECTION 2. That subject to the right to terminate employment at any time, the City of Sherman hereby authorizes the hiring of the law firm of Lloyd Gosselink Rochelle & Townsend, P.C. and consultants to negotiate with the Company, make recommendations to the City

regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

SECTION 3. That the rates proposed by Oncor to be recovered through its DCRF charged to customers located within the City limits are hereby found to be unreasonable and shall be denied.

SECTION 4. That the Company shall continue to charge its existing rates to customers within the City.

SECTION 5. That the City's reasonable rate case expenses shall be reimbursed in full by Oncor within thirty (30) days of presentation of an invoice to Oncor.

SECTION 6. That a copy of this Resolution shall be sent to Oncor care of Matthew C. Henry, Oncor Electric Delivery Company, LLC, 1616 Woodall Rodgers Freeway, Dallas, Texas 75202 and to Thomas Brocato, Legal Counsel to OCSC, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

SECTION 7. 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 _____, 2019.

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**

STAFF REPORT REGARDING ONCOR'S DISTRIBUTION COST RECOVERY FACTOR FILING

.....

On April 8, 2019, Oncor Electric Delivery Company LLC (“Oncor” or “Company”) filed an Application for Approval to Amend its Distribution Cost Recover Factor (“DCRF”) to Increase Distribution Rates with each of the cities in their service area. In the filing, the Company asserts that it is seeking an increase in distribution revenues of \$29,433,804.

The resolution authorizes the City to join with the Steering Committee of Cities Served by Oncor (“OCSC”) to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

Purpose of the Resolution:

The purpose of the Resolution is to deny the DCRF application proposed by Oncor.

Explanation of “Be It Resolved” Paragraphs:

1. This section authorizes the City to participate with OCSC as a party in the Company’s DCRF filing, PUC Docket No. 49427.
2. This section authorizes the hiring of Lloyd Gosselink Rochelle and Townsend, PC and consultants to review the filing, negotiate with the Company, and make recommendations to the City regarding reasonable rates. Additionally, it authorizes OCSC to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.
3. This paragraph finds that the Company’s application is unreasonable and should be denied.
4. This section states that the Company’s current rates shall not be changed.
5. The Company will reimburse Cities for their reasonable rate case expenses. Legal counsel and consultants approved by OCSC will submit monthly invoices that will be forwarded to Oncor for reimbursement.
6. This section provides that Oncor and counsel for OCSC will be notified of the City’s action by sending a copy of the approved and signed Resolution to counsel.
7. This section recites that the Resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.



OCSC Membership in Texas (162 Members)

Addison	Fate	North Richland Hills
Allen	Flower Mound	Northlake
Alvarado	Forest Hill	Oak Leaf
Andrews	Forney	Oak Point
Anna	Fort Worth	Odessa
Archer City	Frisco	O'Donnell
Argyle	Frost	Ovilla
Arlington	Gainesville	Palestine
Azle	Garland	Pantego
Bedford	Glenn Heights	Paris
Bellmead	Grand Prairie	Plano
Belton	Granger	Pottsboro
Benbrook	Grapevine	Prosper
Beverly Hills	Haltom City	Ranger
Big Spring	Harker Heights	Red Oak
Breckenridge	Haslet	Rhome
Bridgeport	Heath	Richardson
Brownwood	Henrietta	Richland
Buffalo	Hewitt	Richland Hills
Burkburnett	Highland Park	River Oaks
Burleson	Honey Grove	Roanoke
Caddo Mills	Howe	Robinson
Cameron	Hudson Oaks	Rockwall
Canton	Hurst	Rosser
Carrollton	Hutto	Rowlett
Cedar Hill	Iowa Park	Sachse
Celina	Irving	Saginaw
Centerville	Jolly	Sansom Park
Cleburne	Josephine	Seagoville
Coahoma	Justin	Sherman
Colleyville	Kaufman	Snyder
Collinsville	Keene	Southlake
Colorado City	Keller	Springtown
Comanche	Kennedale	Stephenville
Commerce	Kerens	Sulphur Springs
Coppell	Killeen	Sunnyvale
Copperas Cove	Krum	Sweetwater
Corinth	Lake Worth	Temple
Cross Roads	Lakeside	Terrell
Crowley	Lamesa	The Colony
Dallas	Lancaster	Trophy Club
Dalworthington Gardens	Lewisville	Tyler
DeLeon	Lindale	University Park
De Soto	Little Elm	Venus
Denison	Little River Academy	Waco
Duncanville	Malakoff	Watauga
Early	Mansfield	Waxahachie
Eastland	McKinney	Westover Hills
Edgecliff Village	Mesquite	Westworth Village
Ennis	Midland	White Settlement
Eules	Midlothian	Wichita Falls
Everman	Murchison	Willow Park
Fairview	Murphy	Woodway
Farmers Branch	New Chapel Hill	Wylie



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C.2.

Meeting Date: 04/15/2019

Prepared By: Clint Philpott, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6475**

Abandoning a Portion of Two (2) Twenty Foot (20') Sanitary Sewer Easements located in Lot 4 of the MBG Sherman Addition, Document No. 2018-51, Official Public Records, Grayson County, Texas, and being more particularly described on the Exhibit "A" attached hereto and made a part hereof for all purposes, which Sanitary Sewer Easements are recorded in Volume 860, Page 407 of the Deed Records and in Volume 1623, Page 302 of the Real Property Records of Grayson County, Texas

Issue:

To consider the abandonment of a portion of two (2) 20' sanitary sewer easements lying within the property line of Lot 4, MBG Sherman Addition to the City of Sherman, Texas

Background:

Said easements, which are filed of record in Volume 860, Page 407 of the Deed Records and Volume 1623, Page 302 of the Real Property Records of Grayson County, Texas, are not being utilized and are no longer deemed necessary.

Origination:

Engineering Department

Financial Consideration:

None

Staff Recommendation:

Staff recommends approval of the two (2) 20' sanitary sewer easement abandonments.

Alternatives:

As may be directed by City Council

Attachments

Resolution No. 6475

Release and Abandonment of Easement

Exhibit "A" as noted in both documents

Aerial Location Map

RESOLUTION NO. 6475

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A PORTION OF TWO (2) TWENTY FOOT (20') SANITARY SEWER EASEMENTS LOCATED IN LOT 4 OF THE MBG SHERMAN ADDITION, DOCUMENT NO. 2018-51, OFFICIAL PUBLIC RECORDS, GRAYSON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED ON THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, WHICH SANITARY SEWER EASEMENTS ARE RECORDED IN VOLUME 860, PAGE 407 OF THE DEED RECORDS AND IN VOLUME 1623, PAGE 302 OF THE REAL PROPERTY 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 of the City of Sherman, Texas, is of the opinion that the abandoning, vacating and closing of said sanitary sewer easements 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 two (2) twenty foot (20') sanitary sewer easements located in Lot 4 of the MBG Sherman Addition, in the City of Sherman, County of Grayson, State of Texas, said easements being recorded in Volume 860, Page 407 of the Deed Records and in Volume 1623, Page 302 of the Real Property Records of Grayson County, Texas, as depicted in Exhibit "A" attached hereto, be and are 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 _____, 2019.

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

RELEASE AND ABANDONMENT OF EASEMENT

DATE: April 15, 2019

PROPERTY:

BEING 0.351 ACRES and 0.174 ACRES, BEING A PART OF A 20-FOOT SANITARY SEWER EASEMENT, IN LOT 4 OF MBG SHERMAN ADDITION TO THE CITY OF SHERMAN, TEXAS, AS SHOWN BY PLAT OF RECORD IN DOCUMENT NO. 2018-51, OFFICIAL PUBLIC RECORDS, GRAYSON COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED ON THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES.

WHEREAS, the above described property is a part of Lot 4 of MBG Sherman Addition as filed of record in Document No. 2018-51 of the Official Public of Grayson County, Texas.

WHEREAS, said property contains two (2) 20-foot Sanitary Sewer Easements as filed of record in Volume 860, Page 407 of the Deed Records and Volume 1623, Page 302 of the Real Property Records of Grayson County, Texas.

WHEREAS, said Sanitary Sewer Easements are not being utilized and the City of Sherman no longer deems said 20-Foot Sanitary Sewer Easements as necessary Easements.

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 April, 2019, by
_____, as _____ of THE CITY OF SHERMAN, TEXAS.

Notary Public – State of Texas

F. M. Hwy. 1417
(variable width right-of-way and pavement)

City of Sherman 20' wide waterline easement in Vol. 934, Pg. 269

point N42°E, 1.6' from broken cone. mon. found

1/2" rebar found
S74°52'44"W 105.51'

North base of chainlink fence corner post

part of the State of Texas 7.631 ac. in Vol. 935, Pg. 431

60' public roadway easement

0.351 Acres
that portion of the 20' wide sewer line easement over and across Lot 4

City of Sherman 20' wide sewer line easement in Vol. 860, Pg. 407

MBG Sherman Addition to the City of Sherman, Texas
Doc. No. 2018-51, P.R.G.C.T.

0.174 Acres
a portion of the 20' wide utility easement

Lot 4

City of Sherman 20' wide utility easement in Vol. 1623, Pg. 302

remainder of the City of Sherman 20' wide utility easement in Vol. 1623, Pg. 302

P.O.B.

Eric Pop & Kelly Pop 0.84 Acres Vol. 4809, Pg. 60

3" pipe fence corner post

Constitution Village, Inc. sanitary sewer line (easement) in Vol. 1062, Pg. 707

9.115 Acres remainder of the Sherman Economic Development 13.41 acre tract in Vol. 5680, Pg. 685 O.P.R.G.C.T.

remainder of the City of Sherman 20' wide utility easement in Vol. 1623, Pg. 302

Scale: 1"=100'

Sherrod Dunham Survey Abstract No. 329 Grayson County, Texas

P.O.B.

1/2" rebar found "RPLS 5557" at North base of chainlink fence corner post

Bearing Base: Grid North, NAD83 Texas State Plane Coordinate System, North Central Zone, as derived by survey-grade Global Positioning System.

Legend:

rs = 1/2" capped rebar set "RPLS 6578"

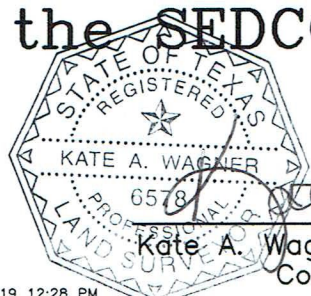
Ramanujam K. Vangipuram 12.166 Acres Vol. 5948, Pg. 638

City of Sherman 20' wide sewer line easement in Vol. 860, Pg. 406 (on 12.166 ac.)

Easement Abandonment Areas, over and across Lot 4, MBG Sherman Addition and the remainder of the SEDCO 13.41 Acres

Job No. CGS070419

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph (903) 463-6191 Fax (903) 463-4088
Email: helveysurvey@comcast.net
Texas Board of Professional Land Surveying
Firm Registration No. 10088100



Kate A. Wagner, R. P. L. S. No. 6578
Copyright Date: April 2, 2019

Helvey-Wagner Surveying, Inc.

222 West Main Street · Denison, Texas 75020

Ph: (903) 463-6191 · Fax: (903) 463-4088 · Email: helveysurvey@cableone.net

TBPLS Firm Registration No. 10088100

Billy F. Helvey, RPLS No. 4488 – Kate A. Wagner, RPLS No. 6578 – Kenneth N. Russell, RPLS No. 4409

0.174 Acres – Easement Abandonment Area

SITUATED in the County of Grayson, State of Texas, and being a part of the Sherrod Dunham Survey, Abstract No. 329, and being a part of the 20 ft. wide sewer line easement granted to the City of Sherman, Texas in Volume 1623, Page 302, Deed Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows to-wit:

COMMENCING at a point in the South right-of-way line of F. M. Highway No. 1417, in the North line of both Lot 4, MBG Sherman Addition to the City of Sherman, Texas, as per plat of record in Document No. 2018-51, Plat Records, Grayson County, Texas, and the 13.41 ac. tract of land conveyed to Sherman Economic Development Corp. in Volume 5680, Page 685, Official Public Records, Grayson County, Texas, at the Northeast corner of said easement;

THENCE South 13 deg. 02 min. 05 sec. East, with the East line of said easement, over and across both said Lot 4 and said Sherman Economic Development Corp. 13.41 ac., crossing the Southeast line of said Lot 4 and continuing for a total distance of 133.69 ft. to an angle point in the East line of said easement, at the Northeast corner of the herein described tract, being the **PLACE OF BEGINNING**;

THENCE South 27 deg. 14 min. 39 sec. West, continuing with the East line of said easement, continuing over and across said Sherman Economic Development Corp. 13.41 ac., a distance of 205.04 ft. to an angle point;

THENCE South 04 deg. 16 min. 37 sec. West, continuing with the East line of said easement, continuing over and across said Sherman Economic Development Corp. 13.41 ac., a distance of 175.10 ft. to a point at an angle point in the East line of said easement, at the Southeast corner of the herein described tract;

THENCE North 77 deg. 21 min. 58 sec. West, over and across said easement, continuing over and across said Sherman Economic Development Corp. 13.41 ac., a distance of 20.21 ft. to a point at an angle point in the West line of said easement, at the Southwest corner of the herein described tract;

THENCE North 04 deg. 16 min. 37 sec. East, with the West line of said easement, continuing over and across said Sherman Economic Development Corp. 13.41 ac., crossing the Southeast line of said Lot 4 and continuing over and across said Lot 4 for a total distance of 176.22 ft. to an angle point;

THENCE North 27 deg. 14 min. 39 sec. East, continuing with the West line of said easement, continuing over and across both said Lot 4 and said Sherman Economic Development Corp. 13.41 ac., crossing the Southeast line of said Lot 4 and continuing for a total distance of 201.76 ft. to an angle point;

THENCE South 82 deg. 53 min. 43 sec. East, over and across said easement, continuing over and across said Sherman Economic Development Corp. 13.41 ac., a distance of 21.30 ft. to the **PLACE OF BEGINNING** and containing **0.174 ACRES** of land.




Kate A. Wagner, R. P. L. S. No. 6578
April 2, 2019

Helvey-Wagner Surveying, Inc.

222 West Main Street · Denison, Texas 75020

Ph: (903) 463-6191 · Fax: (903) 463-4088 · Email: helveysurvey@cableone.net

TBPLS Firm Registration No. 10088100

Billy F. Helvey, RPLS No. 4488 – Kate A. Wagner, RPLS No. 6578 – Kenneth N. Russell, RPLS No. 4409

0.351 Acres – Easement Abandonment Area

SITUATED in the County of Grayson, State of Texas, and being a part of the Sherrod Dunham Survey, Abstract No. 329, and being that part of the 20 ft. wide sewer line easement granted to the City of Sherman, Texas in Volume 860, Page 407, Deed Records, Grayson County, Texas over and across Lot 4, MBG Sherman Addition to the City of Sherman, Texas, as per plat of record in Document No. 2018-51, Plat Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows to-wit:

BEGINNING at a 1/2 inch rebar found stamped “RPLS 5557” at the North base of a chainlink fence corner post, at the Southeast corner of said Lot 4, at the most Southerly Southeast corner of the herein described tract;

THENCE South 74 deg. 41 min. 12 sec. West, over and across said easement, with the South line of said Lot 4, a distance of 3.35 ft. to a point in the West line of said easement, at the Southwest corner of the herein described tract;

THENCE North 13 deg. 48 min. 07 sec. West, with the West line of said easement, over and across said Lot 4, a distance of 339.60 ft. to an angle point;

THENCE North 14 deg. 28 min. 07 sec. West, continuing with the West line of said easement, continuing over and across said Lot 4, a distance of 436.49 ft. to a point in the South right-of-way line of F. M. Highway No. 1417, in a North line of said Lot 4, at the Northwest corner of the herein described tract, being North 74 deg. 36 min. 28 sec. East, 1.52 ft. from a point at the North base of a chainlink fence corner post at a Northwest corner of said Lot 4;

THENCE North 74 deg. 36 min. 28 sec. East, over and across said easement, with the South line of said F. M. Highway No. 1417, with a North line of said Lot 4, a distance of 20.00 ft. to a point at the Northeast corner of the herein described tract;

THENCE South 14 deg. 28 min. 07 sec. East, with the East line of said easement, over and across said Lot 4, a distance of 436.93 ft. to an angle point;

THENCE South 13 deg. 48 min. 07 sec. East, continuing with the East line of said easement, continuing over and across said Lot 4, a distance of 312.11 ft. to a point in the Southeast line of said Lot 4, at the most Easterly Southeast corner of the herein described tract;

THENCE South 17 deg. 22 min. 26 sec. West, over and across said easement, with the Southeast line of said Lot 4, a distance of 32.17 ft. to the **PLACE OF BEGINNING** and containing **0.351 ACRES** of land.


Kate A. Wagner, R. P. L. S. No. 6578
April 2, 2019



MBG Sherman Addition



0 150 300 600 900 1,200 1 inch = 300 feet Feet





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C.3.

Meeting Date: 04/15/2019

Prepared By: Clint Philpott, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6476**

Authorizing Execution of an Encroachment Easement to M&G Home Builders, LLC for the Installation of a Private Sanitary Sewer Service Lateral Line within the Platted Right of Way running North and South along North Branch Street in the J.Q.A. Carter's Addition for Sanitary Sewer Services at 1104 North Branch Street in the City of Sherman, Texas

Issue:

To consider granting an encroachment easement into the platted public right of way running north and south along North Branch Street in the J.Q.A. Carter's Addition in Sherman, Texas

Background:

The subject property has no access to the public sewer utilizing existing platted easements. To access the City sewer, it will be necessary to install a private service lateral in a platted right of way along North Branch Street in the J.Q.A. Carter's Addition.

Origination:

Martin Covarrubias of M&G Home Builders, LLC

Financial Consideration:

None

Staff Recommendation:

City staff has no objections to the proposed encroachment and, upon receiving approval from the franchised utilities, it is recommended that the encroachment be granted.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6476

Encroachment Easement - 1104 N. Branch

Exhibit "A" as noted in both documents

Request Letter dated March 31, 2019

Aerial Location Map

RESOLUTION NO. 6476

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ENCROACHMENT EASEMENT TO M&G HOME BUILDERS, LLC FOR THE INSTALLATION OF A PRIVATE SANITARY SEWER SERVICE LATERAL LINE WITHIN THE PLATTED RIGHT OF WAY RUNNING NORTH AND SOUTH ALONG NORTH BRANCH STREET IN THE J.Q.A. CARTER'S ADDITION FOR SANITARY SEWER SERVICES AT 1104 NORTH BRANCH STREET IN THE CITY OF SHERMAN, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an encroachment easement to install a private sanitary sewer service lateral line within the platted public right of way running north and south along North Branch Street in the J.Q.A. Carter's Addition for sanitary sewer services for 1104 North Branch Street in the City of Sherman, Texas, as shown on the sketch marked Exhibit "A" 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 _____, 2019.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

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

ENCROACHMENT EASEMENT

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

That the **CITY OF SHERMAN**, a municipal corporation of the State of Texas, hereinafter called "GRANTOR," in consideration of ONE DOLLAR AND NO CENTS (\$1.00) and other good and valuable consideration to it, in hand paid, hereby grants to **M & G Home Builders, LLC** of Sherman, Texas, hereinafter called "GRANTEE," an encroachment easement to install a private sanitary sewer service lateral line within, over, upon, and across the platted public right of way running North and South along North Branch Street in the J.Q.A. Carter's Addition for sanitary sewer services for 1104 N. Branch Street, Sherman, Texas, as shown on the sketch marked Exhibit "A," attached hereto and incorporated herein for all purposes. Said encroachment easement shall be inferior, subordinate, and subject to the GRANTOR'S rights herein.

This instrument shall be construed as conveying an encroachment easement to GRANTEE, its heirs, successors and assigns, for the limited purpose of installing a sanitary sewer service lateral line within the herein described encroachment area, as shown on the attached exhibit. GRANTEE agrees that all maintenance of the sanitary sewer later line shall be the responsibility of the GRANTEE without cost, fees or expense to GRANTOR.

That GRANTEE shall fully and completely indemnify and hold harmless the GRANTOR from any and all damages, actions, suits, claims, demands, liabilities, executions and judgments, whether liquidated or unliquidated, absolute or contingent, direct or indirect, at law or in equity, together with attorney fees which may occur in any manner by reason of any manner, fact, or thing arising from this conveyance and use of the area.

The GRANTEE shall restore the surface of the encroachment area to the same or better condition that existed prior to the installation of the sanitary sewer service lateral line.

The GRANTEE agrees to and shall allow any and all franchised utilities to continue uninterrupted use of the encroachment area described herein for their operations without cost, fees, or expense.

In the event it becomes necessary for the GRANTOR or any public utility to utilize the encroachment area for the purpose of installing new utilities, removing or repairing any public utilities located therein, GRANTEE hereby releases GRANTOR and any public utility from any and all claims for damages, costs or expenses, and shall include, but specifically not be limited to, the cost of repair, relocation, or removal of sanitary sewer lateral line and loss of use of such area.

In the event it becomes necessary for the GRANTOR to revoke and rescind this encroachment easement, GRANTEE agrees and consents to such revocation and rescission by GRANTOR unilaterally passing a resolution to that effect and filing the same in the Deed Records of Grayson County, Texas, all without the joinder or consent of GRANTEE herein.

TO HAVE AND TO HOLD the above described encroachment easement unto the said GRANTEE, its heirs, successors and assigns, until the use of such encroachment is no longer necessary.

EXECUTED this the _____ day of _____, 2019.

Approved as to Form and Content:

CITY:

CITY OF SHERMAN, a Texas home-rule
municipal corporation

By: _____

Brandon Shelby,
City Attorney

BY: _____

Robby Hefton,
City Manager

Attest: _____

Linda Ashby,
City Clerk

STATE OF TEXAS §

§

COUNTY OF GRAYSON §

THIS INSTRUMENT was subscribed, sworn to and acknowledged before me on _____, 2019, by Robby Hefton, City Manager of the **CITY OF SHERMAN**, a Texas home-rule municipal corporation, on behalf of said corporation.

Notary Public, State of Texas

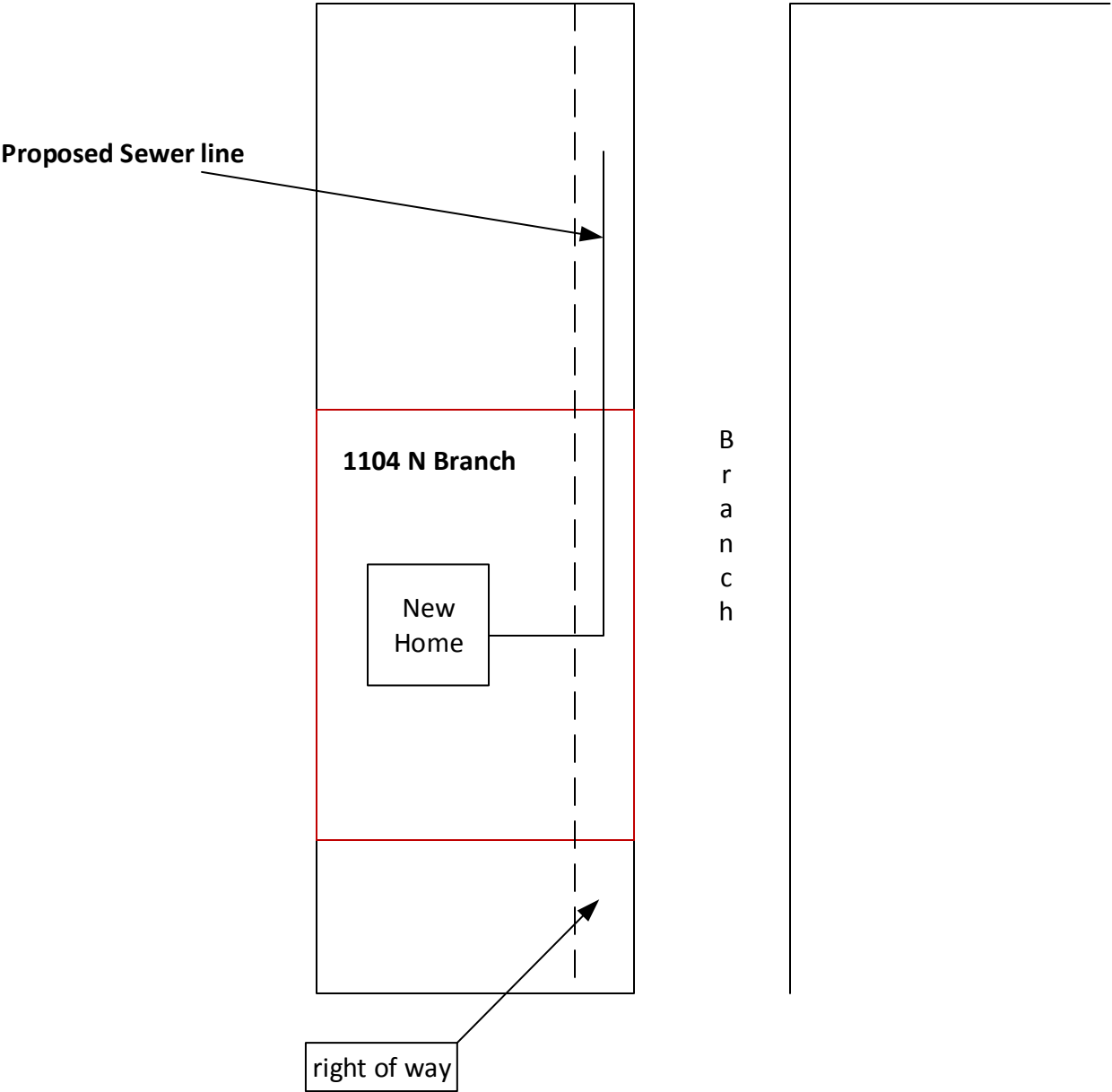
Printed Name of Notary: _____

My Commissions Expires: _____

Exhibit "A"

▲North—

Vernon Holland Memorial



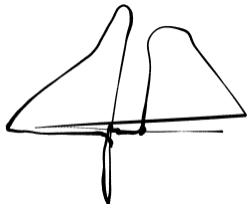
NOT DRAWN TO SCALE

M&G Home Builders

3/31/2019

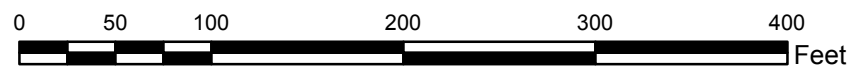
M&G Home Builders, LLC, would like to request encroachment on the right of way at 1104 N Branch in order to lay a sanitary sewer service line. This will provide sewer services to the aforementioned address. Typically, main city sewer lines run near the property through an alley or city street. In this scenario, the sewer line runs across private properties to the side and back of 1104 N Branch. I've tried to reach the owners of said properties from the contact information at the tax appraisal office to no avail.

Your consideration and approval into this matter is greatly appreciated.

A handwritten signature in black ink, appearing to read 'Martin G Covarrubias', written over a horizontal line.

Martin G Covarrubias
Owner, M&G Home Builders

1104 N. Branch



1 inch = 100 feet





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C.4.

Meeting Date: 04/15/2019

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6477**

Declaring the City of Sherman's Eligibility and Intention to Participate in a Residential Tax Abatement Program to Promote Development/Redevelopment in Certain Areas of the City; Establishing Guidelines and Criteria

Issue:

Renewing the City's Residential Tax Abatement Program for two (2) years

Background:

At the April 17, 2017 meeting, the City Council renewed the Residential Tax Abatement Program for two (2) more years, pursuant to the provisions of Chapter 312, Section 312.002, Tax Code, Vernon's Texas Codes Annotated. At the April 18, 2016 meeting, the City Council adopted Ordinance No. 5948 to renew the designation of Residential Reinvestment Zone, Number 041811-1, established for the purpose of residential tax abatement. At that time, the map was revised to reflect changes made by the U.S. Department of Housing and Urban Development (HUD) to the low-to-moderate income locations in Sherman. Some previously designated locations, generally located east of Highway 75, have been removed from that target area. While there is no official determination from HUD, we believe it is 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. The City's efforts for redevelopment are having a positive effect in those areas.

Another change made by HUD is that there are now some low-to-moderate income areas west of U.S. Highway 75. Because of this, a \$100,000 cap was added to Ordinance No. 5948. To be eligible for residential tax abatement, the value of improvements must be less than \$100,000.

Building within the target area uses existing streets, water mains and sewer mains, rather than extending them on the outskirts of the city. It also tends to minimize the area that must be covered by police officers, street maintenance crews, and other City employees.

The City Council granted ten (10) residential tax abatements in 2017, eight (8) residential tax abatements in 2018, and one residential tax abatement year-to-date in 2019 with (1) application in process.

Origination:

City Manager's Office

Financial Consideration:

There is no direct cost to approving this resolution. Costs would vary as residential tax abatements are actually granted. In 2017, 2018 and 2019 to date combined, abatements have been granted on new construction with an estimated value of \$1,452,900.00 for a total of approximately \$5,735.44 in abated taxes. This was partially offset by \$1,425.00 in application fees.

Staff Recommendation:

The staff recommends approval of this resolution to renew the City's Residential Tax Abatement Program for two (2) years.

Alternatives:

The City Council could revise the terms of the abatements that are granted or could discontinue the program completely.

Attachments

Resolution No. 6477

Map of Residential Tax Abatement Zone

RESOLUTION NO. 6477

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

WHEREAS, the City Council of the City of Sherman, Texas, desires to promote the development/redevelopment of certain contiguous geographic areas within its jurisdiction; and

WHEREAS, the City of Sherman, Texas, is authorized to enter into Tax Abatement Agreements for commercial-industrial or residential purposes as authorized by Chapter 312 of the Texas Property Tax Code (Code); and

WHEREAS, Section 312.002 of the Code requires the City of Sherman, Texas, to establish guidelines and create criteria every two (2) years for the designation of reinvestment zones and the entering into Residential Tax Abatement Agreements; and

WHEREAS, Resolution No. 6210 was approved by the City Council at the April 17, 2017 meeting, renewing the City's program for an additional two (2) years;

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

SECTION 1. That the City of Sherman, Texas, declares it is eligible for and intends to participate in a Residential Tax Abatement Program.

SECTION 2. That the City of Sherman, Texas, hereby adopts the following Guidelines and Criteria for Tax Abatement for use in its Residential Tax Abatement Program:

CITY OF SHERMAN RESIDENTIAL TAX ABATEMENT GUIDELINES AND CRITERIA

GENERAL PURPOSE AND OBJECTIVES

The City of Sherman is committed to an expansion of its tax base, an increase to its population, the promotion of development in all parts of the City, and to an ongoing improvement in the quality of life for its citizens. As these objectives are generally served by the enhancement and expansion of the local economy, the City of Sherman will offer residential tax abatement as a stimulus for economic development in Sherman. The policy of the City of Sherman is to make residential tax abatement available to new structures. Likewise, residential tax abatement is intended for residential structures built upon vacant lots within existing subdivisions as well as

within new subdivisions of the City. It is the policy of the City of Sherman that such tax abatement will be provided in accordance with the procedures and criteria outlined in this document and as permitted by State statute. The guidelines and criteria herein adopted shall expire two (2) years from and after April 15, 2019. The provisions herein are severable, and if any provision or requirement of these guidelines or criteria is declared or found to be illegal or invalid, such illegality or invalidity shall not affect the remaining provisions, since the City Council would have adopted these guidelines and criteria without the incorporation of the portions found to be invalid.

DEFINITION OF TERMS

Act — means the Property Redevelopment and Tax Abatement Act, Texas Tax Code Ann. 312.001, et seq., as amended from time to time.

Agreement — means a contractual agreement between a property owner and the City of Sherman for the purposes of tax abatement.

Applicant — means an owner of real property who requests tax abatement in accordance with these guidelines.

Base Year Value — means the assessed value of eligible property on January 1 preceding the date of execution of the agreement.

Economic Life — means the number of years a property improvement is expected to be in service.

New Structure — means residential improvements made to a property previously undeveloped which is placed into use by means other than or in conjunction with expansion.

Reinvestment Zone — means a contiguous geographic area in the jurisdiction of the municipality in which tax abatements may be granted to promote residential development or redevelopment if the governing body determines that residential development or redevelopment would not occur solely through private investment in the reasonably foreseeable future.

Residential Improvements — means the construction of residential building(s), and all the appurtenances thereto, single-family in purpose. This does not include duplexes or multi-family structures.

Total Facility — means all buildings and structures along with the appurtenances thereto.

ELIGIBILITY

All residentially zoned property is eligible for designation as a Reinvestment Zone. A new structure anywhere within the corporate limits of a value in excess of \$15,000.00 may receive abatement. As provided in the Act, abatement may only be granted for the value of eligible property subsequent to and listed in an abatement agreement between the City of Sherman and the property owner. Abatement will be granted for residential improvements only.

Eligible Property — Abatement will be extended to the increased value of real estate, buildings, structures, and site improvements along with the appurtenances thereto for properties which are single-family in purpose. This does not include duplexes or multi-family structures.

Value and Term of Abatement — Upon determination that all requirements for tax abatement have been satisfied by the applicant, the value and terms of the abatement will be for a period of ten (10) years in accordance with the following schedule for the abatement of taxes on the added value above the base year value. Abatement shall be granted effective with the January 1 valuation date immediately following the date of completion of the improvements.

SCHEDULE OF TAXES ASSESSED

<u>TAX YEAR</u>	<u>ABATEMENT</u>
1	100%
2	100%
3	100%
4	100%
5	100%
6	100%
7	80%
8	60%
9	40%
10	20%

CRITERIA

Any request for tax abatement shall be reviewed for completeness. The City staff shall determine whether the application satisfies the guidelines and criteria. Tax abatement shall be based upon an evaluation of the following criteria which each applicant will be requested to address in narrative format:

Fiscal Impact

Addition of real property improvements to the tax rolls.

No utility construction by the City would be required other than routine.

Community Impact

The project is compatible with the City's comprehensive plan.

No adverse environmental impact will be created by the project.

PROCEDURES

Any person, partnership, organization, corporation or other entity desiring that the City of Sherman consider providing tax abatement to encourage location of residential improvements

within the City limits of Sherman shall be required to comply with the following procedural guidelines:

1. Preliminary Application Steps

- A. Applicant shall submit an "Application for Tax Abatement" contemporaneously with the application for a building permit, and shall pay a filing fee of \$75.00 to cover publication, notice cost, review and processing. If the applicant for the building permit is not the owner of the real estate and does not make application for residential tax abatement on behalf of the owner, the City staff shall notify the owner by certified mail, return receipt requested, that residential tax abatement must be filed with the City within ten (10) business days of receipt of the notice.
- B. If the applicant does not wish to apply for residential tax abatement at the time that the building permit is issued, or if the owner fails to respond to the written notice of availability for residential tax abatement, the opportunity for residential tax abatement is waived. The staff shall prepare forms necessary to reflect the refusal of an applicant to participate and to document the lack of response by the owner to the written notice. The refusal or waiver to participate in residential tax abatement by the owner or applicant shall be binding on subsequent owners of the real property.
- C. The City may request applicant to provide substantiation of economic feasibility of the overall project to assist in determining the long-term benefit to the City.
- D. A complete legal description shall be provided.
- E. Applicant shall complete all forms and information detailed above and submit them to the City of Sherman.

2. All information in the application package detailed above will be reviewed for completeness and accuracy. Additional information may be requested as needed.

If necessary, applicant will meet with City to discuss details of the application and prepare for presentation of application to the City Council.

3. The application shall include the total capital investment for real property improvements and type of project.

LEGAL DOCUMENTATION PREPARATION

The City will be responsible for drafting the proposed agreement pursuant to the approved Tax Abatement, as well as all associated documentation.

The legal document is to include the following:

- 1. Estimated value of new construction to be abated.
- 2. Percent of value to be abated each year.

3. Commencement date and the termination date of abatement.
4. Proposed use of the facility, nature of construction, time schedule, map, property description and improvements list as provided in the application.
5. Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture and administration.

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 _____, 2019.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

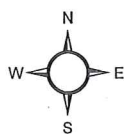
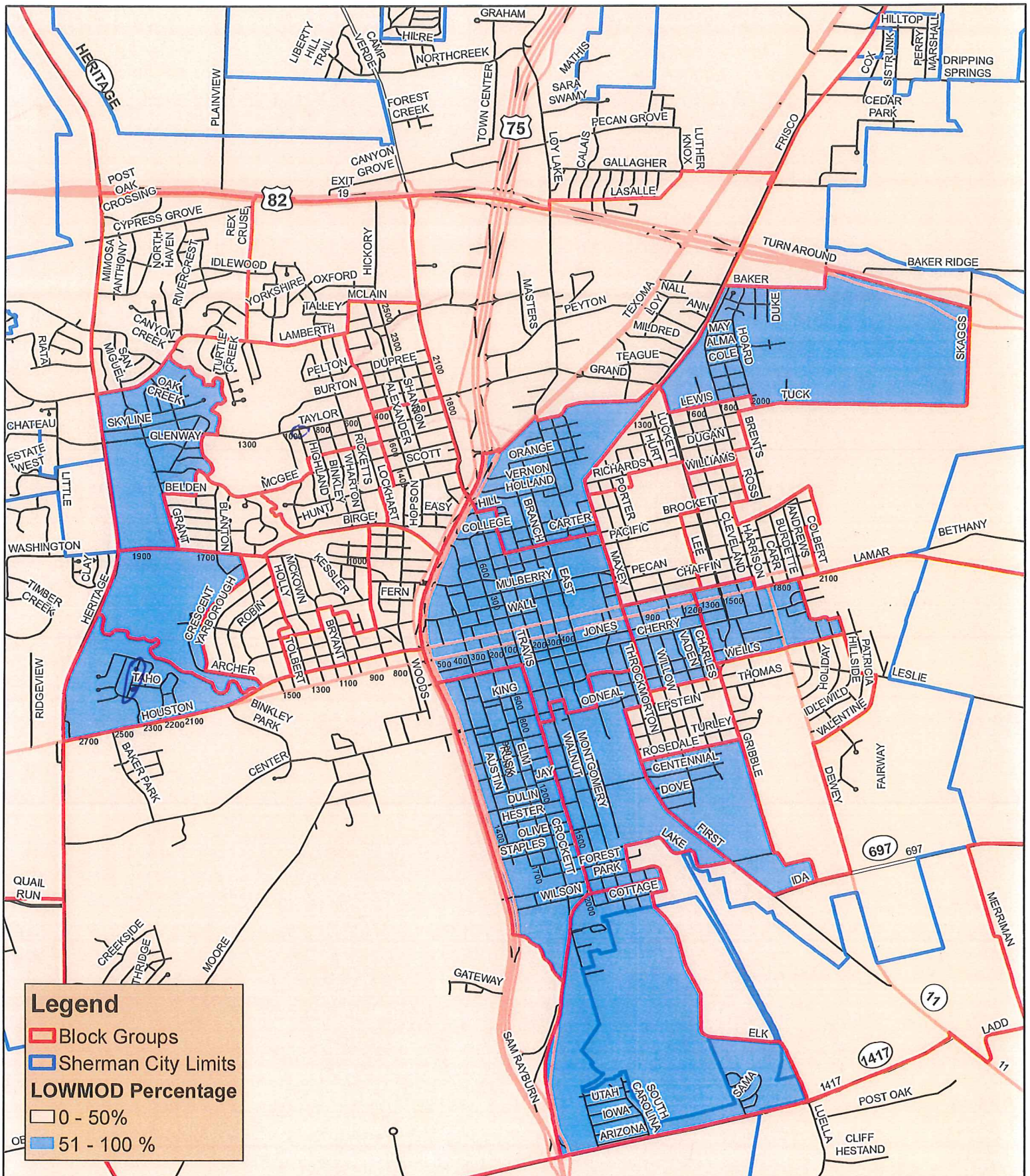
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

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

Sherman, Texas



0 0.275 0.55 1.1 Miles



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C.5.

Meeting Date: 04/15/2019

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6478

Authorizing Execution of an Economic Development Program Agreement with Berry Companies Inc. for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code

Issue:

Approving an Economic Development Program Agreement with Berry Companies Inc. (Developer) for incentives authorized under Chapter 380 (380 Agreement) of the Texas Local Government Code

Background:

Chapter 380 of the Texas Tax Code, "Miscellaneous Provisions Relating to Municipal Planning and Development", permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the March 4, 2019 meeting, the City Council adopted Resolution No. 6460 and approved a new Retail Recruitment Program Procedures Manual and Application, which is intended to promote broad-based, high quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax rebates to qualifying businesses. Applicants must bring a new business to Sherman.

City staff has reached an agreement with Berry Companies Inc. for the conversion of the former Haverty's store at 4612 Texoma Parkway into a full Bobcat Branch. This development is expected to employ twelve to fifteen full-time individuals, with eight to ten of those positions being filled locally. They will return the 25,000 square foot property to the tax rolls and add inventory of \$3 million to \$3.5 million.

This agreement lays out the incentives offered to this developer via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a two-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Berry Properties Inc., Applicant
Robby Hefton, City Manager
Mayor and City Council Members

Financial Consideration:

This agreement will provide a cash grant equal to 50% of the sales taxes generated within the development. This agreement expires after two (2) years.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 6478

Chapter 380 Agreement

Retail Recruitment Program Application

Resolution No. 6460 with Retail Recruitment Program

Aerial Location Map

RESOLUTION NO. 6478

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH BERRY COMPANIES INC. FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT 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, Chapter 380 of the Texas Tax Code, “Miscellaneous Provisions Relating to Municipal Planning and Development”, permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the March 4, 2019 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 6460, declaring its eligibility and intent to participate in a Retail Recruitment Program to promote development/redevelopment in certain areas of the City; and

WHEREAS, the application received from Berry Companies Inc. meets the guidelines and criteria adopted for the City’s Retail Recruitment Program;

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

SECTION 1. That the Mayor be and is hereby authorized and directed, subject to receipt of a fully-executed agreement from Berry Companies Inc. and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Economic Development Program and Agreement with Berry Companies Inc. for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, for the development and construction of a Commercial Retail Development, along with other possible improvements, at 4612 Texoma Parkway in the City of Sherman, Texas, in the same or substantially same form as the contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2019.

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

THE CITY OF SHERMAN, TEXAS

AND

BERRY COMPANIES INC.

“CHAPTER 380” ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT

This Economic Development Program Agreement (“Agreement”) is made and entered into by and between the City of Sherman, Texas, a home rule city and municipal corporation of Grayson County, Texas (the “City”), and Berry Companies Inc., a Kansas Corporation (the “Company”), as of _____, 2019 (the “Effective Date”).

W I T N E S S E T H:

WHEREAS, on March 4, 2019, the City adopted Resolution No. 6460, which authorized the City to enter into this Agreement pursuant to Chapter 380 of the Texas Local Government Code (“Chapter 380”);

WHEREAS, the Company currently owns or plans to purchase a certain tract of real property located at 4612 Texoma Parkway in the City of Sherman, Texas (the “Project Site”);

WHEREAS, Company desires to enter into this Agreement with respect to the Project Site pursuant to Chapter 380;

WHEREAS, the Company will develop and construct a commercial and industrial equipment sales and rental facility (collectively, the “Commercial Retail Development”) on the Project Site;

WHEREAS, the City desires to provide, pursuant to Chapter 380, an incentive to the Company to promote continued local development within the City; and

NOW, THEREFORE, in consideration of the mutual benefits and premises contained herein and for other good and valuable consideration (including the application fee paid by or on behalf of the Company to the City), the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Authorization.

The City has concluded that this Agreement is authorized by Chapter 380, and is authorized by Resolution of the City.

2. Definitions.

The following definitions shall apply to the terms used in this Agreement:

“Agreement” has the meaning set forth in the introductory paragraph of this Agreement.

“Chapter 380” has the meaning set forth in the recitals to this Agreement.

“City” has the meaning set forth in the introductory paragraph of this Agreement.

“Commercial Retail Development” has the meaning set forth in the recitals to this Agreement.

“Company” has the meaning set forth in the introductory paragraph of this Agreement.

“Company Affiliate” means any Person, directly or indirectly controlling, controlled by, or under common control with the Company. As used in this definition, the term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

“Effective Date” has the meaning set forth in the introductory paragraph of this Agreement.

“Force Majeure” means, without limitation, acts of God, or the public enemy, war, terrorism, criminal acts by unrelated third parties, riot, civil commotion, insurrection, governmental or de facto governmental action other than the City’s legislative zoning authority, fire, explosions, floods, strikes, adverse weather, or any other extraordinary event beyond the control of the Company (including, without limitation, broad based extraordinary economic events) that makes it reasonably impracticable to accomplish a desired objective.

“Grant Certification” has the meaning set forth in Section 5 of this Agreement.

“Local Sales Tax” means all sales tax revenues collected on behalf of the City and excludes amounts attributed to the Sherman Economic Development Corporation.

“Person” means an individual or a corporation, partnership, trust, estate, unincorporated organization, association, or other entity.

“Project Site” has the meaning set forth in the recitals to this Agreement.

“Tax Code” means the Texas Tax Code, as amended from time to time.

“Term” has the meaning set forth in Section 3 of this Agreement.

All references in this Agreement to a “tax year” mean a calendar year.

3. Term.

This Agreement shall be effective as of the Effective Date and shall remain in full force and effect until the grant incentive described in Section 4 of this agreement is paid for a period of two (2) years.

4. Grant Incentive:

- (a) Cash Grant. Subject to Section 4(b), Section 4(c), and Section 4(d), the City shall, make a grant (in cash) to the Company as follows:
 - i. An amount equal to Fifty Percent (50%) of Local Sales Taxes collected by the City as a result of commercial retail activity at the Project Site;
 - ii. Local sales tax collected shall be determined by the City based on information obtained from the Texas State Comptroller's Confidential Sales Tax Report.
- (b) Operation Covenant. The Company shall construct and operate a Commercial Retail Development on the Project Site and shall remain in operation throughout the term of this Agreement.
- (c) Commencement Covenant. The Company shall commence construction of the Commercial Retail Development within six (6) months of the effective date of this Agreement and shall commence commercial operations within one (1) year of the effective date of this Agreement.
- (d) Property Tax Covenant. Throughout the term of this Agreement, the Company shall timely pay all property taxes for the Project and real and personal property located therein due and owing by it to all relevant taxing jurisdictions.
- (f) Payment of Grant. Grant shall be paid to the Company not later than thirty (30) days after the Company or a Company Affiliate has paid met the Certification/Verification requirements set forth in Section 5 of this agreement. The City hereby agrees that it has available and dedicated funds to make the grants contemplated by this Agreement.

5. Certification/Verification

On or before June 1 of each year this Agreement, the Company shall certify in writing to the City whether the conditions set forth in Sections 4(b), (c) and (d), hereof have been met (each, a "Grant Certification").

6. Default.

If the City defaults with respect to any of its obligations hereunder and fails, within thirty (30) days after delivery of written notice of such default from the Company, to cure such default, then the Company, by action or proceeding at law or in equity, may be awarded its damages for such default, including all reasonable attorneys' fees and costs incurred in connection with such default. If the Company defaults with respect to any of its obligations hereunder and fails, within thirty (30) days after delivery of written notice of such default from the City, to cure such default or such longer time as is reasonably necessary to address a default due to Force Majeure or to address a default that cannot be cured within such 30-day period provided that the Company is diligently attempting to cure, then the City may terminate this Agreement.

The Company's failure to meet a condition set forth in Sections 4(b), (c) and (d), hereof shall result the loss of the grant incentive contemplated by this agreement. The Company's only liability for failing to meet a condition or breach shall be those set forth in this Section 6 and Section 4.

7. Mutual Assistance.

The City and the Company shall take all reasonable measures that are necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

8. Representations and Warranties.

The City represents and warrants to the Company that this Agreement is within the scope of its authority and the provisions of its charter, and that it is duly authorized and empowered to enter into this Agreement under Chapter 380.

9. INDEMNIFICATION

- A. **IN ADDITION TO THE OTHER REMEDIES AFFORDED TO THE CITY IN THIS AGREEMENT, COMPANY SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY, ITS COUNCIL MEMBERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, OR AGENTS (HEREINAFTER "CITY'S INDEMNIFIED PARTY") FOR, FROM AND AGAINST ANY AND ALL LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, REASONABLE ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS), ENVIRONMENTAL OR OTHERWISE, OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY RESULTING FROM COMPANY'S CONSTRUCTION AND OPERATION OF THE ELECTRIC GENERATION FACILITY.**
- B. Notice of Indemnified Loss. The City's Indemnified Party shall promptly notify Company of any indemnified Losses or Claim for indemnified Losses in respect of which the City's Indemnified Party may be entitled to indemnification under

this Section 9. Such notice shall be given as soon as reasonably practicable after the City's Indemnified Party becomes aware of the Loss or Claim for Losses.

- C. **Defense of Third Party Claims.** In the event any action or proceeding shall be brought against the City's Indemnified Party by reason of any matter for which the City's Indemnified Party is indemnified hereunder, Company shall, upon notice from the City's Indemnified Party or its authorized agents or representatives, at Company's sole cost and expense, resist and defend the same with legal counsel selected by Company; provided, however, that Company shall not admit liability in any such matter on behalf of the City's Indemnified Party without the City's express written consent. Nothing herein shall be deemed to prevent the City's Indemnified Party at its election and at its own expense from cooperating with Company and participating in the defense of any litigation by their own counsel. If Company fails to retain defense counsel within ten (10) business days after receipt of City's Indemnified Party written notice that the City's Indemnified Party is invoking its right to indemnification under this Agreement, the City's Indemnified Party shall have the right to retain defense counsel on their own behalf, and Company shall be liable for all usual and customary defense costs incurred by the City's Indemnified Party.
- D. **Limitation on Indemnity.** The amount owing to a City Indemnified Party will be the amount of the City Indemnified Party's Losses net of any insurance proceeds received by the City Indemnified Party following a reasonable effort by the City Indemnified Party to obtain such insurance proceeds.

10. Section or Other Headings.

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

11. Attorneys Fees.

In the event any legal action or proceeding is commenced to enforce or interpret provisions of this Agreement, each party shall be responsible for their own attorneys' fees.

12. Entire Agreement.

This Agreement contains the entire agreement between the parties with respect to the transactions contemplated herein.

13. Amendment.

This Agreement may only be amended, altered, or revoked by written instrument signed by the Company and the City.

14. Successors and Assigns.

This Agreement shall be binding on and inure to the benefit of the parties to this Agreement and all Company Affiliates, and their respective successors and assigns. The Company may assign all or part of its rights and obligations hereunder (irrespective of whether the Company ever owns all or any part of the Project Site) (a) without the prior written approval of the City, to any Company Affiliate, (b) without the prior written approval of the City, to any Person that acquires all or a portion of the Project Site or any improvement thereon and then leases such property to the Company or any Company Affiliate, (c) without the prior written approval of the City, to any assignee that can meet the conditions set forth in Sections 4(b) (if still applicable), (c), and (d) above; and (d) to any Person not described in clause (a), (b) or (c) above, with the prior written approval of the City, which shall not be unreasonably withheld, conditioned or delayed. Any assignment in violation of this Section 14 shall (i) not affect any grants with respect to which the Company or any Company Affiliate is already entitled.

15. Notice.

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, hand delivered or sent by overnight delivery service (by any method of delivery offered by such overnight carrier), addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

<u>Company:</u>	Berry Companies Inc. 3223 North Hydraulic Street Wichita, Kansas 67219-3803 Attention: Randy Vickers, Real Estate Manager
-----------------	--

<u>City:</u>	City Manager City of Sherman 220 West Mulberry Sherman, Texas 75091-1106
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16. Interpretation.

Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any party.

17. Applicable Law.

This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas and venue shall lie in a court located in Grayson County, Texas.

18. Severability.

In the event any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then, and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

19. Counterparts.

This Agreement may be executed in multiple counterparts (and may be delivered by telecopy, in addition to other means, with originals to follow), each of which shall be considered an original, but all of which shall constitute one instrument.

CITY OF SHERMAN, TEXAS

By: _____
DAVID PLYLER, MAYOR

ATTEST:

By: _____
Linda Ashby, City Clerk

**APPROVED AS TO FORM
AND LEGALITY:**

By: _____
Brandon Shelby, City Attorney

BERRY COMPANIES INC.

(CORPORATE SEAL)

By: _____
Name: Walter Berry
Title: Managing Partner
Address: 3223 North Hydraulic Street
Wichita, Kansas 67219-3803

CITY ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared David Plyler, Mayor of the CITY OF SHERMAN, TEXAS, a municipal corporation, known to me to be the person acknowledged to me that the same was the act of the said CITY OF SHERMAN, TEXAS, a municipal corporation, that he was duly authorized to perform the same by appropriate resolution of the City Council of the City of Sherman, Texas, and that he executed the same as the act of the said City for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2019.

Notary Public in and for
the State of Texas

Notary's Printed Name

My Commission Expires:

COMPANY ACKNOWLEDMENT

THE STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared Walter Berry, Managing Partner of BERRY COMPANIES INC., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said entities.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2019.

Notary Public in and for
the State of Texas

Notary's Printed Name

My Commission Expires:

CRITERIA

Employment Impact

How many jobs will be brought to Sherman? 12-15

What types of jobs will be created (e.g., part-time, full-time, hourly, salaried, etc.)? Full Time

* List the number of jobs by class that will be created and the wage range of each class of job.

What will the estimated total annual payroll be? Include current and increase factors. \$600,000 +

Expectation for jobs filled by transfers from other company locations vs. locally-filled jobs.

8-10 Local 4-5 Transfer

Fiscal Impact

How much real and personal property will be added to the tax rolls, in square footage and in estimated value? 25,000 Sq Ft 3-3.5 million Inventory

What is the estimated annual local sales tax generated (at 2%)? \$100,000 - \$150,000

If applicant is leasing or proposing to lease the facilities and/or the ground, what are the terms of the lease(s)? N/A

What is the total annual operating budget of this facility projected to be? (For expansion, state current and projected increase.)

First year 6-7 million in sales
5.8 to 6.7 million in direct expenses

Third year 8-9 million in sales
7.5 to 8.3 million in direct expenses

* Tech - 6 - \$40-50 + Bonus

Manager - 1 - \$75,000 + Bonus

Sales - 1 - \$75,000 + Bonus

Yard - 2 - \$30,000 + Bonus

Parts - 2 - \$30,000 + Bonus

Rental - 1 - \$40,000 + Bonus

RETAIL RECRUITMENT PROGRAM APPLICATION

SECTION I

1. Property Owner: Townsend Group / Bobcat of North Texas
Mailing Address: 3223 N Hydraulic, Wichita, KS 67219
Telephone Numbers: 316 992 9661
2. Property Owner's Representative: Randy Vickers
Mailing Address: 3223 N Hydraulic, Wichita, KS 67219
Telephone Numbers: 316 992 9661
3. Physical Property Address: 4612 Texoma Parkway
4. Property Legal Description (include as an attachment with metes and bounds)
5. Description of Project: Haverly's store to be converted to full Bobcat Branch
6. Date of projected occupation of project/initiation of operations: Summer 2019
7. Narrative response to criteria questions in Section II of application? Yes
(Yes or No, and include attachment)

SECTION II

Employment Impact

How many jobs will be brought to Sherman? 8-10

What types of jobs will be created (e.g., part-time, full-time, hourly, salaried, etc.)? Full

List the number of jobs by class that will be created and the wage range of each class of job.

What will the estimated total annual payroll be? Include current and increase factors.

Expectation for jobs filled by transfers from other company locations vs. locally-filled jobs.

Fiscal Impact

How much real and personal property will be added to the tax rolls, in square footage and in estimated value?

What is the estimated annual local sales tax generated (at 2%)?

If applicant is leasing or proposing to lease the facilities and/or the ground, what are the terms of the lease(s)?

What is the total annual operating budget of this facility projected to be? (For expansion, state current and projected increase.)

Questions to Randy Vickers
316 992 9661

RESOLUTION NO. 6460

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DECLARING THE CITY OF SHERMAN'S ELIGIBILITY AND INTENTION TO PARTICIPATE IN A RETAIL RECRUITMENT PROGRAM TO PROMOTE DEVELOPMENT/REDEVELOPMENT IN CERTAIN AREAS OF THE CITY; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Sherman declares its eligibility and intention to participate in a Retail Recruitment Program to promote development/redevelopment in certain areas of the City and wishes to adopt Guidelines and Criteria for use in the City's Retail Recruitment Program; and

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

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

SECTION 1. That the City Council of the City of Sherman, Texas, hereby approves and adopts the following Guidelines and Criteria for use in the City's Retail Recruitment Program, as required by law:

**CITY OF SHERMAN'S
RETAIL RECRUITMENT PROGRAM
GUIDELINES AND CRITERIA**

1. A performance incentive agreement must be reasonably likely to contribute to the development of new retail enterprises that generate local sales tax for the City of Sherman.
2. A performance incentive agreement will not be entered into where a company is only changing its location within Sherman.
3. The City Council of the City of Sherman will approve or deny an incentive request based upon the subjective evaluation of the following guidelines and criteria. The Council may consider any advisory recommendations received from the City Manager as it may choose:

- **Employment Impact**

How many jobs will be brought to Sherman?

What types of jobs will be created (e.g., part-time, full-time, hourly, salaried, etc.)?

List the number of jobs by class that will be created and the wage range of each class of job.

What will the estimated total annual payroll be? Include current and increase factors.

Expectation for jobs filled by transfers from other company locations vs. locally-filled jobs.

- **Fiscal Impact**

How much real and personal property will be added to the tax rolls, in square footage and in estimated value?

What is the estimated annual local sales tax generated (at 2%)?

If applicant is leasing or proposing to lease the facilities and/or the ground, what are the terms of the lease(s)?

What is the total annual operating budget of this facility projected to be? (For expansion, state current and projected increase.)

SECTION 2. That these Retail Recruitment Program Guidelines and Criteria shall be effective immediately upon the passage of this resolution.

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

PASSED AND APPROVED on this the 4th day of March, 2019.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: Linda Ashby
LINDA ASHBY, CITY CLERK

BY: DER
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: Brandon S. Shelby
BRANDON S. SHELBY,
CITY ATTORNEY

**RETAIL RECRUITMENT PROGRAM
PROCEDURES MANUAL
AND
APPLICATION**



SHERMAN, TEXAS

TABLE OF CONTENTS

General Purpose and Program Description..... 3

Evaluation and Approval Process..... 4

Criteria..... 5

Retail Recruitment Program Application.....6-7

GENERAL PURPOSE AND PROGRAM DESCRIPTION

The City of Sherman desires to promote broad-based, high quality development that will enhance the quality of life for citizens and other stakeholders. These goals are accomplished through the City's ability to promote a healthy economy in the area of private capital investment and generation of local sales tax revenues. As such, the City of Sherman will, on a case-by-case basis, consider providing a cash grant in the form of local sales tax rebates to qualifying businesses under Chapter 380 of the Texas Local Government Code. In order to qualify, the applicant must propose to locate a new business to Sherman. Relocation of an existing business to a new location would not qualify under this program. The City is under no obligation to provide this benefit to any applicant; and this program may be terminated at the City's sole discretion.

EVALUATION AND APPROVAL PROCESS

Applicant shall submit an application (provided herein) in conformance with the guidelines established by this program. All applications for incentives will be reviewed by the City Manager or his designee. Applicant may be requested to meet with City staff to discuss the details of the proposed project. The application will be evaluated on the basis of the projects' overall economic benefit to the City, project timing and duration, project conformance with desired location and enhancement of surrounding development, and job creation. Staff will make a recommendation to the City Council, who shall consider the matter in a public meeting. Any action taken by Council will be considered final and shall only be modified by further action of the Council, unless otherwise specified. Upon approval by City Council, applicant will be required to execute a performance agreement.

The City will be responsible for drafting the performance agreement, the agreement of which will contain the terms and conditions under which the applicant must abide. The agreement shall only be modified upon approval of the City Council in accordance with applicable local and State guidelines.

CRITERIA

Employment Impact

How many jobs will be brought to Sherman?

What types of jobs will be created (e.g., part-time, full-time, hourly, salaried, etc.)?

List the number of jobs by class that will be created and the wage range of each class of job.

What will the estimated total annual payroll be? Include current and increase factors.

Expectation for jobs filled by transfers from other company locations vs. locally-filled jobs.

Fiscal Impact

How much real and personal property will be added to the tax rolls, in square footage and in estimated value?

What is the estimated annual local sales tax generated (at 2%)?

If applicant is leasing or proposing to lease the facilities and/or the ground, what are the terms of the lease(s)?

What is the total annual operating budget of this facility projected to be? (For expansion, state current and projected increase.)

RETAIL RECRUITMENT PROGRAM APPLICATION

SECTION I

1. Property Owner: _____
Mailing Address: _____
Telephone Numbers: _____
2. Property Owner's Representative: _____
Mailing Address: _____
Telephone Numbers: _____
3. Physical Property Address: _____
4. Property Legal Description (include as an attachment with metes and bounds)
5. Description of Project: _____

6. Date of projected occupation of project/initiation of operations: _____
7. Narrative response to criteria questions in Section II of application? _____
(Yes or No, and include attachment)

SECTION II

Employment Impact

How many jobs will be brought to Sherman?

What types of jobs will be created (e.g., part-time, full-time, hourly, salaried, etc.)?

List the number of jobs by class that will be created and the wage range of each class of job.

What will the estimated total annual payroll be? Include current and increase factors.

Expectation for jobs filled by transfers from other company locations vs. locally-filled jobs.

Fiscal Impact

How much real and personal property will be added to the tax rolls, in square footage and in estimated value?

What is the estimated annual local sales tax generated (at 2%)?

If applicant is leasing or proposing to lease the facilities and/or the ground, what are the terms of the lease(s)?

What is the total annual operating budget of this facility projected to be? (For expansion, state current and projected increase.)





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D.1.

Meeting Date: 04/15/2019

Prepared By: Shawn Hackworth, IT Manager

Approved By: Robby Hefton, City Manager

Caption:

*** REQUEST TO ADVERTISE**

Community Development Software

Issue:

Obtaining City Council approval to advertise for the solicitation of public bids for the purchase and implementation of community development software

Background:

The City seeks to purchase and implement a community development software system. Such a system would provide mobility solutions to address time and labor limitations relating to manual paperwork in the field. Additionally, this software would provide Geographic Information System ("GIS") interaction and permitting applications for the Development Services, Neighborhood Services, Code Enforcement, and Public Records departments.

This purchase was approved by the City Council in the fiscal year 2018-2019 Budget.

Origination:

Information Technology Services

Financial Consideration:

The cost of advertising is approximately \$400.00.

Staff Recommendation:

Staff recommends that the City Council approve this request to advertise for bids for the purchase and implementation of community development software.

Alternatives:

As may be directed by the City Council



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.1.

Meeting Date: 04/15/2019

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Receive Quarterly Progress Report from Sherman Economic Development Corporation President Kent Sharp

Issue:

To receive the Sherman Economic Development Corporation (SEDCO) quarterly progress report from President Kent Sharp

Background:

The brief presentation by the SEDCO President will provide the City Council with an overview of SEDCO's activities and accomplishments during the last three (3) months. SEDCO's last update was presented at the January 7, 2019 City Council Meeting.

Origination:

City Council

Financial Consideration:

This presentation is for informational purposes only and has no impact on the City's revenues or expenses.

Staff Recommendation:

No action is required of the City Council.

Alternatives:

None recommended

Attachments

SEDCO's Quarterly Progress Report

REPORTING FORM FOR BOARDS AND COMMISSIONS

Name of Board: Sherman Economic Development Corporation

Name of Chairman: Brad Douglass

Name of Vice Chairman: Tom Shields

Date of Report to City Council: April 15, 2019

1. In simple terms and as briefly as possible, please describe the mission of your board.
 - *The mission of the Sherman Economic Development Corporation (SEDCO) is to grow and diversify the economy of Sherman and the surrounding area through the addition of new jobs and investment of primary employers.*
2. Please list the top accomplishments of your board within the past quarter.
(Please limit the list to five or fewer items).
 - *SEDCO was one of 51 organizations to receive the TEDC 2018 Economic Excellence Recognition.*
 - *Submitted 12 new project proposals and hosted 4 site visits.*
 - *Approved a Performance Agreement with Modular Power Solutions (MPS). MPS plans to invest \$10,200,000 and retain 105 jobs, and SEDCO will provide a \$510,000 incentive upon proof that the conditions have been met.*
 - *Resolution No. SEDCO-2019.1 authorizing a dedication of right of way in Legacy Village to the City of Sherman for Legacy Boulevard was approved.*
3. What are your plans for this board in the next quarter?
 - *SEDCO will work to compete aggressively for the attraction of new jobs and investments to the city from existing Sherman employers and new companies, both nationally and internationally.*
 - *SEDCO will work closely with companies that have announced new investments in Sherman to ensure they have the support to meet their goals and receive the incentives as identified in the Economic Development Performance Agreements.*
 - *Current infrastructure projects include the new 12" sewer line in Progress Park II and the engineering for the Progress Drive extension and improvements to Flanary Road.*
 - *Kent will attend the Team Texas Road Show in Chicago and the TEDC Mid-Year Conference in Rockwall.*
 - *Stacey will attend the IAMC Spring Professional Forum in Santa Barbara.*
 - *Ashton will attend two IEDC Certification Courses in Minneapolis and Salt Lake City.*
 - *Kent and Stacey will attend the IFT19 tradeshow with Team Texas in New Orleans.*
 - *Host the IMT Graduate Reception*
 - *Co-sponsor the AMP End of Year Celebration*
 - *Host the Spring Leadership Breakfast*
 - *Launch the newly reconstructed ShermanTXJobs.com and market the website through various mediums.*
 - *To save time and trees, the SEDCO Board is switching to electronic board packets through the Agenda Quick software.*
 - *Host a Sherman industrial trivia game on social media with swag bag giveaways.*

4. How often did this board meet in the last quarter?

- *The SEDCO Board meets on the second Tuesday of each month and holds special called meetings when needed. Since our last report, the SEDCO Board held three regularly scheduled meetings (January 15th, February 12th, and March 19th) and an Economic Development Workshop (January 11th).*

5. In what percentage of those meetings was a quorum of board members present?

- *100%*

6. Did any member attend less than 75% of those meetings? If so, which member and how often did they attend.

- *No*

7. What other information would your board like to communicate to the City Council? (please be concise in your response).

- *SEDCO is presently working 6 active projects with an estimated \$244,000,000 in investments and approximately 1,200 new jobs.*
- *SEDCO made the third incentive payment of \$250,000 to Finisar.*
- *Via Rail Engineering presented the Conceptual Track Layout and estimate at the March board meeting.*
- *Met with representatives from Austin College to discuss how the new Jack B. Morris Center for Business Studies could benefit business and industry and SEDCO's recruiting efforts.*
- *Hosted "Practicing Economic Development: A Workshop for Community Leaders" on January 11th. This workshop was presented by TEDC President/CEO Carlton Schwab.*
- *Hosted the Winter Leadership Breakfast*
- *Kent met with several community leaders and partners and spoke to the Kiwanis Club.*
- *Kent and Stacey attended the Texas Legislative Conference.*
- *Completed an aerial map update*
- *Produced 7 industry videos for the new ShermanTXJobs.com*
- *Completed an update to the Available Sites video to include Park VII details*
- *The workforce video that promotes the AMP, IMT, and Business Education for Teacher programs is almost finished and will be uploaded to sedco.org and boosted on social media.*
- *Created a SEDCO Instagram account*
- *Ordering new SEDCO socks with a fresh design*
- *Continued the Business Retention and Expansion (BRE) Program with the following:*
 - *Existing industry visits: 21*
 - *Sponsored a Human Resources Network meeting, a Plant Managers Forum, and a Safety Leaders Forum*
 - *Purchased ad space in the Herald Democrat and on three digital billboards to promote the Career Connection Job Fair, which saw 334 jobseekers.*
- *Continued to serve and assist with the following student workforce development programs:*
 - *AMP Mid-Year Celebration*
 - *IMT Mid-Year Celebration*
 - *AMP tours at local industries*
- *The staff attended the following events and meetings:*
 - *Austin College Innovation Expo*
 - *Austin College Public Affairs Symposium*

- *Business & Professional Women's Networking Event*
- *City Council Meeting*
- *City of Sherman Pancake Breakfast*
- *Coffee with the Mayor*
- *Commissioners Court*
- *Community Behavioral Health Conference*
- *CWL Advisory Board Meeting*
- *Denison's Economic Development Summit*
- *Go Forum Convocation & Lunch*
- *Goodwill Breakfast/Tour for Sherman AMP Team*
- *J.P. Hart Lumber's Open House*
- *Kiwanis Meeting*
- *Leadership Sherman Alumni Reunion*
- *Planning & Zoning Meeting*
- *Sherman Chamber Awards Luncheon*
- *Sherman Chamber Lunch & Learn*
- *Sherman Cultural District Proclamation & Celebration*
- *Sherman-Denison Metropolitan Planning Organization Community Workshop*
- *Sherman Education Foundation Circle of Success Dinner*
- *Skills Development Grant Check Presentation*
- *Tax Reinvestment Committee Meeting*
- *Texoma Health Foundation's Holiday Gathering*



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.2.

Meeting Date: 04/15/2019

Prepared By: Mark Gibson, Director of Utilities

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Repair and Rework the Dorchester 8 Trinity Well under an Emergency Designation

Issue:

To allow the reworking and repair of the Dorchester 8 Trinity Well under an emergency designation

Background:

The Dorchester 8 Trinity Well has suffered a failure that has rendered the well inoperable. The well is a prime producer for the ground water supply zone and is needed to meet production demands. Due to the time involved to repair the well and the need to return the well to service as soon as possible to meet oncoming Summer demands, it is requested that the Council authorize the staff to proceed on an emergency basis to rework and repair the well.

Origination:

Utilities Administration, Department #710

Financial Consideration:

The City staff's estimated cost to repair the well is between \$250,000.00 and \$275,000.00. The City's Utility Fund will be utilized to fund the repairs.

Staff Recommendation:

It is recommended that City staff acquire quotations and time constraints from well repair contractors and present the most advantageous quote to the City Council for approval.

Alternatives:

As may be directed by the City Council

Attachments

Request for Quotation

Aerial Location Map

Request for Quotation
CITY OF SHERMAN, TEXAS

PROJECT: Dorchester 8 Trinity Pump Repair

DESCRIPTION OF WORK

The Owner is requesting bids for pump repair. The successful bidder shall provide written report with recommendations concerning the repair. Based on the written report, the Owner shall decide which method of repair is most advantageous to the City. Successful Bidder must have a licensed pump installer with endorsement for Submersible pumps, when pulling and setting the submersible pump, on site.

BASE QUOTE

The Bidder must understand that this is a lump sum quote. Bid prices must be filled in with ink, or typewritten in figures and do not leave any blank boxes.

Item	Est. Qty	Unit	Description	Amount
1	1	LS	Mobilization, pull motor and pump, City of Sherman will not pay any additional time to pull pump. This is a lump sum, pump is set at <u>1190'</u> Centrilift pump and motor.	\$
2	1	LS	Transportation of pump and equipment to shop and back the City of Sherman's Water Treatment Plant. 243 La Cima Drive, Sherman Texas 75092	\$
3	1	LS	Disassemble, inspect and provide written report on the status of the equipment and recommendations.	\$
LUMP SUM BID:				\$

4	1	LS	¼" Rubber coated stainless-steel airline (1,200 FT.) no splices	\$
5	1	LS	submersible pump (500GPM @ 1013'TDH)	\$
6	1	LS	480-volt submersible motor 3600 RPM, with heat exchanger, see motor specs. water temperature is in the mid 90's.	\$
7	1	LS	Symcom 777 with CTs, Symcom RM2000 motor saver <u>installed</u>	\$
8	1	LS	Paige Hydroflex electrical conductors w/ground, Conductors may have only 1 splice. See conductors spec. (1,200 ft.) water temperature is in the mid 90's.	\$
9	1	EA	5"x20' .258" wall thickness, API 5L grade B pipe with 8 round thread w/ lifting lugs.	\$
10	1	LS	3 – 5" check valves w/ 8 round thread, one at the pump	\$
11	1	LS	Disinfect water Well, reset pump and return to service. <u>Airlines must operate properly or pump must be pulled back out and airline replaced at contractors expense. Airline must not have any splices.</u>	\$
12	1	LS	Test pump (10 hours) and perform <u>bacteriological tests</u> . Provide written completion report to include material settings, installation plan, test pump results and written warranty. <u>Completion report must be turned in to the City before final payment is made.</u>	\$

The undersigned Bidder hereby proposes to do the work, to furnish all necessary superintendence, labor, machinery, equipment, tools and materials, and to complete all work upon which he bids. The undersigned Bidder hereby declares that he has visited the well site and has carefully examined the proposed work and conditions of the contract. The successful Bidder agrees to commence work within five (5) working days after the date of the work order and that the number of consecutive calendar days, after the date of the work order, required to substantially complete the work on which he has bid is _____ days.

By:

Title:

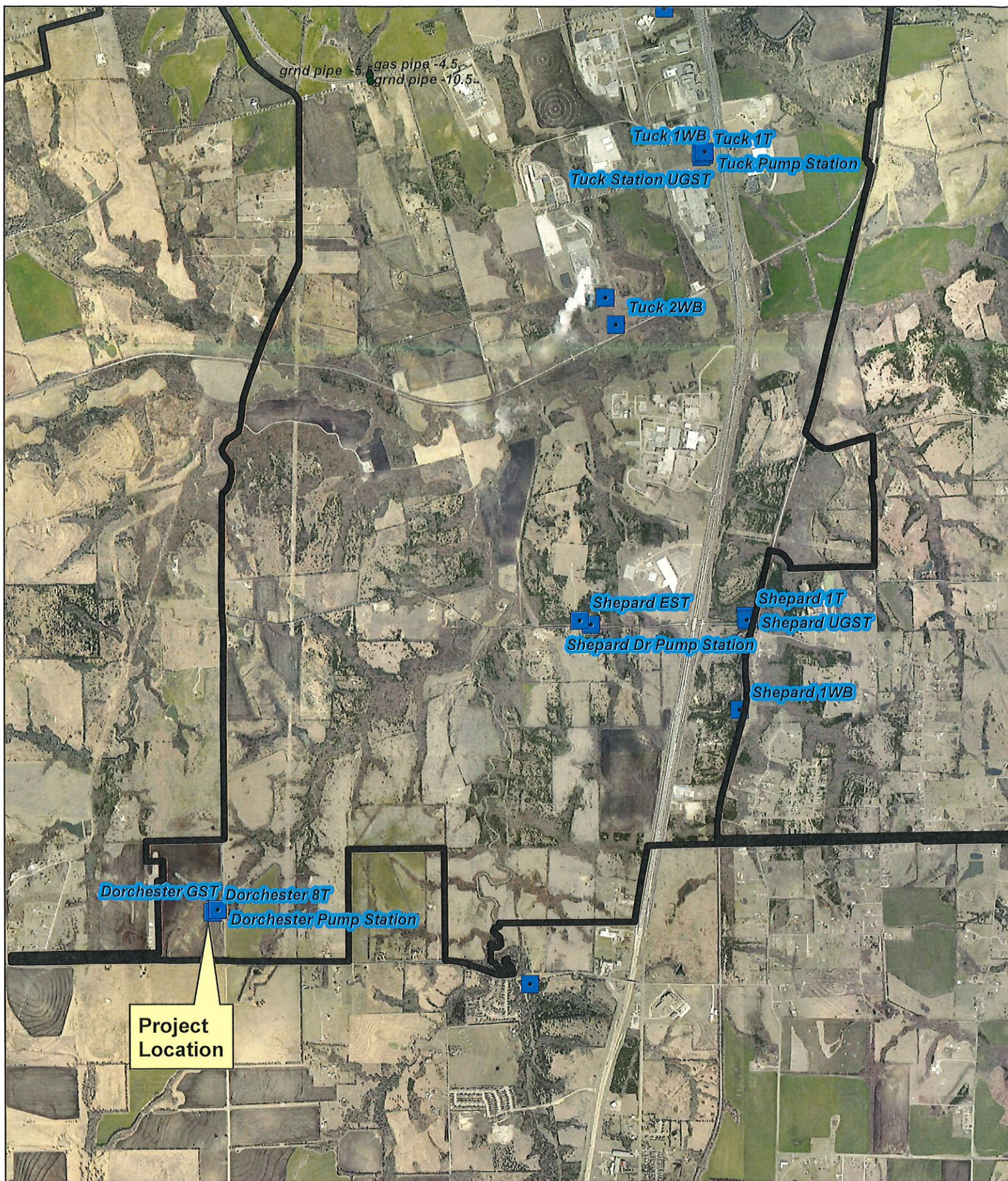
Company:

Address:

City/State/Zip:

Date:

Signature:





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.3.

Meeting Date: 04/15/2019

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Consider Request of True Options Pregnancy Center to Temporarily Close Certain Streets for the Fourth Annual "Turkey Trot 5K & Fun Run" on Saturday, November 23, 2019

Issue:

True Options Pregnancy Center will host the fourth annual "Turkey Trot 5K & Fun Run" on Saturday, November 23rd, and is requesting the City of Sherman's assistance with traffic control and street closures.

Background:

True Options Pregnancy Center will hold the fourth annual "Turkey Trot 5K & Fun Run" on Saturday, November 23rd. The race will begin at 7:30 a.m. and will follow the route displayed on the attached map. The run will require traffic control assistance and cones from City of Sherman.

True Options is also requesting the closure of Rusk Street in front of the Municipal Building from 7:00 a.m. to 11:30 a.m. Barricades will be provided by the City of Sherman Street Department.

Origination:

Bri Berry, Development Director, True Options Pregnancy Center

Financial Consideration:

Labor and equipment to provide traffic control assistance and place/remove barricades and cones

Staff Recommendation:

It is recommended that the City Council approve this request and authorize the necessary traffic control and assistance to accommodate the event.

Alternatives:

As directed by Council

Attachments

Request Letter dated April 1, 2019
Turkey Trot 2019 Run Route Map

105 W. Pecan, Post Office Box 3237
Sherman, TX 75091
Tel 903.893.9099 Fax 903.813.1855
www.shermanpregnancy.com



April 1, 2019

City of Sherman
220 W. Mulberry St.
Sherman, TX 75090-5832

To Whom It May Concern:

This year marks True Options Pregnancy Center's 4th annual Turkey Trot 5K and Fun Run. True Options Pregnancy Center is excited and ready to put this event on for the City of Sherman! All proceeds from this event will be given to True Options so that they can continue providing free medical care, counseling, and resources for women and men living in Texoma. Join us as we gobble, gallop, and give thanks during this family friendly event! Come join the fun by participating in our 5k race or try to beat the dressed up turkey in our fun run/walk and win a special prize!

We are requesting from the city, traffic support and cones to be placed along the course. We are estimating two hundred runners to participate. Please find below the details and attached the proposed course map.

What: True Options Turkey Trot 5K & Fun Run
Who: True Options Pregnancy Center
When: Saturday, November 23rd, 2019
Time: Race start 8:00 AM finish at 11:00AM
Where: Sherman Municipal Grounds

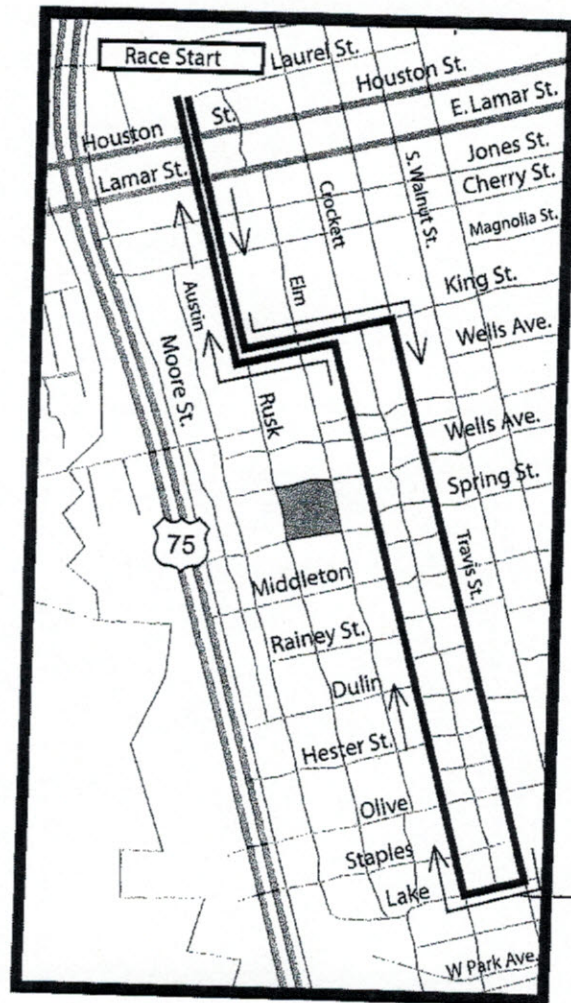
We want to thank you in advance for your consideration of this event. If we can be of any assistance please give me a call at 903.893.9099.

Sincerely,

Bri Berry
Development Director
True Options Pregnancy Center

The Course

The 5K and Mini-K are on city streets, beginning and ending at the corner of Laurel and Rusk Streets, which is just one block from the festival. The 5K is fast and flat and has one water station at the midpoint. The Mini-K is one mile and great for both runners and walkers. The 5K course is certified by TAC/USA.





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.4.

Meeting Date: 04/15/2019

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Final Plat Approval of Maverick Addition, Phase Two, being 0.341 acres in the J.B. McAnair Survey, Abstract No. 763; MJLM Holdings, LLC, Owner; and Helvey-Wagner Surveying, Inc., Surveyor (1300 North Broughton Street)

Issue:

To consider Final Plat Approval of Maverick Addition, Phase Two, being 0.341 acres in the J.B. McAnair Survey, Abstract No. 763; MJLM Holdings, LLC, Owner; and Helvey-Wagner Surveying, Inc., Surveyor, located at 1300 North Broughton Street

Background:

The property is located at 1300 North Broughton Street, the northwest corner of East Sycamore Street and North Broughton Street. The property is zoned an R-1 (One Family Residential) District. The owner would like to plat the property into two lots for residential development. An exception was granted at the March 19, 2019 Planning and Zoning Commission Meeting to allow a 51.87 lot width in lieu of the required sixty (60) feet in an R-1 (One Family Residential) District on Lot 1.

Origination:

MJLM Holdings, LLC (Owner)
Helvey-Wagner Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the March 19, 2019 regular meeting, the Planning and Zoning Board voted unanimously to recommend to the City Council that the Final Plat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map

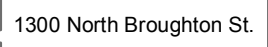
Zoning Map

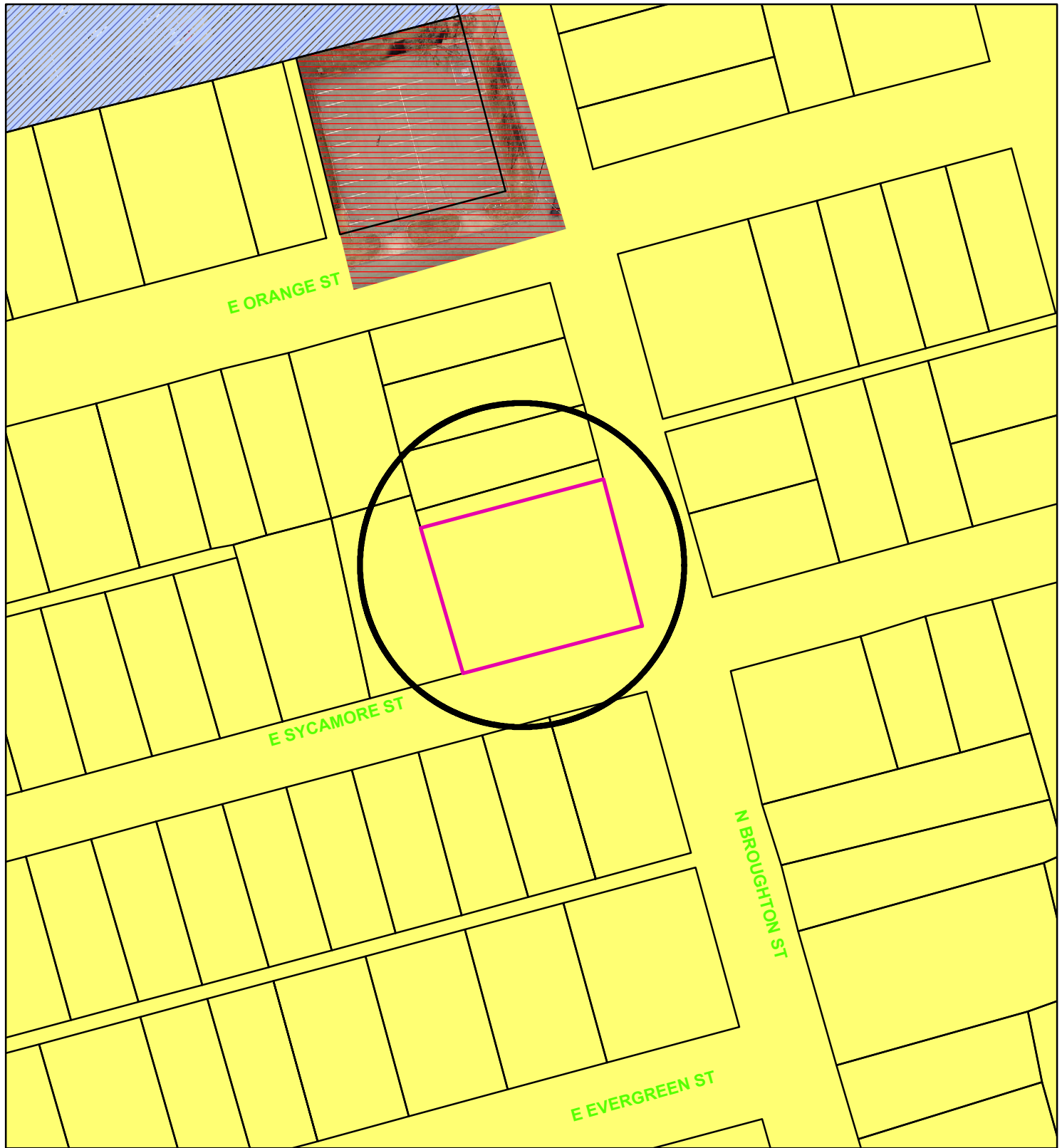
Zoning Sign Photo

Final Plat - Maverick Addition, Phase 2

Staff Review Letter

P&Z Communication





Zoning - 1300 North Broughton Street

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Representation: ShermGIS.DBO.TransportationCorridor_Rep_1

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District

- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing District
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District



NOT TO SCALE

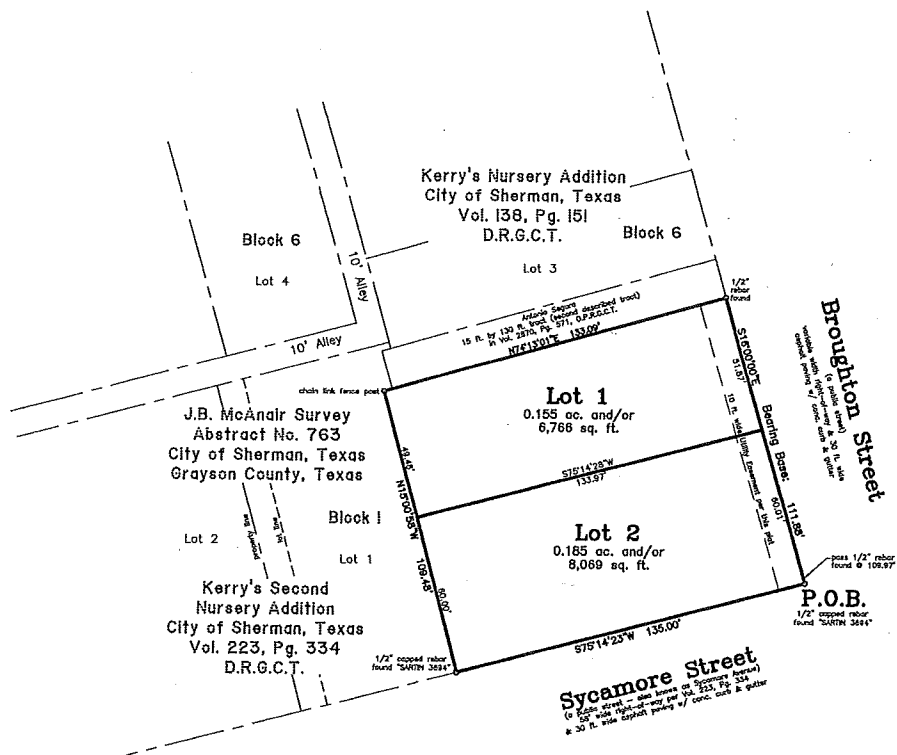
1 in = 100 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

1300 North Broughton Street





Maverick Addition, Phase Two to the City of Sherman, Texas 0.341 Acres

in the

**J.B. McAnair Survey
Abstract No. 763**

General Notes:

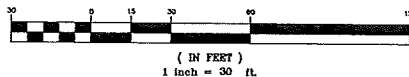
1. Water Supply to be provided by City of Sherman.
2. Sewer service to be provided by City of Sherman.
3. Electrical service is provided by Oncor Electrical Delivery Company.
4. Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the floodway is prohibited.
5. Any existing creeks or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
6. Grayson County will not be responsible for the maintenance and operation of said drainage ways or for the control of erosion.
7. The property shown on the plat hereon lies within a Zone "X" (areas determined to be outside 500-year floodplain) (Designation, as shown on the Flood Insurance Rate Map for Grayson County, Texas and Incorporated Areas, Map No. 48181C0290 F, Revised Date: September 29, 2010).
8. Neither Grayson County nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
9. The owners and builders must comply with all other state and federal regulations regarding developments of this type.

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph: (903) 463-6191 Fax: (903) 463-4088
Email: helveysurvey@cox.net
Texas Board of Professional Land Surveying
Firm Registration No. 10088100

Owner:
MJLM Holdings, LLC
110 S. Houston Avenue
Sherman, Texas 75090

Job No. CGS290119

GRAPHIC SCALE



Site Location

(not to scale) 91





STAFF REVIEW LETTER

February 11, 2019

MJLM Holdings, LLC
110 S. Houston Ave.
Sherman, TX 75090

Helvey-Wagner Surveying, Inc.
222 W. Main St.
Denison, TX 75020

Dear Applicants,

The request for approval of the Final Plat of Maverick Addition, Phase Two has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 19, 2019 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates with \$0.00 balance shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. The width of the right-of-way and pavement for streets shall be shown on the plat.
5. Individually prepared and recorded Private Sanitary Sewer Easements required to serve both lots with City sewer. Show locations of said Private Sanitary Sewer Easements and note recording information on plat. Sewer is not available unless Private Sanitary Sewer Easements are granted across private property.
6. Minimum street frontage is 60 feet, minimum lot area is 6,000 square feet.
7. Metes and bounds must match drawing.
8. General Notes Nos. 6 & 8 should read City of Sherman rather than Grayson County.
9. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
10. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

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

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,



Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Billy Hartsfield, Fire Marshal

Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager



**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 11.

Meeting Date: 02/19/2019

Prepared by: Patsy Reeves, Developmental Services Coordinator
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

Requested Action/Proposed Use:

1300 NORTH BROUGHTON STREET

The request of MJLM Holdings, LLC (Owners) and Helvey-Wagner Surveying, Inc. (Surveyor) concerning the property located at 1300 North Broughton Street, being 0.341 acres in the J.B. McAnair Survey, Abstract No. 763, as follows:

Board of Adjustments

Variance under Ordinance No. 2280, Section 6.2, Subsection (1), being 0.155 acres in the J.B. McAnair Survey, Abstract No. 763, also being Lot 1 of the proposed Maverick Addition, Phase Two, to allow a 51.87 lot width in lieu of the required sixty (60) foot in an R-1 (One Family Residential) District.

Planning and Zoning Commission

Final Plat approval of Maverick Addition, Phase Two

Background:

The property is located at 1300 North Broughton Street, the northwest corner of East Sycamore Street and North Broughton Street. The property is zoned an R-1 (Single Family Residential) District. The owners would like to plat the property into two lots for residential development.

Adjacent Zoning:

R-1 (One Family Residential) District

Origination:

MJLM Holdings, LLC (Owners)

Helvey-Wagner Surveying, Inc. (Surveyor)

Master Plan Designation:

Auto-Urban Single Family Residential – This character type is the single-family residential category with the greatest density and the shortest building setbacks. Most driveways will face the street as well as the garage. Sidewalks are available for pedestrians. Less lot area is devoted to open space and greenery.

Number of notices mailed:

25

Objections Received:

0

Attachments

Location Map

Zoning Map

Zoning Sign Photo

Final Plat - Maverick Addition, Phase Two

Variance

Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.5.

Meeting Date: 04/15/2019

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Replat Approval of Lot 1 of the Amended Plat of Haliburton Addition, being 9.524 acres in the Elizabeth Jones Survey, Abstract No. 625; East Sherman Baptist Church, Owners; Bluestone Partners, Developer/Representative; and Underwood Drafting and Surveying, Inc., Surveyor [2122 South F.M. 1417 (Heritage Parkway)]

Issue:

To consider Replat approval of Lot 1 of the Amended Plat of the Haliburton Addition, being 9.524 acres in the Elizabeth Jones Survey, Abstract No. 625; East Sherman Baptist Church, Owners; Bluestone Partners, Developer/Representative; and Underwood Drafting and Surveying, Inc., Surveyor, located at 2122 South F.M. 1417 (Heritage Parkway)

Background:

The property is located at 2122 South F.M. 1417 (Heritage Parkway); the property in front of the City of Sherman Water Tower across from the Pebblebrook subdivision. The property is zoned a C-1 (Retail Business) District; and it is also located in the O-1.1 (FM 1417) Overlay District. The owners would like to Replat the property into two lots for commercial development.

Origination:

East Sherman Baptist Church (Owners)
Bluestone Partners (Developer/Representative)
Underwood Drafting and Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the March 19, 2019 regular meeting, the Planning and Zoning Board voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

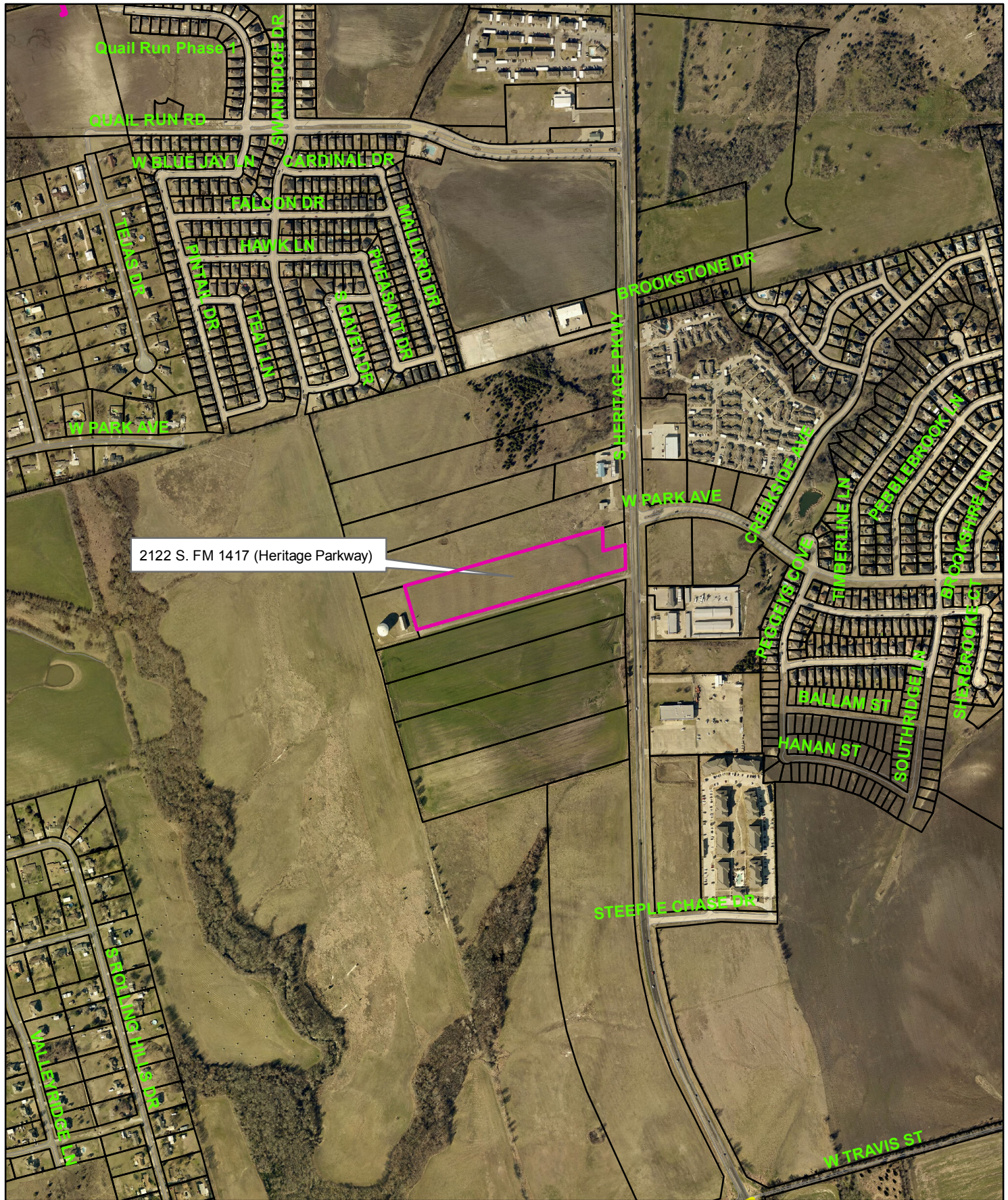
Location Map

Zoning Map

Replat Lot 1 of the Amended Plat of Haliburton Addition

Staff Review Letter

P&Z Communication



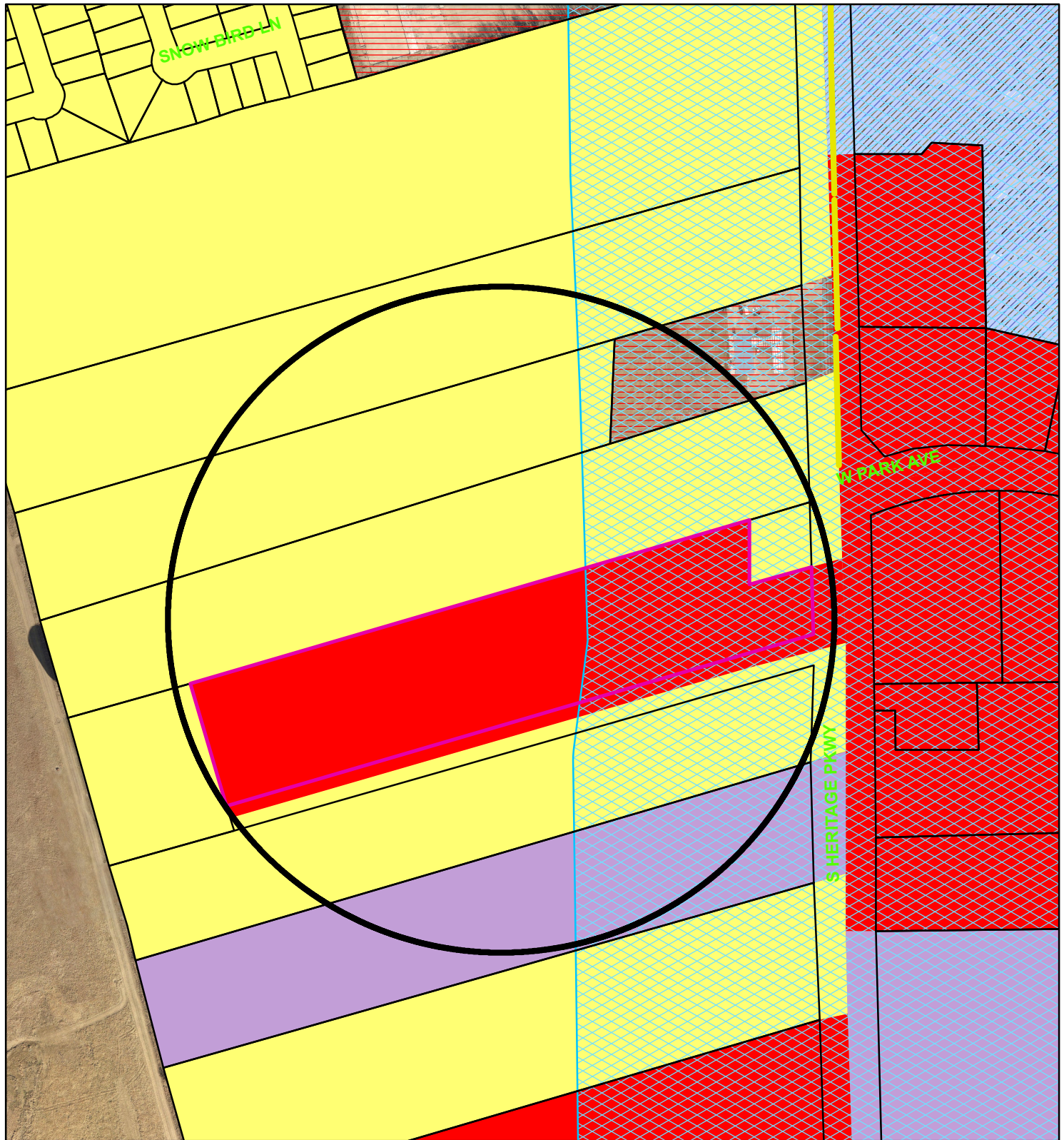
2122 S. FM 1417 (Heritage Parkway)



2122 S. FM 1417 (Heritage Parkway)



1 in = 800 ft



Zoning - 2122 South FM 1417 (Heritage Parkway)

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor

Representation: SHERMGIS.DBO.TransportationCorridor_Rep_1

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: SHERMGIS.DBO.ZoningDistrict_Rep

- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District

- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing District
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District



NOT TO SCALE

1 in = 300 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department



STAFF REVIEW LETTER

March 11, 2019

East Sherman Baptist Church
910 E. King Street
Sherman, TX 75090

Underwood Drafting & Surveying
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request for approval of the Replat of Lot 1 of the Amended Plat of The Haliburton Addition has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, March 19, 2019 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates with \$0.00 balance shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman and TxDOT standards and a permit is required from City of Sherman Engineering Department.
4. The width of the right-of-way and pavement for streets shall be shown on the plat.
5. Show FM 1417 as being a Variable Right of Way if no actual Right of Way shown. “???” Right of Way” is not acceptable.
6. Require a 20’ Right of Way Dedication along FM 1417.
7. City of Sherman Access Drive must be paved with asphalt or concrete by developer to account for additional ingress/egress traffic. The City does use this drive daily for operations into and out of the water tank. Current conditions are not suitable for the amount of traffic the proposed property will create.
8. Only one shared drive will be permitted along FM 1417 and said shared drive will be right-in, right-out only.
9. Mutual Access Agreement from owners of Lot 2R to owners of Lot 1R to allow ingress/egress to Lot 1R must be filed of record as a separate instrument as well as shown and filing information noted on plat.
10. City of Sherman Access Drive will remain.
11. Sewer service will have to be extended from the East side of FM 1417 by developer.
12. Water Pro-Rata will be due upon development. Verify water tap location and information with Mark Gibson, Director of Utilities.
13. Privately owned and maintained detention in accordance with City criteria will be required as the site develops.

14. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
15. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

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

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,



Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Billy Hartsfield, Fire Marshal

Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager



**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 8.

Meeting Date: 03/19/2019

Prepared by: Patsy Reeves, Developmental Services Coordinator
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

Requested Action/Proposed Use:

*** 2122 SOUTH FM 1417 (HERITAGE PARKWAY)**

The request of East Sherman Baptist Church (Owners), Bluestone Partners (Developer/Representative) and Underwood Drafting and Surveying, Inc. (Surveyor) concerning the property located at 2122 South FM 1417 (Heritage Parkway), being 9.524 acres in the Elizabeth Jones Survey, Abstract No. 625, as follows:

Planning and Zoning Commission

Replat approval of Lot 1 of the Amended Plat of the Haliburton Addition.

Background:

The property is located at 2122 South FM 1417 (Heritage Parkway); the property in front of the City of Sherman Water Tower across from the Pebblebrook Subdivision. The property is zoned a C-1 (Retail Business) District and it is also located in the O-1.1 (FM 1417) Overlay District. The owners would like to Replat the property into three lots for commercial development.

Adjacent Zoning:

R-1 (One Family Residential) District

C-1 (Retail Business) District

Origination:

East Sherman Baptist Church (Owners)

Bluestone Partners (Developer/Representative)

Underwood Drafting and Surveying, Inc. (Surveyor)

Master Plan Designation:

Agricultural and Rural – Typically are large parcels that are primarily used for crops or pasture land.

These low density regions surrounding the City do not have significant demands on the transportation or utilities network.

Number of notices mailed:

Not required.

Objections Received:

0

Attachments

Location Map

Zoning Map

Replat Lot 1 Amended Plat of Haliburton Addition

Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.6.

Meeting Date: 04/15/2019

Prepared By: Patsy Reeves, Developmental Services Coordinator

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Replat Approval of Midway Industrial Park Addition, Lots 2R, 6 and 7, Block 1, a Replat of Lot 2, Block 1, Midway Industrial Park Addition, being all of Lot 2, Block 1, Midway Industrial Park Addition and a portion of Midway Drive, containing 70.76 acres in the J.B. Shannon Survey, Abstract No. 1085; Datavault Joint Venture, Owners; Holtman Designworks, Developer; and Eagle Surveying, LLC, Surveyor (2900 block of Fallon Drive)

Issue:

To consider Replat approval of Midway Industrial Park Addition, Lots 2R, 6 and 7, Block 1, a Replat of Lot 2, Block 1, Midway Industrial Park Addition, being all of Lot 2, Block 1, Midway Industrial Park Addition and a portion of Midway Drive, containing 70.76 acres in the J.B. Shannon Survey, Abstract No. 1085; Datavault Joint Venture, Owners; Holtman Designworks, Developer; and Eagle Surveying, LLC, Surveyor, located in the 2900 block of Fallon Drive

Background:

The property is located in the 2900 block of Fallon Drive, extending to the end of Fallon Drive including a portion of the property in the City of Sherman's Extra Territorial Jurisdiction (ETJ). The property is zoned an M-1 (Light Manufacturing) District. The owners would like to replat the property into three (3) lots for industrial development.

Origination:

Datavault Joint Venture (Owners)
Holtman Designworks (Developer)
Eagle Surveying, LLC (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the March 19, 2019 regular meeting, the Planning and Zoning Board voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

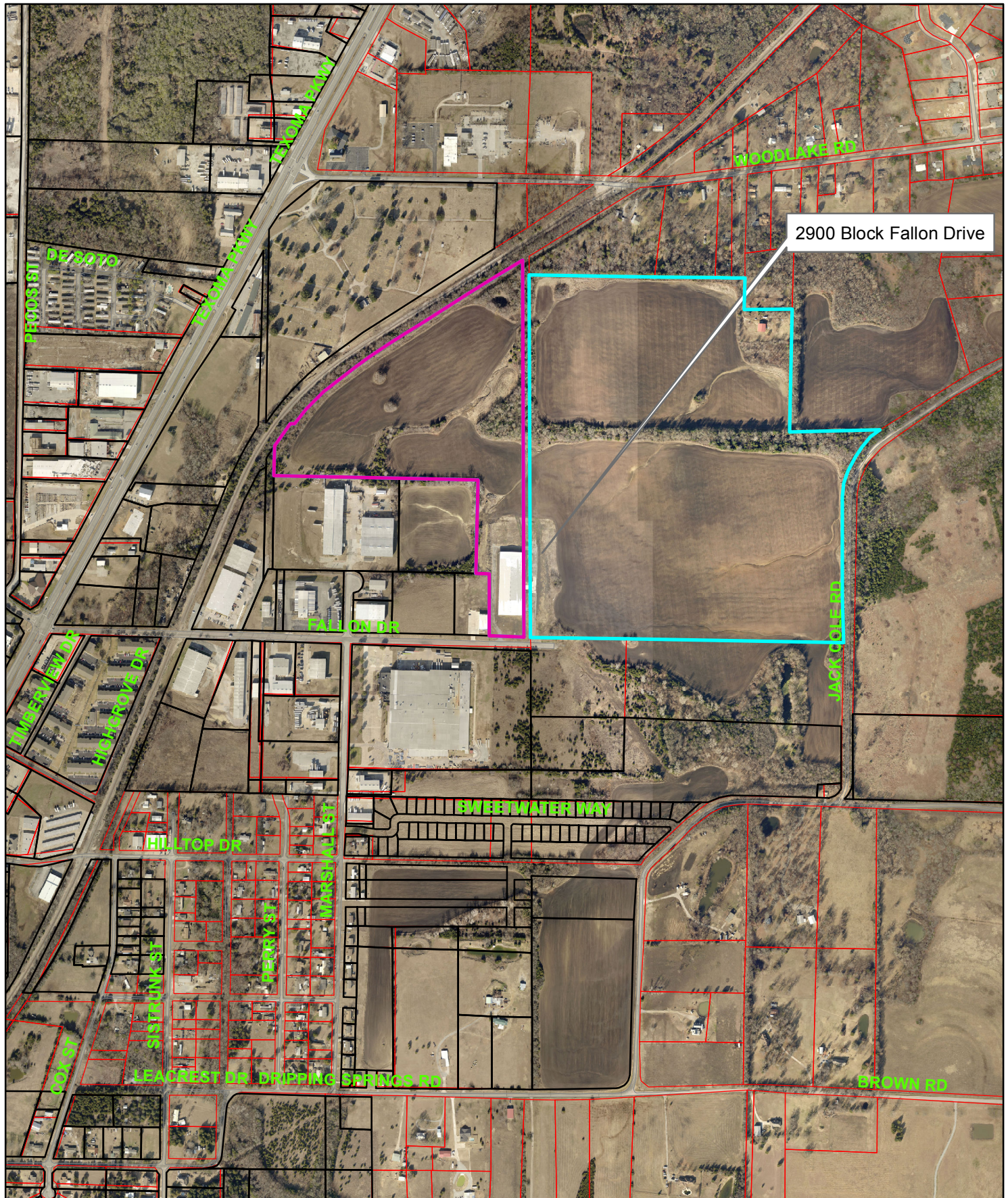
Location Map

Zoning Map

Replat Midway Industrial Park Addition

Staff Review Letter

P&Z Communication

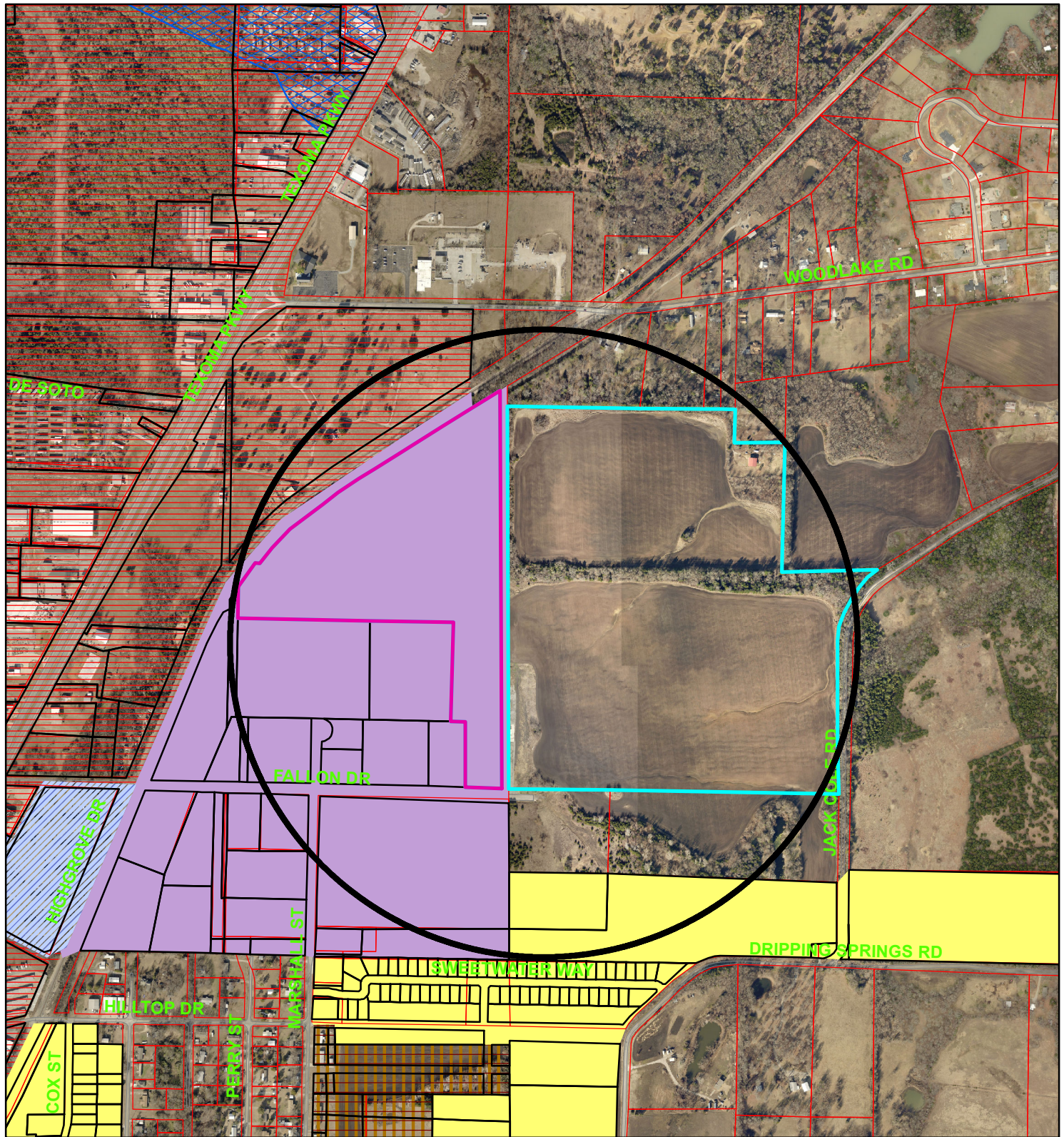


2900 Block Fallon Drive



NOT TO SCALE

1 in = 827 ft



Zoning - 2900 Block Fallon Drive

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District
- Transportation Corridor

Representation: SpermGIS.DBO.TransportationCorridor_Rep_1

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: SpermGIS.DBO.ZoningDistrict_Rep

- BIP Blalock Industrial Park
- C-1 Retail Business District

- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing District
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

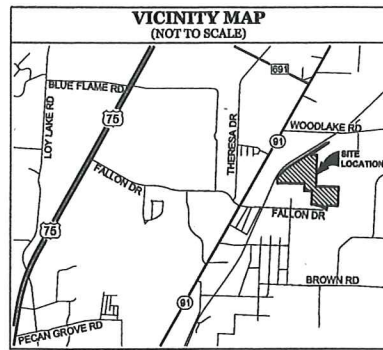


SCALE

1 in = 827 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department



LEGEND	
PG	= PAGE
VOL	= VOLUME
POB	= POINT OF BEGINNING
IRF	= IRON ROD FOUND
CIRF	= CAPPED IRON ROD FOUND
CIRS	= CAPPED IRON ROD SET
P.R.G.C.T.	= PLAT RECORDS GRAYSON COUNTY, TEXAS
D.R.G.C.T.	= DEED RECORDS GRAYSON COUNTY, TEXAS
O.P.R.G.C.T.	= OFFICIAL PUBLIC RECORDS GRAYSON COUNTY, TEXAS

CURVE TABLE				
CURVE	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARING
C1	112.78'	1860.08'	3°28'26"	N 36°50'34" E
C2	597.97'	1835.00'	18°21'29"	N 48°21'29" E
C3	576.62'	819.50'	40°18'54"	N 68°02'02" W
C4	46.93'	819.50'	3°16'52"	N 47°31'01" W
C5	145.02'	819.50'	10°08'22"	N 64°13'38" W
C6	384.67'	819.50'	28°53'39"	N 72°44'39" W
C7	80.63'	167.50'	27°34'51"	N 15°28'01" E
C8	119.42'	232.50'	28°25'42"	S 16°23'26" W

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 01°42'28" E	259.76'
L2	S 88°48'21" E	31.58'
L3	N 82°34'31" E	118.12'
L4	S 03°24'30" W	47.39'
L5	S 88°39'45" E	248.11'
L6	S 01°30'20" W	204.47'
L7	N 00°00'06" W	3.49'
L8	S 89°59'54" W	21.07'
L9	N 01°28'49" E	22.65'
L10	N 88°17'39" W	180.11'
L11	N 78°07'48" E	57.84'
L12	S 07°58'21" E	58.65'



SURVEYOR
Eagle Surveying, LLC
Contact: John Cox
210 S. Elm Street, Suite: 104
Denton, TX 76201
(940) 222-3009

ENGINEER
ClayMoore Engineering, Inc.
Contact: Clay Cristy
1903 Central Drive, Suite: 408
Bedford, TX 76021
(817) 281-0572

OWNER
DataVault Corporation
Contact: Oliver McElroy
P.O. Box 969
Sherman, TX 76609

Project	1810.032-05
Date	02/20/2019
Drafter	JDC

EAGLE SURVEYING, LLC
210 S. Elm Street, Suite: 104
Denton, TX 76201
(940) 222-3009
TX Firm #10194177

FINAL PLAT
MIDWAY INDUSTRIAL PARK ADDITION
LOTS 2R, 6 AND 7, BLOCK ONE
BEING A REPLAT OF LOT 2, BLOCK ONE OF
MIDWAY INDUSTRIAL PARK ADDITION,
RECORDED IN VOLUME 23, PAGE 62, P.R.G.C.T.
SITUATED IN THE J.B. SHANNON SURVEY, ABSTRACT NO. 1085,
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS

LEGAL DESCRIPTION

STATE OF TEXAS §
COUNTY OF GRAYSON §

WHEREAS, DATAVAULT CORPORATION, is the sole owner of a 70.76 acre tract of land situated in the J.B. SHANNON SURVEY, ABSTRACT NUMBER 1085, City of Sherman, Grayson County, Texas, being all of Lot 2, Block One of Midway Industrial Park Addition, an addition to the City of Sherman, Texas, according to the plat recorded in Volume 23, Page 61, Plat Records of Grayson County, Texas (P.R.G.C.T.), and being a portion of Midway Drive, abandoned by City Ordinance Number _____, and being a part of a called 220.31 acre tract of land (Parcel One - Tract No. 2), described in a deed to DataVault Corporation, recorded in Volume 1870, Page 717, Deed Records of Grayson County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2-inch capped iron rod with green plastic cap stamped "EAGLE SURVEYING" set in the North line of Fallon Drive (60-foot right-of-way), being the Southwest corner of said Lot 2, Block one, and being the Southeast corner of Lot 1, Block One of said Midway Industrial Park Addition;

THENCE North 01°35'45" East, departing the North right-of-way line of said Fallon Drive, with the West line of said Lot 2, Block One and the common East line of said Lot 1, Block One, a distance of 634.00 feet to a 1/2-inch iron rod found, being the Northeast corner said Lot 1, Block One;

THENCE North 88°31'24" West, continuing with the West line of said Lot 2, Block One and the common North line of said Lot 1, Block One, a distance of 351.84 feet to a 1/2-inch iron rod found, being the Northwest corner of said Lot 1, Block One and being in the East line of a called 6.709 acre tract of land described in deed to Ramesh Khimji and Madhvi Khimji, recorded in Volume 2969, Page 413, Official Public Records of Grayson County, Texas, (O.P.R.G.C.T.);

THENCE North 01°28'38" East, continuing with the West line of said Lot 2, Block One and the common East line of said called 6.709 acre tract, a distance of 334.78 feet to a 1/2-inch iron rod found, being the Northeast corner of said called 6.709 acre tract;

THENCE North 86°28'30" West, continuing with the West line of said Lot 2, Block One and the common North line of said called 6.709 acre tract and the North line of a called 11.216 acre tract of land described in a deed to Larry Mueller, recorded in Volume 5728, Page 1, O.P.R.G.C.T., a distance of 1,300.04 feet to a 1/2-inch iron rod found being at the Northwest corner of said called 11.216 acre tract and being in the East line of Lot 1, Block One of Midway Industrial Park Addition, an addition to the City of Sherman, Texas, according to the plat recorded in Volume 6, Page 11, P.R.G.C.T.;

THENCE North 01°42'28" East, continuing with the West line of said Lot 2, Block One and the common East line of said Lot 1, Block One, a distance of 259.76 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set, being the North corner of said Lot 1, Block One and being in the Southeast right-of-way line of the Southern Pacific Railroad (150-foot right-of-way), and being at the beginning of a curve to the right, with a radius of 1,860.08 feet, delta angle of 03°28'26", chord bearing and distance of North 36°50'34" East, 112.78 feet;

THENCE continuing with the West line of said Lot 2, Block One and the common Southeast right-of-way line of the Southern Pacific Railroad the following four (4) calls:

Along said curve, an arc distance of 112.78 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set at the end of said curve;
South 88°46'21" East, a distance of 31.58 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set at the beginning of a curve to the right, with a radius of 1,835.08, delta angle of 18°21'29", chord bearing and distance of North 48°21'29" East, 597.97 feet;
Along said curve, an arc distance of 597.97 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set at the end of said curve;
North 57°32'09" East, a distance of 2,015.91 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set for the Northwest corner of said Lot 2, Block One and being in the South right-of-way line of Woodlake Road (60-foot right-of-way);

THENCE North 82°34'31" East, departing the Southeast right-of-way line of said Southern Pacific Railroad, with the North line of said Lot 2, Block One and the common South right-of-way line of said Woodlake Road, a distance of 118.12 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set, being the Northwest corner of a called 6.403 acre tract of land described in a deed to John W. Hill and Adriana Hill, recorded in Volume 5695, Page 34, O.P.R.G.C.T.;

THENCE South 57°32'09" West, departing the South right-of-way line of said Woodlake Road, with the East line of said Lot 2, Block One and the common West line of said called 6.403 acre tract, a distance of 878.88 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set;

THENCE South 03°24'30" West, continuing with the East line of said Lot 2, Block One and the common West line of said called 6.403 acre tract, a distance of 47.39 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set, being the Southwest corner of said called 6.403 acre tract of land;

THENCE South 88°39'45" East, continuing with the East line of said Lot 2, Block One and the common South line of said called 6.403 acre tract, a distance of 248.11 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set at the Northwest corner of a called 39.434 acre tract (Exhibit P-3) described in deed to DataVault Corporation, recorded in Volume 1870, Page 717, D.R.G.C.T.;

THENCE South 01°28'49" West, continuing with the East line of said Lot 2, Block One and the common West line of said called 39.434 acre tract and the West right-of-way line of Midway Drive, a distance of 1,483.40 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set;

THENCE South 88°17'39" East, departing the West right-of-way line of said Midway Drive, over and across said Midway Drive and over and across a called 220.31 acre tract of land (Parcel One - Tract No. 2) described in deed to DataVault Corporation, recorded in Volume 1870, Page 717, O.P.R.G.C.T., a distance of 1,061.55 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set;

THENCE over and across said called 220.31 acre tract of land the following three (3) calls:
South 01°42'21" West, a distance of 880.00 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set;
North 88°17'39" West, a distance of 514.98 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set;
South 01°30'20" West, a distance of 204.47 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set in the East line of a called 10.000 acre tract of land (Parcel 1) described in a deed to Cooper B-Line, Inc, recorded in Volume 3020, Page 623, Deed Records of Grayson County, Texas and being at the beginning of a curve to the left, with a radius of 819.50 feet, delta angle of 40°18'54", chord bearing and distance of North 68°02'02" West, 564.80 feet;

THENCE along said curve, over and across said called 10.000 acre tract and said called 220.31 acre tract, an arc distance of 576.62 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set at the end of said curve, being in the North right-of-way line of said Fallon Drive;

THENCE with the North right-of-way line of said Fallon Drive the following four (4) calls:
North 00°00'06" West, a distance of 3.49 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set;
South 89°59'54" West, a distance of 21.07 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set;
North 01°28'49" East, a distance of 22.65 feet to a 1/2-inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set;
North 88°17'39" West, a distance of 180.11 feet to the POINT OF BEGINNING, containing 70.76 acres of land, more or less

SURVEYOR
Eagle Surveying, LLC
Contact: John Cox
210 S. Elm Street, Suite: 104
Denton, TX 76201
(940) 222-3009

ENGINEER
ClayMoore Engineering, Inc.
Contact: Clay Cristy
1903 Central Drive, Suite: 408
Bedford, TX 76021
(817) 281-0572

OWNER
DataVault Corporation
Contact: Oliver McElroy
P.O. Box 969
Sherman, TX 76609

Project	1810.032-05
Date	02/20/2019
Drafter	JDC

EAGLE SURVEYING, LLC
210 S. Elm Street, Suite: 104
Denton, TX 76201
(940) 222-3009
TX Firm #10194177

CERTIFICATE OF SURVEYOR

STATE OF TEXAS §
COUNTY OF GRAYSON §

I, TED A. GOSSETT, Registered Professional Land Surveyor, do hereby certify that this plat was prepared from an actual survey made on the ground and that the monuments shown hereon were found or placed with 1/2-inch iron rods with green plastic caps stamped "EAGLE SURVEYING" under my direction and supervision in accordance with the current provisions of the Texas Administrative Code and the Ordinances of the City of Sherman, Grayson County, Texas.

PRELIMINARY
this document shall not be recorded for any purpose and shall not be used or viewed or relied upon as a final survey document
Ted A. Gossett, R.P.L.S. # 5991

Date _____

OWNER'S DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

That, DATAVAULT CORPORATION, does hereby adopt this plat designating the hereinabove property as MIDWAY INDUSTRIAL PARK ADDITION, LOTS 2R, 6 AND 7, BLOCK ONE, an addition to the City of Sherman, Texas, and do hereby dedicate to the public use forever the streets and easements shown on this plat for the mutual use and accommodation of all public and private utilities desiring to use or using same. Any public or private utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs or other improvements or growths which in anyway endanger or interfere with the construction, maintenance, or efficiency of its respective systems on any of these easements strips and any public or private utility shall, at all times, have right of ingress and egress to and from and upon the said easements strips for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or part of its respective system without the permission of anyone. This plat approved subject to all ordinances, rules, regulations and resolutions of the City of Sherman, Texas.

WITNESS MY HAND this _____ day of _____, 2019.

OWNER: DATAVAULT CORPORATION

BY: _____
Oliver McElroy
President

STATE OF TEXAS §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared OLIVER McELROY, President of DATAVAULT CORPORATION, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF THE OFFICE this _____ day of _____, 2019.

Notary Public in and for the State of Texas

ACCEPTANCE

APPROVED this _____ day of _____, 2019, by the City Planning Commission of the City of Sherman, Texas.

Chairman
City Planning Commission

ATTEST:

City Secretary
City of Sherman, Texas

CERTIFICATE OF ACCEPTANCE OF DEDICATION

Accepted by the City Council of the City of Sherman, Texas on this the _____ day of _____, 2019.

Mayor
City of Sherman, Texas

CERTIFICATE OF COMPLIANCE

The undersigned, the City Clerk of the City of Sherman, Texas, hereby certifies that the foregoing, MIDWAY INDUSTRIAL PARK ADDITION, LOTS 2R, 6 AND 7, BLOCK ONE, an addition to the City of Sherman, Texas, was submitted to the City Council on the _____ day of _____, 2019, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements and public places, as shown and set forth in and upon said map or plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as herein above subscribed.

Clerk
City of Sherman, Texas

GENERAL NOTES

- 1.) Water and Sewer to be provided by the City of Sherman.
- 2.) Electrical Service is provided by Oncor Electric Delivery Company, LLC.
- 3.) Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the roadway is prohibited.
- 4.) Any existing creeks or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
- 5.) The City of Sherman will not be responsible for the maintenance and operation of said drainage way or for the control of erosion.
- 6.) This property is located in "Non-shaded Zone X" as scaled from the F.E.M.A. Flood Insurance Rate Map dated September 29, 2010 as shown on Map Number 48181C0276F.
- 7.) The bearings shown on this survey are based on GPS observations utilizing the Alterra RTKNET Cooperative network NAD 83(2011) Datum.
- 8.) Neither the City of Sherman nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
- 9.) The owners and builders must comply with all other state and federal regulations regarding developments of this type.

FINAL PLAT
MIDWAY INDUSTRIAL PARK ADDITION
LOTS 2R, 6 AND 7, BLOCK ONE
BEING A REPLAT OF LOT 2, BLOCK ONE OF
MIDWAY INDUSTRIAL PARK ADDITION,
RECORDED IN VOLUME 23, PAGE 62, P.R.G.C.T.
SITUATED IN THE J.B. SHANNON SURVEY, ABSTRACT NO. 1085,
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS



STAFF REVIEW LETTER

March 11, 2019

Datavault Corporation
Attn: Oliver McElroy
P.O. Box 969
Sherman, TX 75090

Eagle Surveying, LLC
Attn: John Cox
210 S. Elm St., Ste. 104
Denton, TX 76201

ClayMoore Engineering, Inc.
Attn: Clay Cristy
1903 Central Drive, Ste. 406
Bedford, TX 76021

Dear Applicants,

The request for approval of the Final Plat of Midway Industrial Park Addition, Lots 2R, 6 and 7, Block One has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, March 19, 2019 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates with \$0.00 balance shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. The width of the right-of-way and pavement for streets shall be shown on the plat.
5. Show off-site Drainage Easements.
6. Dedicate a 10' Utility Easement along Midway Drive and Fallon Drive.
7. Point of Beginning on drawing cannot be read. Remove hatching off of POB block.
8. Update drawing and metes and bounds to reflect Ordinance No. 6181 abandoning Midway Drive.
9. Change Plat name to a more distinctive name. Current name is too similar to previously filed plats. Coordinate with Engineering Department for new plat name.
10. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
11. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block

and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

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

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,



Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Billy Hartsfield, Fire Marshal

Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager



**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 12.

Meeting Date: 03/19/2019

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

Requested Action/Proposed Use:

*** 2900 BLOCK FALLON DRIVE**

The request of Datavault Joint Venture (Owners), Holtman Designworks (Developer) and Eagle Surveying, LLC (Surveyor) concerning the property located in the 2900 Block Fallon Drive, being all of Lot 2, Block 1, Midway Industrial Park Addition and a portion of Midway Drive, containing 70.76 acres in the J.B. Shannon Survey, Abstract No. 1085, as follows:

Planning and Zoning Commission

Replat approval of Midway Industrial Park Addition, Lots 2R, 6 and 7, Block 1, a Replat of Lot 2, Block 1, Midway Industrial Park Addition.

Background:

The property is located in the 2900 Block Fallon Drive extending to the end of Fallon Drive including a portion of the property in the City of Sherman's Extra Territorial Jurisdiction. The property is zoned an M-1 (Light Manufacturing) District. The owners would like to replat the property into three (3) lots for industrial development.

Adjacent Zoning:

M-1 (Light Manufacturing) District

Origination:

Datavault Joint Venture (Owners)
Holtman Designworks (Developer)
Eagle Surveying, LLC (Surveyor)

Master Plan Designation:

Agricultural and Rural – Typically are large parcels that are primarily used for crops or pasture land. These low density regions surrounding the City do not have significant demands on the transportation or utilities network.

Number of notices mailed:

Not required.

Objections Received:

0

Attachments

Location Map

Zoning Map

Replat Midway Industrial Park Addition, Lots 2R, 6 & 7, Block 1

Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E.7.

Meeting Date: 04/15/2019

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Approve Quarterly Investment Report for Quarter Ended March 31, 2019

Issue:

To approve the Investment Report for the quarterly period ended March 31, 2019

Background:

These reports are being presented in accordance with the state law that requires at least quarterly presentation to the Council. A separate report is included for the debt proceeds as required by the Investment Policy. The reports were given to the Investment Committee prior to submittal to the Council.

As of March 31, 2019, the portfolios were in compliance with applicable state laws and the Investment Policy. The operating investment portfolio had a book value of about \$15.0 million, an increase of about \$2.5 million from prior quarter of \$12.5 million, due to investments made with property tax receipts. The underlying investments were adequately diversified among four different types of securities. This portfolio is appropriately liquid; and its weighted-average maturity was about 405 days, down from 448 days from last quarter. The portfolio yield of 2.22% for the quarter is eighteen (18) basis points lower than the benchmark yield of 2.40%. The portfolio value on the City's books approximates market value.

The debt proceeds portfolio balance of \$23.8 million was invested in a Local Government Investment Pool and an FDIC insured investment account. Transactions in this portfolio include payments for capital projects and the receipt of interest income. The yield of 2.41% was below the benchmark yield of 2.43% for this portfolio. Book value and market value were about the same.

Origination:

Finance Department

Financial Consideration:

None

Staff Recommendation:

It is recommended that the Council accept the Investment Report as presented.

Alternatives:

The Council could offer suggestions for improvement or could request more frequent reporting.

Attachments

Investment Committee Memo with Investment Report for QE March 31, 2019



memorandum

DATE: Wednesday, April 8, 2019

TO: The City of Sherman Investment Committee
Councilwoman Sandra Melton
Councilwoman Pam Howeth
Robby Hefton, City Manager

FROM: Mary Lawrence, Director of Finance

SUBJECT: Investment Reports for the Quarter Ended March 31, 2019

Enclosed is a copy of the quarterly investment reports for March 31, 2019. As of that date, the City was in compliance with all applicable state laws and internal policies for the portfolio.

The total operating portfolio balance of about \$15.0 million increased by about \$2.5 million from the previous quarter due to the purchase of investments from property tax receipts. The underlying investments were adequately diversified among four different types of securities. The portfolio's weighted-average maturity of about 405 days decreased from last quarter due to the effect of the portfolio increasing from shorter term purchases. The portfolio yield of 2.22% was 18 basis point below our benchmark 1-year Constant Maturity Treasury Index of 2.4%. Book value of \$15.0 million approximated market value.

The debt proceeds portfolio balance of \$23.8 million had decreased by about \$2.8 million due to payments for capital projects. The portfolio includes a Local Government Investment Pool and an FDIC insured investment account. The portfolio's weighted-average maturity of 1 day is the same as last quarter. The portfolio yield of 2.41% was 2 basis points below the benchmark yield for this portfolio, the 1-month Constant Maturity Index, of 2.43%. Book value closely approximated market value.

The investment reports will be on the April 15, 2019 City Council agenda for their review and approval. Please call me if you have any questions about this item.

attachment (as stated above)

CITY OF SHERMAN, TEXAS
DEBT PROCEEDS PORTFOLIO SUMMARY
For the Quarter Ending March 31, 2019

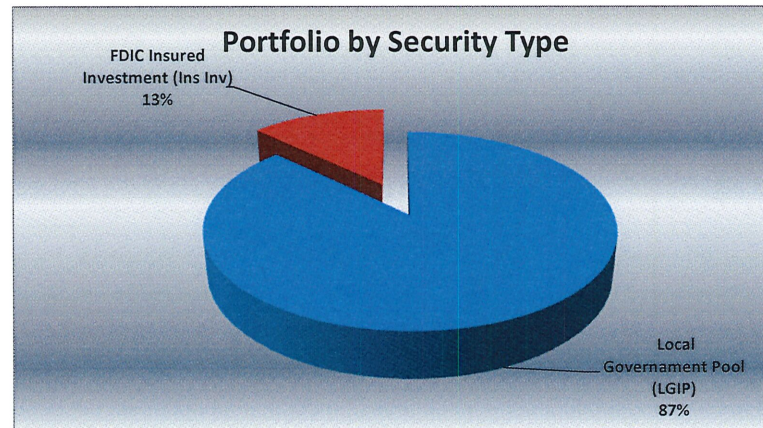
Total Portfolio Summary			
	Current Quarter 3/31/2019	Prior Quarter 12/31/2018	Change From Prior Qtr
Book Value	\$ 23,818,676	\$ 26,639,450	\$ (2,820,774)
Market Value	\$ 23,818,676	\$ 26,639,450	\$ (2,820,774)
Weighted Average Maturity - Days	1	1	-
Weighted Average Yield	2.41%	2.16%	0.25%
Earned Income	\$ 151,333	\$ 144,675	\$ 6,658
Earned Income - Year-to-Date	\$ 296,008	\$ 144,675	\$ 151,333

This report complies with the requirements of the public funds investment law and covers all the funds of the City of Sherman that are subject to that law.

As of March 31, 2019, the City of Sherman's debt proceeds portfolio had a book value of about \$23.8 million, which approximates the market value. Of this amount, approximately \$20.8 million was held in Local Government Investment Pools (LGIP) and \$3.0 million was held in FDIC Insured Investment Accounts (Ins Inv).

The portfolio value decreased by \$2.8 million from the previous quarter due to \$2.97 million drawn down for project payments, with \$151,333 in interest earned.

The weighted average yield on the portfolio was 2.41%, 2 basis points below the 4-week Constant Maturity Treasury Index of 2.43% and 25 basis points above the previous quarter.



Mary Lawrence

Mary Lawrence, Finance Director and City of Sherman Investment Officer

Tammy Davis

Tammy Davis, Controller and City of Sherman Investment Officer

Name/CUSIP	Debt Issuance	Settlement Date	Security Type	Security Description	Maturity Date	Par Value	Purchase Price	Original Cost	Book Value	Market Price	Market Value	Days to Maturity	YTM
TexPool	2017A Stormwater CO's		LGIP	TexPool	4/1/2019	2,234,364	100.00	2,234,364	2,234,364	100.00	2,234,364	1	2.40%
TexStar	2018 CO's		LGIP	TexStar	4/1/2019	18,547,726	100.00	18,547,726	18,547,726	100.00	18,547,726	1	2.40%
Anova	2017 CO's		Ins Inv	Anova	4/1/2019	3,036,586	100.00	3,036,586	3,036,586	100.00	3,036,586	1	2.45%
Total						\$ 23,818,676		\$ 23,818,676	\$ 23,818,676		\$ 23,818,676		



CITY OF SHERMAN, TX
Market Value Summary
AS of 3/31/2019

CUSIP	Security Type / Description	Maturity Date	Market Value 12/31/2018	Change in Market Value	Market Value 3/31/2019
TexStar 2018 CO's	LGIP	1/1/2019	\$ 19,132,252	\$ (584,526)	\$ 18,547,726
TexPool 2017A Stormwater CO's	LGIP	1/1/2019	2,511,277	(276,913)	2,234,364
Anova 2017 CO's	Ins Inv	1/1/2019	4,995,921	(1,959,335)	3,036,586
Total			\$ 26,639,450	\$ (2,820,774)	\$ 23,818,676

Settle Date	Name	Security Description	Coupon	Maturity Date	Par Value	Price	Principal Amount	Interest Purchased/Received	Total Amount	YTM
<u>Project Payments</u>										
1/22/2019	2018 CO-TexStar	LGIP			\$ 128,304		\$ 128,304		\$ 128,304	
1/23/2019	2017 CO-Anova	Ins Inv			463,711		463,711		463,711	
3/4/2019	2017 CO-Anova	Ins Inv			1,021,059		1,021,059		1,021,059	
1/22/2019	TexPool 2017A Stormwater CO	LGIP			290,488		290,488		290,488	
3/27/2019	2017 CO-Anova	Ins Inv			499,562		499,562		499,562	
3/5/2019	2018 CO-TexStar	LGIP			104,357		104,357		104,357	
3/26/2019	2018 CO-TexStar	LGIP			464,433		464,433		464,433	
<u>Deposits/Purchases</u>										
No deposits/purchases										
<u>Income Payments</u>										
1/31/2019	2018 CO-TexStar	LGIP	2.40%		\$ 19,042,758		\$ 19,042,758	\$ 38,810	\$ 38,810	2.40%
1/31/2019	2017 CO-Anova	Ins Inv	2.45%		4,541,696		4,541,696	9,679	9,679	2.45%
1/31/2019	TexPool 2017A Stormwater CO	LGIP	2.40%		2,225,695		2,225,695	4,906	4,906	2.40%
2/28/2019	2018 CO-TexStar	LGIP	2.40%		19,077,818		19,077,818	35,061	25,061	2.40%
2/28/2019	2017 CO-Anova	Ins Inv	2.45%		4,550,232		4,550,232	8,536	8,536	2.45%
2/28/2019	TexPool 2017A Stormwater CO	LGIP	2.40%		2,229,787		2,229,787	4,093	4,093	2.40%
3/31/2019	2017 CO-Anova	Ins Inv	2.45%		3,036,586		3,036,586	6,975	6,975	2.45%
3/31/2019	2018 CO-TexStar	LGIP	2.40%		18,547,726		18,547,726	38,697	38,697	2.40%
3/31/2019	TexPool 2017A Stormwater CO	LGIP	2.40%		2,234,364		2,234,364	4,576	4,576	2.40%
Total							\$ 151,333			



CITY OF SHERMAN, TX
Comparison by Type
AS of 3/31/2019

Cash / Investment Type	Balance 6/30/2018	Balance 9/30/2018	Balance 12/31/2018	Balance 3/31/2019	Percent of Portfolio	Portfolio Cap
Local Government Pool (LGIP)	\$ 3,805,710	\$ 22,955,413	\$21,643,529	\$ 20,782,090	87.25%	100.00%
FDIC Insured Investment (Ins Inv)	12,729,658	6,345,290	\$4,995,921	3,036,586	12.75%	100.00%
US Agency Bullet	2,999,547	2,999,788	-	-	0.00%	100.00%
Total	\$ 19,534,915	\$ 32,300,491	\$ 26,639,450	\$ 23,818,676	100.00%	



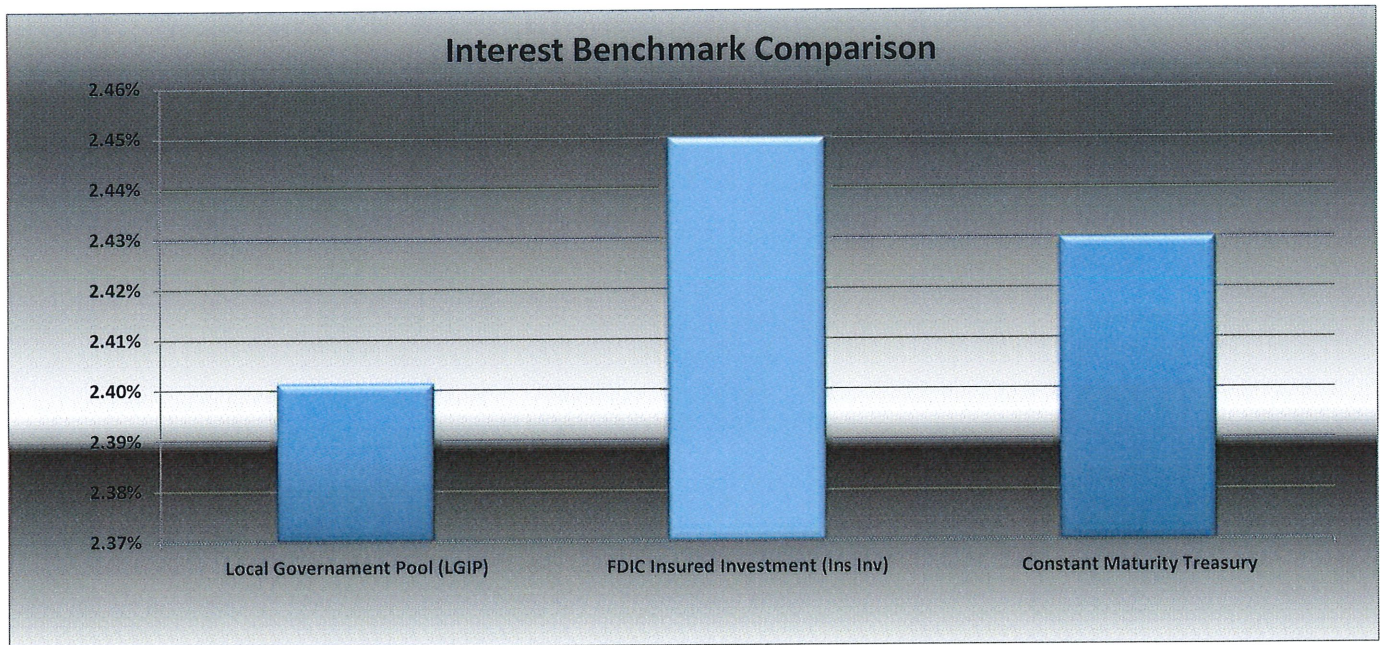
CITY OF SHERMAN, TX
Portfolio by Maturity
AS of 3/31/2019

Maturity Time Frame	Balance 6/30/2018	Balance 9/30/2018	Balance 12/31/2018	Balance 3/31/2018	Percent of Portfolio	Minimum Allowable
Within 1 month	\$ 16,535,368	\$ 10,160,898	\$ 26,639,450	\$ 23,818,676	100.00%	100.00%
2 months - 1 year	2,999,547	2,999,788	-	-	0.00%	100.00%
1 year - 2 years	-	-	-	-	0.00%	100.00%
	\$ 19,534,915	\$ 13,160,686	\$ 26,639,450	\$ 23,818,676		

Liquidity Indicator

Weighted Average Maturity	26.41	7.43	0.00	0.00
---------------------------	-------	------	------	------

Date Received/ Purchased	Name	Security Description	Coupon	YTM	Interest Purchased/ Received	Accrued Interest/ Amortization	Income Earned
1/31/2019	2018 CO-TeXstar	LGIP		2.40%	\$ 38,810	\$ -	\$ 38,810
1/31/2019	2017 CO-Anova	Insured Investment		2.45%	9,679	-	9,679
1/31/2019	2017A Stormwater Co's	LGIP		2.40%	4,906	-	4,906
2/28/2019	2018 CO-TeXStar	LGIP		2.40%	35,061	-	35,061
2/28/2019	2017 CO-Anova	Insured Investment		2.45%	8,536	-	8,536
2/28/2019	2017A Stormwater Co's	LGIP		2.40%	4,093	-	4,093
3/31/2019	2017 CO-Anova	Insured Investment		2.45%	6,975	-	6,975
3/31/2019	2018 CO-TeXStar	LGIP		2.40%	38,697	-	38,697
3/31/2019	2017A Stormwater CO's	LGIP		2.40%	4,576	-	4,576
					\$ 151,333	\$ -	\$ 151,333



CITY OF SHERMAN, TEXAS
INVESTMENT PORTFOLIO SUMMARY
For the Quarter Ending March 31, 2019

Total Portfolio Summary

	Current Quarter 3/31/2019	Prior Quarter 12/31/2018	Change From Prior Quarter
Book Value	\$ 15,028,406	\$ 12,535,280	\$ 2,493,126
Market Value	\$ 15,001,955	\$ 12,469,141	\$ 2,532,814
Weighted Average Maturity - Days	405	448	(43)
Weighted Average Yield	2.22%	2.00%	0.22%
Earned Income	\$ 82,269	\$ 59,523	\$ 22,746
Earned Income - Year-to-Date	\$ 141,792	\$ 59,523	\$ 82,269

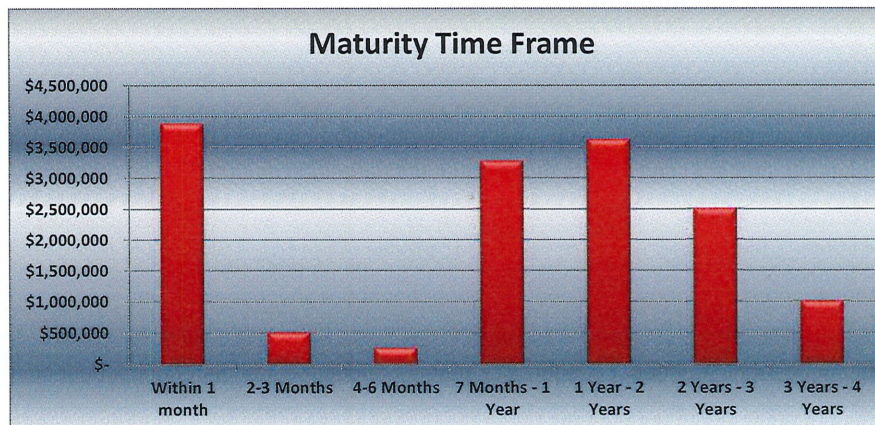
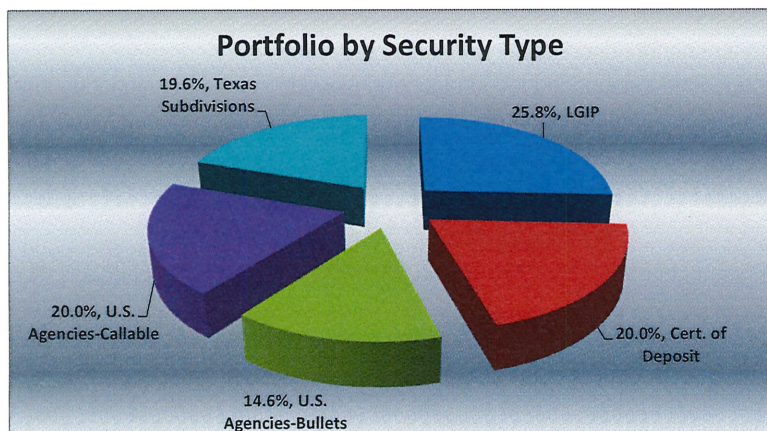
This report complies with the requirements of the public funds investment law and covers all the funds of the City of Sherman that are subject to that law.

As of March 31, 2019, the City's portfolio had a book value of about \$15 million, which approximates market value. Of this amount, approximately \$3.9 million was held in Local Government Investment Pools (LGIP), \$3.0 million was held in Certificates of Deposit (CD), \$5.2 million was held in U.S. Agency Securities and \$2.9 million was held in State of Texas political subdivision obligations.

The portfolio value increased by \$2.5 million from the previous quarter due to maturities of \$1.0 million in Certificates of Deposit (CD), maturities of \$0.5 million in U.S. Agency Securities, and \$1.0 in called U.S. Agency Securities; with purchases of \$3.0 million in CD's, \$1.0 million in U.S. Agency Securities and deposits of \$0.5 million in Local Government Investment Pools (LGIP).

The weighted average yield of the portfolio was 2.22%, 18 basis points below the 1-year Constant Maturity Treasury Index of 2.40% and 22 basis points above the previous quarter.

The weighted average maturity of the portfolio decreased from 448 days at December 31, 2018, to 405 days at March 31, 2019.



Mary Lawrence

Mary Lawrence, Finance Director and City of Sherman Investment Officer

Tammy Davis

Tammy Davis, Controller and City of Sherman Investment Officer

CUSIP	Settlement Date	Security Type	Security Description	CPN Rate	Maturity Date	Credit Rating	Par Value	Purchase Price	Original Cost	Book Value	Market Price	Market Value	Days to Maturity	YTM
Tex-Pool		LGIP	TexPool			AAAm	\$ 1,537,854	100.00	\$ 1,537,854	\$ 1,537,854	100.00	\$ 1,537,854	1	2.40%
TexStar		LGIP	TexSTAR			AAAm	2,340,209	100.00	2,340,209	2,340,209	100.00	2,340,209	1	2.40%
CD 4176808790	01/19/2019	CD	Landmark Bank	2.63%	10/16/2019		1,500,000	100.00	1,500,000	1,500,000	100.00	1,500,000	199	2.66%
CD 4176808998	02/27/2019	CD	Landmark Bank	2.64%	05/27/2020		1,500,000	100.00	1,500,000	1,500,000	100.00	1,500,000	423	2.66%
88213ACF0	07/23/2015	Texas Subdivision	TX St A&M Sys Brd	4.00%	05/15/2019	AA+	500,000	108.07	540,330	501,323	100.17	500,870	45	1.80%
207435MH8	06/01/2016	Texas Subdivision	Conally TX Consol ISD	3.00%	08/15/2019	AAA	150,000	106.42	159,635	151,119	100.54	150,813	137	0.96%
34683CJU1	05/05/2016	Texas Subdivision	Ft Bend Co TX MUD #133	2.00%	09/01/2019	A3	100,000	102.76	102,762	100,346	100.12	100,122	154	1.15%
8827235D7	12/07/2016	Texas Subdivision	TXBL Ref TX Pub Fin Auth Military	4.00%	10/01/2019	AAA	250,000	106.48	266,205	252,877	100.75	251,883	184	1.64%
3134GA2P8	03/02/2017	Agency Bullet	FHLMC	1.55%	11/27/2019	AA+	1,200,000	99.99	1,199,880	1,199,971	99.40	1,192,756	241	1.55%
414229FG8	05/05/2016	Texas Subdivision	Harris Co TX MUD #500	4.00%	12/01/2019	AA	315,000	107.76	339,435	319,560	100.72	317,262	245	1.75%
414935LK0	05/03/2016	Texas Subdivision	Harris Co MUD #120	2.00%	08/01/2020	AA	395,000	102.09	403,252	397,598	99.96	394,826	489	1.49%
41456PHW0	08/11/2016	Texas Subdivision	Harris-Montgomery TX MUD # 386	2.00%	09/01/2020	Aa3	350,000	103.16	361,050	353,860	100.56	351,946	520	1.20%
038395EP0	09/06/2016	Texas Subdivision	Aquilla TX Water SUD Series A	3.25%	09/01/2020	A	200,000	107.96	215,910	205,666	101.88	203,768	520	1.20%
038395FD6	09/06/2016	Texas Subdivision	Aquilla TX Water SUD Series B	3.25%	09/01/2020	A	160,000	106.95	171,114	163,958	100.33	160,526	520	1.45%
3134GSFE0	02/27/2018	Agency Callable	FHLMC	2.50%	02/26/2021	AA+	1,000,000	100.00	1,000,000	1,000,000	100.42	1,004,173	698	2.50%
3134GSNJO	06/28/2018	Agency Callable	FHLMC	2.65%	06/28/2021	AA+	1,000,000	100.00	1,000,000	1,000,000	100.09	1,000,931	820	2.65%
34679RNB1	06/06/2017	Texas Subdivision	Fort Bend Co TX MUD #23-A	2.00%	09/01/2021	A3	500,000	101.43	507,125	504,065	100.30	501,515	885	1.65%
3130AFT72	02/04/2019	Agency Callable	FHLB	2.67%	11/04/2021	Aaa	1,000,000	100.00	1,000,000	1,000,000	100.00	1,001,003	949	2.67%
3134GBRT1	06/29/2017	Agency Bullet	FHLMC	2.00%	06/29/2022	Aaa	1,000,000	100.00	1,000,000	1,000,000	99.15	991,498	1,186	2.00%
Total							\$ 14,998,063	\$	15,144,759	\$ 15,028,406	\$	15,001,955		

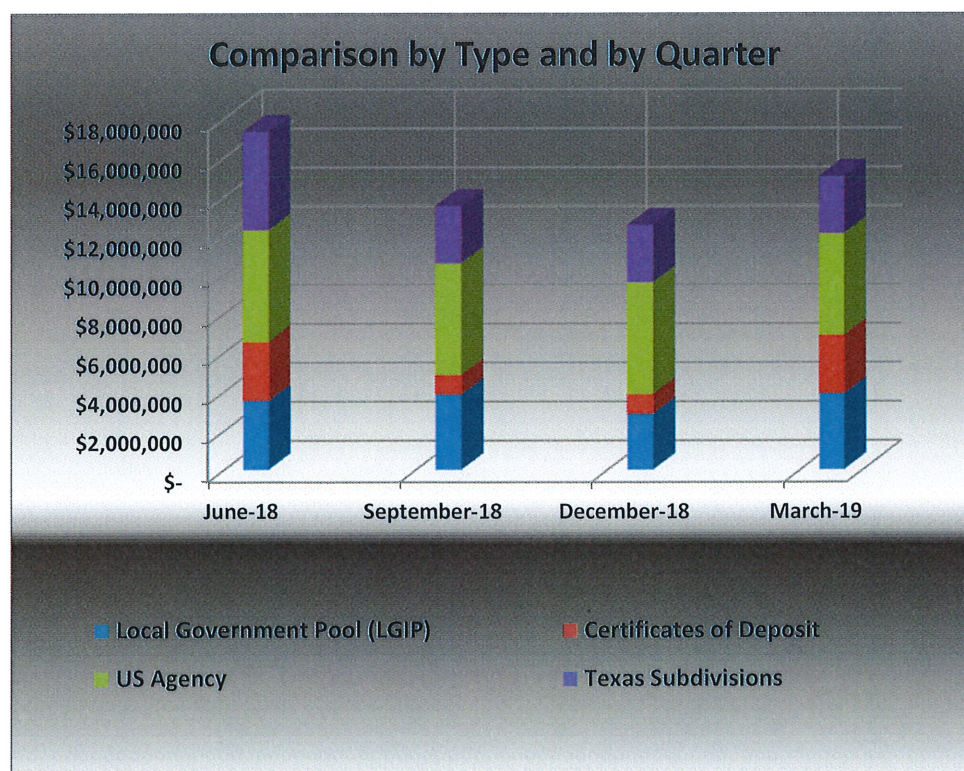
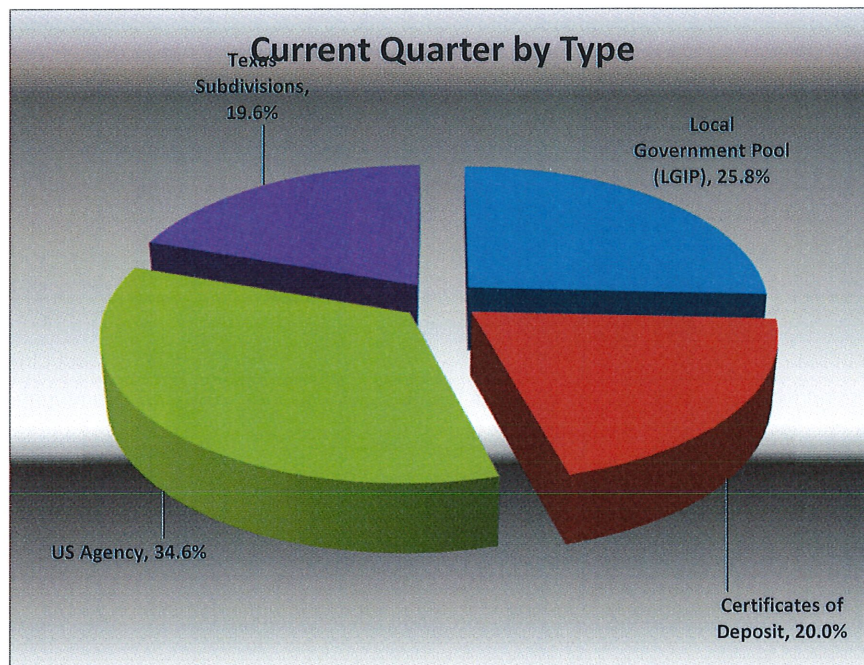


CITY OF SHERMAN, TX
Market Value Summary
As of 3/31/2019

CUSIP	Settle Date	Security Description	Maturity Date	Market Value 12/31/2018	Change in Market Value	Market Value 3/31/2019
Tex-Pool		TexPool		\$ 1,030,221	\$ 507,633	\$ 1,537,854
TexStar		TexSTAR		1,827,844	512,365	2,340,209
CD 4176807628	03/27/2018	Landmark Bank	03/27/2019	1,015,982	(1,015,982)	-
CD 4176808790	01/16/2019	Landmark Bank	10/16/2019	-	1,500,000	1,500,000
CD 4176808998	02/27/2019	Landmark Bank	05/27/2020	-	1,500,000	1,500,000
31331KB74	09/30/2015	FFCB	03/29/2019	498,978	(498,978)	-
88213ACFO	07/23/2015	TX St A&M Sys Brd	05/15/2019	502,040	(1,170)	500,870
207435MH8	06/01/2016	Conally TX Consol ISD	08/15/2019	151,163	(350)	150,813
34683CJU1	05/05/2016	Ft Bend C0 TX MUD #133	09/01/2019	99,909	213	100,122
8827235D7	12/07/2016	TXBL Ref TX Pub Fin Auth Military	10/01/2019	252,503	(620)	251,883
3134GA2P8	03/02/2017	FHLMC	11/27/2019	1,188,390	4,366	1,192,756
414229FG8	05/05/2016	Harris Co TX MUD #500	12/01/2019	317,466	(204)	317,262
414935LK0	05/03/2016	Harris Co TX MUD #120	08/01/2020	394,056	770	394,826
4146PHWO	09/06/2016	Harris-Montgomery TX MUD #386	09/01/2020	350,395	1,551	351,946
038395EPO	09/06/2016	Aquilla TX Water SUD Series A	09/01/2020	203,524	244	203,768
038395FD6	09/06/2016	Aquilla TX Water SUD Series B	09/01/2020	160,028	498	160,526
3130AUDK6	03/30/2018	FHLB	09/29/2020	996,212	(996,212)	-
3134GSFE0	02/27/2018	FHLMC	02/26/2021	999,979	4,194	1,004,173
3134GSNJO	06/28/2018	FHLMC	06/28/2021	1,000,872	59	1,000,931
34679RNB1	06/06/2017	Fort Bend Co TX MUD #23-A	09/01/2021	497,750	3,765	501,515
3130AFT72	02/04/2019	FHLMC	11/04/2021	-	1,001,003	1,001,003
3134GBRT1	06/29/2017	FHLMC	06/29/2022	981,829	9,669	991,498
Total				\$ 12,469,141	\$ 2,532,814	\$ 15,001,955

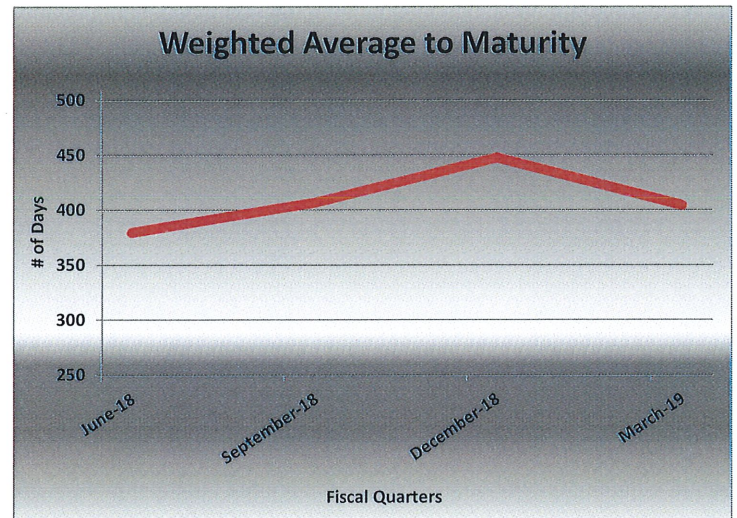
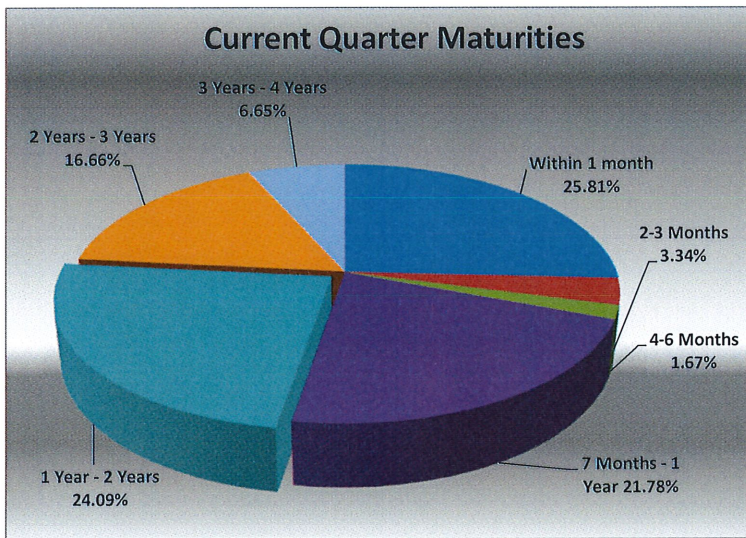
Trade Date	Settle Date	CUSIP	Security Description	Coupon	Maturity Date	Call Date	Par Value	Principal Amount	Interest Purchased/Received	Total Amount	YTM
<u>Maturities</u>											
	03/27/2019	CD 4176807628	Landmark Bank	2.11%	3/27/2019		\$ 1,000,000	\$ 1,000,000	\$ 5,230	\$ 1,005,230	2.11%
	03/29/2019	3130ADUK6	FHLB	2.50%	9/29/2020	03/29/2019	1,000,000	1,000,000	12,500	1,012,500	2.50%
	03/29/2019	31331KB74	FFCB	1.88%	03/29/2019		500,000	500,000	4,688	504,688	
<u>Purchases</u>											
	01/16/2019	CD 41760808790	Landmark Bank	2.63%	10/16/2019		1,500,000	1,500,000	-	1,500,000	2.63%
	02/27/2019	CD 41760808998	Landmark Bank	2.64%	5/27/2020		1,500,000	1,500,000	-	1,500,000	2.66%
	02/04/2019	3130AFT72	FHLMC	2.67%	11/4/2021		1,000,000	1,000,000	-	1,000,000	2.67%
	02/14/2019	Texpool	LGIP	2.40%	2/14/2019		500,000	500,000	-	500,000	2.40%
<u>Income Payments</u>											
	03/31/2019	TexPool	LGIP	2.40%	9/30/2018		1,537,854		7,632	7,632	2.40%
	03/31/2019	TexStar	LGIP	2.40%	9/30/2018		2,340,209		12,365	12,365	2.40%
	02/01/2019	414935LKO	Harris Co MUD	2.00%	8/1/2020		395,000		3,950	3,950	1.49%
	02/15/2019	207435MH8	Conally TX Consol ISD	3.00%	08/15/2019		150,000		2,250	10,000	0.96%
	02/26/2019	3134GSFEO	Freddie Mac	2.50%	2/26/2021		1,000,000		12,500	12,500	2.50%
	03/01/2019	34683CJU1	Ft Bend Cnty TX MUD#133	1.15%	09/01/2019		100,000		1,000	1,000	1.15%
	03/01/2019	41456PHWO	Harris Co TX MUD #386	2.00%	09/01/2020		350,000		3,500	3,500	1.20%
	03/01/2019	038395EPO	Aquilla TX Water SUD Series A	3.25%	09/01/2020		200,000		3,250	3,250	1.20%
	03/01/2019	038395FD6	Aquilla TX Water SUD Series B	3.25%	09/01/2020		160,000		2,600	13,250	1.45%
	03/01/2019	3467RNB1	Ft Bend Cnty TX MUD#23	2.00%	09/01/2021		500,000		5,000	5,000	1.65%
Total									\$ 76,465		

Cash/Investment Type	Balance 6/30/2018	Balance 9/30/2018	Balance 12/31/2018	Balance 3/31/2019	Percent of Portfolio	Portfolio Cap
Local Government Pool (LGIP)	\$ 3,530,793	\$3,845,558	\$2,858,065	\$ 3,878,063	25.8%	50.00%
Certificates of Deposit	3,024,770	\$1,010,665	\$1,015,982	3,000,000	20.0%	50.00%
US Agency	5,702,564	\$5,701,696	\$5,700,829	5,199,971	34.6%	50.00%
Texas Subdivisions	5,082,736	\$2,970,582	\$2,960,404	2,950,372	19.6%	50.00%
Total	\$ 17,340,863	\$ 13,528,501	\$ 12,535,280	\$ 15,028,406	100.00%	

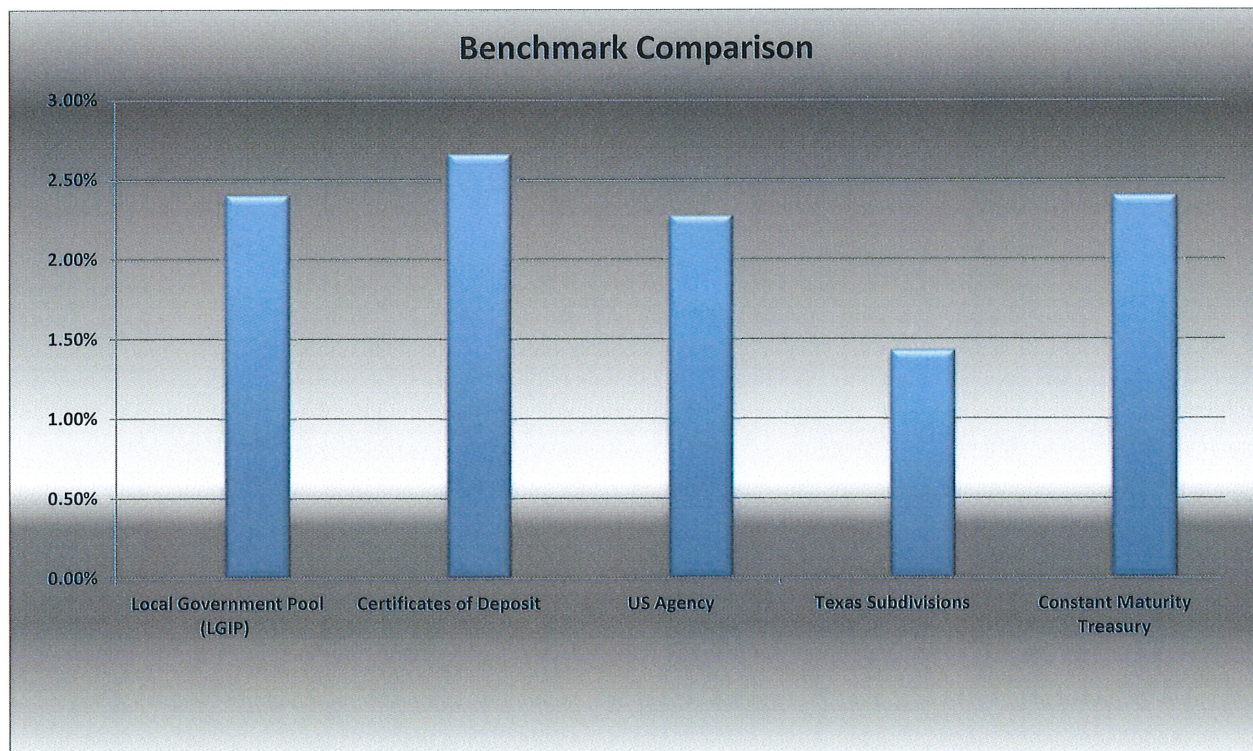


Maturity Time Frame	Balance 6/30/2018	Balance 9/30/2018	Balance 12/31/2018	Balance 3/31/2019	Percent of Portfolio
Within 1 month	\$ 3,530,793	\$ 3,845,558	\$ 2,858,065	\$ 3,878,063	25.81%
2-3 Months	4,121,711	-	1,516,851	501,323	3.34%
4-6 Months	-	1,512,412	503,968	251,465	1.67%
7 Months - 1 Year	2,017,203	759,998	2,027,969	3,272,408	21.78%
1 Year - 2 Years	2,036,163	3,905,487	2,123,942	3,621,082	24.09%
2 Years - 3 Years	4,129,667	2,505,046	2,504,485	2,504,065	16.66%
3 Years - 4 Years	1,505,326	1,000,000	1,000,000	1,000,000	6.65%
4 Years - 5 Years	-	-	-	-	0.00%
	\$ 17,340,863	\$ 13,528,501	\$ 12,535,280	\$ 15,028,406	100.00%

Liquidity Indicator	Maximum Allowable				
Weighted Average Maturity	379.71	407.01	447.78	404.52	500.00



Date Received/ Purchased	CUSIP	Security Description	Coupon	YTM	Interest Purchased/ Received	Accrued Interest/ Amortization	Income Earned
3/31/2019	Tex-Pool	TexPool		2.40%	\$ 7,632	\$ -	\$ 7,632
12/31/2018	TexStar	TexSTAR		2.40%	12,365	-	12,365
3/27/2019	CD 4176807628	Landmark Bank	2.11%	2.11%	5,230	(232)	4,998
3/31/2019	CD 4176808790	Landmark Bank	2.63%	2.66%	-	7,998	7,998
3/31/2019	CD 4176808998	Landmark Bank	2.64%	2.66%	-	3,472	3,472
2/1/2019	414935LK0	Harris Co MUD #120	2.00%	1.49%	3,950	(2,461)	1,489
02/15/2019	207435MH8	Conally TX Consol ISD	3.00%	0.96%	2,250	(1,876)	374
2/26/2019	3134GSFE0	FHLMC	2.50%	2.50%	12,500	(6,250)	6,250
03/01/2019	34679RNB1	Fort Bend Co TX MUD #23-A	2.00%	1.65%	5,000	(2,920)	2,080
3/1/2019	038395EP0	Aquilla TX Water SUD Series A	3.25%	1.20%	3,250	(2,623)	627
3/1/2019	038395FD6	Aquilla TX Water SUD Series B	3.25%	1.45%	2,600	(1,997)	603
3/1/2019	41456PHW0	Harris Cnty TX MUD#386	2.00%	1.20%	3,500	(2,431)	1,069
3/1/2019	34683CJU1	Ft Bend Co TX MUD #133	2.00%	1.15%	1,000	(708)	292
3/29/2019	31331KB74	FFCB	1.88%	1.12%	4,688	(3,213)	1,475
03/31/2019	8827235D7	TXBL Ref TX Pub Fin Auth Milit	4.00%	1.64%	-	1,062	1,062
03/31/2019	88213ACF0	TX St A&M Sys Brd	4.00%	1.80%	-	2,354	2,354
03/31/2019	3134GA2P8	FHLMC	1.55%	1.55%	-	4,661	4,661
3/31/2019	31346BRT1	FHLMC	2.00%	2.00%	-	5,000	5,000
3/31/2019	3130ADUK6	FHLB	2.50%	2.50%	12,500	(6,250)	6,250
03/31/2019	3130AFT72	FHLMC	2.67%	2.67%	-	4,153	4,153
03/31/2019	414229FG8	Harris Co TX MUD #500	4.00%	1.75%	-	1,440	1,440
3/31/2019	3134GSNJO	FHLMC	2.65%	2.65%	-	6,625	6,625
					\$ 76,465	\$ 5,805	\$ 82,269





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Meeting Date: 04/15/2019

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2019 Council Calendar

2019

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						
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17	18	19	20	21	22	23
24	25	26	27	28		

MARCH						
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24	25	26	27	28	29	30
31						

APRIL						
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28	29	30				

MAY						
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26	27	28	29	30	31	

JUNE						
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30						

JULY						
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28	29	30	31			

AUGUST						
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11	12	13	14	15	16	17
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25	26	27	28	29	30	31

SEPTEMBER						
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29	30					

OCTOBER						
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20	21	22	23	24	25	26
27	28	29	30	31		

NOVEMBER						
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17	18	19	20	21	22	23
24	25	26	27	28	29	30

DECEMBER						
S	M	T	W	T	F	S
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

1/21/2019	Martin Luther King, Jr. Day/Called City Council Meeting on 1/22/2019
2/27/2019	Called Council Meeting - Training Session for Council Members
4/26/2019	Called Budget Planning Meeting in Council Chambers
6/13/2019	Called Budget Workshop in Council Chambers
6/14/2019	Called Budget Workshop in Council Chambers
9/2/2019	Labor Day/Called City Council Meeting on 09/03/2019

[illegible]