CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, MARCH 20, 2023
5:00 P.M.

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

A. 2. PLEDGE OF ALLEGIANCE LED BY COUNCIL MEMBER SHAWN TEAMANN

A. 3. INVOCATION BY COUNCIL MEMBER SHAWN TEAMANN

A. 4. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF MARCH 6, 2023.

Special Presentations

B. 1. SPECIAL PRESENTATION
2023 Lone Star Recreation Programming Achievement Award

Citizen Comments

C. 1. CITIZEN COMMENTS
During this meeting, the City Council welcomes public comment **only** on agenda items listed under the Open Meeting portion of the agenda, in accordance with Texas Government Code Section 551.007. For items not listed on the agenda, those matters may be discussed with City staff during regular business hours, or with the Mayor or any Council member by contacting them at times other than at City Council meetings.

Consent Agenda

D. 1. CONSENT AGENDA
Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

D. 2. CONSENT AGENDA
Double Asterisked (**) items are considered to be routine and will be enacted in one motion, subject to staff review letter, without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

Public Hearing

E. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6572
Closing and Abandoning a Portion of Knollwood Road Right of Way in the City of Sherman, Grayson County, Texas, Being More Particularly Described in the Exhibit "A" Attached Hereto and Made a Part Hereof for all Purposes, said Property Shall be Reserved as an Easement for Public and Franchise Utilities for the Right of Ingress and Egress to Same for Purposes of Operation, Maintenance or Removal of such Utilities or until such Utilities shall be Abandoned or Relocated

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

E. 2. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6573**

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, and Granting a Specific Use Permit to Allow a Mini-Warehouse on a Tract of Land Zoned C-2 (General Commercial) District Located at 2601 Hilltop Drive, consisting of 5.51 acres, Lot 2, Block 1, Cates First Addition, City of Sherman, Grayson County, Texas (Noah Starr, Owner; Gary Leese, Cannon Storage Systems, Inc., Representative; and Grant Engineering, Inc., Surveyor); Prescribing Conditions to the Specific Use Permit; Providing A Penalty Not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 3. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6574**

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, to Rezone a Tract of Land Consisting of 0.359 acres, all of Lot 3, Lot 4 and the East half (E/2) of Lot 5, Block 11, Kerr's Nursery Addition, City of Sherman, Grayson County, Texas, Located at 415 East Orange Street, Heretofore Zoned C-2 (General Commercial) District; Rezoning and Placing the Tract in the R-6 (Single-Family Residential) District Zoning Classification, (Indalecio Torres, Owner; Julio Torres, Representative; and Copley Land Surveying, Surveyor); Providing for a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 4. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6575**

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, Repealing Ordinance No. 6460, and Granting a Specific Use Permit to Allow a Smoke Shop on a Tract of Land Zoned C-1 (Retail Business) District/O-1 (75 & 82) Overlay District Located at 2916 North Highway 75, Suite 110, Lot 4 of Shafer Plaza, City of Sherman, Grayson County, Texas (Tava Properties, LLC, Owner; Infinity and Beyond, Tenant; and Nouman Muhammad, Representative); Prescribing Conditions to the Specific Use Permit; Providing A Penalty Not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 5. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6576**

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, to Rezone a Tract of Land Consisting of 0.191 acres in the G.B. Pilant Survey, Abstract No. 963, City of Sherman, Grayson County, Texas, Located at 620 and 622 South First Street, Heretofore Zoned R-6 (Single-Family Residential) District; Rezoning and Placing the Tract in the an R-4 (Patio Home Residential) District Zoning Classification, (Martin Corarrubias, M & G Homebuilders, Owners and Helvey-Wagner Surveying, Inc., Surveyor); Providing for a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 6. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6577**

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, to Rezone a Tract of Land Consisting of 48.292 acres in the J.B.McAnair Survey, Abstract No. 763, City of Sherman, Grayson County, Texas, Located in the 2900-3200 Blocks North Hickory Street, Heretofore Zoned R-6 (Single-Family Residential) District; Rezoning and Placing the Tract in the R-5 (Single-Family Residential) District Zoning Classification, (Jerome Hill, AJH Enterprises, Ltd, Owners; Bryan Weisgerber, Representative; and Underwood Drafting & Surveying, Inc., Surveyor); Providing for a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

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E. 7. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6578**

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, and Granting a Specific Use Permit to Allow a Commercial Amusement Center, Indoor or Outdoor, in a C-2 (Retail Business) District Located at 4801 North FM 1417 (Heritage Parkway) consisting of 5.742 acres in the Alfred Hume Survey, Abstract No. 522, City of Sherman, Grayson County, Texas (Brian Previaty, Owner and Underwood Drafting & Surveying, Inc., Surveyor); Prescribing Conditions to the Specific Use Permit; Providing A Penalty Not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 8. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6579**

Amending the Code of Ordinances of the City of Sherman, Texas, Chapter 14 (Zoning Ordinance), Sections 14.06.005 (Amendments to the Zoning Ordinance/District and Administrative Procedures), 14.06.006 (Variance Procedures), 14.06.007 (Special Exceptions), 14.06.008 (Temporary Use Permit (TUP) Application and Review), and 14.06.009 (Specific Use Permit (SUP) Application and Review); Prescribing Regulations Relating to Property Notification Signs to Provide Information to the Public Concerning Requests for Rezoning, Variances, Special Exceptions, Temporary Use Permits and Specific Use Permits; Providing a Penalty Clause with a Maximum Fine of $2,000, Savings/Repealing Clause, Severability Clause and an Effective Date; Providing for the Publication of the Caption Hereof

Close Public Hearing and Consider Adoption of Ordinances

E. 9. **ADOPTION OF ORDINANCES**

Consider Adoption of Ordinance Numbers 6572, 6573, 6574, 6575, 6576, 6577, 6578 & 6579

Resolutions

F. 1. **** RESOLUTION NO. 7045***

Awarding a Bid to and Authorizing Execution of a Contract with Southwest CDJR, LLC for the Purchase of Multiple Fleet Vehicles for Multiple City Departments

F. 2. **** RESOLUTION NO. 7046***

Awarding a Bid to and Authorizing Execution of a Contract with Voice Products, Inc. for the Purchase and Implementation of Call Recording Software and Hardware

F. 3. **** RESOLUTION NO. 7047***

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 922 South Montgomery Street within City of Sherman's Reinvestment Zone, Number Ten (#10)

F. 4. **** RESOLUTION NO. 7048***

Awarding a Bid to and Authorizing Execution of a Contract with Campbell Oil Company for the Purchase of Aviation Fuel for the Sherman Municipal Airport

F. 5. **** RESOLUTION NO. 7049***

Awarding Bids to and Authorizing Execution of Contracts with Multiple Vendors for the Annual Supply of Chemicals for the Sherman Water Treatment Plant

F. 6. **** RESOLUTION NO. 7050***

Authorizing Submission of a Grant Application to Firehouse Subs Foundation to Fund the Purchase of Rifle Plate Carriers and Body Armor Plates for the Sherman Police Department

Other Business

G. 1. **OTHER BUSINESS**
Repair and Rework of the Tuck #1 Trinity Well under Emergency Designation

G. 2. **OTHER BUSINESS**
Receive Semi-Annual Report on the Sherman Cultural District

G. 3. **OTHER BUSINESS**
Accept Annual Audit Report for Year Ended September 30, 2022 from Pattillo, Brown and Hill, LLP

G. 4. **OTHER BUSINESS**
Replat of Kerr's Nursery Addition, consisting of all of Lot 3, Lot 4 and the East half (E/2) of Lot 5, Block 11, Kerr's Nursery Addition; Indalecio Torres, Owner; Julio Torres, Representative and Copley Land Surveying, Surveyor (415 East Orange Street)

G. 5. **OTHER BUSINESS**
Consider Cancelation of the July 3, 2023 Regular City Council Meeting and Add Called City Council Meeting on Wednesday, July 5, 2023

G. 6. ***** OTHER BUSINESS***
Final Plat of Copley Land Surveying, consisting of 1.149 acres in the D.C. Shelp Survey, Abstract No. 1097 and the J.B. Shannon Survey, Abstract No. 1085, and currently zoned C-2 (General Commercial) District; Ed and Cathy Breach, Owner and Copley Land Surveying, Surveyor (5904 Texoma Parkway)

G. 7. ***** OTHER BUSINESS***
Replat for Lots 3R-A and 3R-B, Block 2, Cypress Lofts Addition, Phase 1A, consisting of 6.101 acres in the James H. Clark Survey, Abstract No. 275, and being all of Lot 3R, Block 2, Cypress Lofts Addition, Phase 1A, and currently zoned C-2 (General Commercial) District; Todd Young, Young Enterprises, LP, Owner and Helvey-Wagner Surveying, Surveyor (200 Block Hilre Drive and in the 201 Block Northcreek Drive)

G. 8. ***** OTHER BUSINESS***
Replat for 725 South Rusk Addition, consisting of 0.269 acres in the Samuel Blagg Survey, Abstract No. 56, being a replat of part of Lot 5, Block 1, Blain Addition and currently zoned R-6 (Single-Family Residential) District; Juan Antonio Reyes and Gomez Reyna Cabrera Pacheco, Owner; and Preston Trail Land Surveying, Surveyor (725 South Rusk Street)

G. 9. ***** OTHER BUSINESS***
Final Plat of Double D Machining Addition, consisting of 1.40 acres in the Robert Thompson Survey, Abstract No. 1200 and is currently zoned M-1 (Light Manufacturing) District; Dylan Garza, Owner and Helvey-Wagner Surveying, Surveyor (2513 South First Street)

H. **COUNCIL COMMENTS**

Executive Session

I. 1. **EXECUTIVE SESSION**
In accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, the City Council may hold an Executive Session if the discussion of any of the items identified in this agenda, or any of the items identified below, concern one or more of the following:

Tex. Gov't Code § 551.071	Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.
Tex. Gov't Code § 551.072	Deliberating the purchase, exchange, lease or value of real property if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.
Tex. Gov't Code § 551.073	Deliberating a negotiated contract for a prospective gift or donation to the City if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.
Tex. Gov't Code § 551.074	Deliberating the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing.
Tex. Gov't Code § 551.076	Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit.
Tex. Gov't Code § 551.087	Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. (a) Sherman Hospital Project
Tex. Gov't Code § 551.089	Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices.

The Council reconvenes into General Session

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 Friday, March 17, 2023 at 4:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 17th day of March 2023.
City of Sherman, Texas

_____
City Clerk

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

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

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

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

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

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

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

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

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **A. 4.**

Meeting Date: 03/20/2023

Approved By: Robby Hefton, City Manager

Caption:

APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF MARCH 6, 2023.

Attachments

March 6, 2023
Water & Wastewater Rate Update

STATE OF TEXAS §

March 6, 2023

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 March 6, 2023.

MEMBERS PRESENT: **MAYOR DAVID PLYLER; DEPUTY MAYOR JOSH STEVENSON. COUNCIL MEMBERS DOBBS, HOLLAND, HOWETH, MARROQUIN, TEAMANN.**

MEMBERS ABSENT: **NONE.**

CALL TO ORDER — **CALL TO ORDER**

Mayor Plyler called the meeting to order at 5:01 p.m. The Pledge of Allegiance and Invocation were led by Council Member Juston Dobbs.

APPROVE MINUTES — **APPROVE MINUTES**

The Council reviewed the Minutes of the Called City Council Meeting and Planning and Zoning Commission Meeting of March 23, 2022, the Called Meeting of the Tax Increment Financing Board #8 of February 20, 2023, and the Regular City Council Meeting of February 20, 2023. Council Member Howeth moved to approve the Minutes, as presented; Second by Council Member Holland; All present voted AYE.
MOTION CARRIED.

CITIZEN'S COMMENTS

OLD SETTLERS PARK BALLFIELD FENCING — **OLD SETTLERS PARK BALLFIELD FENCING**

Peter Tracy, 705 S. Valentine, asked to discuss the request to advertise for the purchase and installation to replace the existing ballfield fencing at Old Settlers Park.

He said the fencing along the Municipal Airport has the same problem and is in disrepair. He asked if that project could be included under the same project. He expressed concern that the poor fencing would allow stray animals to wander onto the runway, causing an issue with airplanes taking off and landing.

DOWNTOWN HISTORIC RESTORATION GRANTS — **DOWNTOWN HISTORIC RESTORATION GRANTS**

Mr. Tracy asked to discuss Resolution 7038 and 7039, concerning the Central Business District Historic Building Restoration and Improvement Grant for two downtown properties.

He asked if the City was contributing to the restoration of these two buildings. If so, would the buildings be brought back to the original historical condition. He thought a building had to be over 50 years old to receive funding in Texas as a historical building, and must be restored back to its original condition, and used for its original purpose.

CONSENT AGENDA — **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.

Deputy Mayor Stevenson asked to remove Item F-1, entitled "Request to Advertise – Purchase and Installation to Replace Existing Ballfield Fencing at Old Settlers Park", from the Consent Agenda, for discussion in its regular order of business.

The Council reviewed the Consent Agenda. Deputy Mayor Stevenson moved to approve the Consent Agenda, with the exception of Item F-1, which will be discussed in its regular order of business. Second by Council Member Howeth. All present voted AYE.

Mayor Plyler introduced Ordinance No. 6570 and called for a public hearing: — **ORD 6570 SPEED LIMIT**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED, ALONG THE CERTAIN PORTIONS OF STATE HIGHWAY 56, IN THE CORPORATE LIMITS OF SHERMAN, GRAYSON COUNTY, TEXAS. FIXING PENALTIES FOR VIOLATION THEREOF. DECLARING AN EMERGENCY. PROVIDING FOR A REPEALER.

Clint Philpott, Assistant City Manager, explained that with the development that is underway, the City asked the Texas Department of Transportation to perform an updated speed study along the SH 56 corridor, to determine if the speed limit should be reduced.

According to TxDOT standards, the speed limits in two of the four sections reviewed should be reduced by five miles per hour, one section to 50 mph and the other to 45 mph.

If the City Council approves the recommendation, TxDOT will make arrangements to replace signage on the highway.

No citizens appeared before the City Council to discuss Ordinance No. 6570.

Mayor Plyler introduced Ordinance No. 6571 and called for a public hearing: — **ORD 6571 UTILITY EASEMENT FOR NORTHGATE BUSINESS PARK, PHASE ONE**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING ONE (1) VARIABLE WIDTH UTILITY EASEMENT LOCATED IN THE PLATS OF NORTHGATE BUSINESS PARK PHASE ONE AND REPLAT OF LOTS 1 AND 2 OF NORTHGATE BUSINESS PARK PHASE ONE, AND BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, WHICH UTILITY EASEMENTS ARE ESTABLISHED IN VOLUME 16, PAGE 166 AND INSTRUMENT NUMBER 2021-234 OF THE PLAT RECORDS OF GRAYSON COUNTY, TEXAS.

Wayne Lee, Director of Engineering, said these lots were platted in the past, with utility easements on the backside and the side lot lines.

These are part of the GlobalWafers project, and they will be replatting the entire area. The City has no objection to the abandonment of the utility easements, and their use for the GlobalWafers project.

No citizens appeared before the City Council to discuss Ordinance No. 6571.

The Public Hearing was closed.

Ordinance 6570 — **ORD 6570 SPEED LIMIT**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED, ALONG THE CERTAIN PORTIONS OF STATE HIGHWAY 56, IN THE CORPORATE LIMITS OF SHERMAN, GRAYSON COUNTY, TEXAS. FIXING PENALTIES FOR VIOLATION THEREOF. DECLARING AN EMERGENCY. PROVIDING FOR A REPEALER.

Ordinance 6571 — **ORD 6571 UTILITY EASEMENT FOR NORTHGATE BUSINESS PARK, PHASE ONE**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING ONE (1) VARIABLE WIDTH UTILITY EASEMENT LOCATED IN THE PLATS OF NORTHGATE BUSINESS PARK PHASE ONE AND REPLAT OF LOTS 1 AND 2 OF NORTHGATE BUSINESS PARK PHASE ONE, AND BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, WHICH UTILITY EASEMENTS ARE ESTABLISHED IN VOLUME 16, PAGE 166 AND INSTRUMENT NUMBER 2021-234 OF THE PLAT RECORDS OF GRAYSON COUNTY, TEXAS.

ACTION TAKEN.

Motion by Council Member Howeth to adopt Ordinance Nos. 6570 and 6571, as presented. Second by Deputy Mayor Stevenson.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

Mayor Plyler asked that the captions of Resolution Nos. 7038 and 7039 be read together. — **RES 7038 CBD DOWNTOWN GRANT (328-330 W. LAMAR ST)**

RESOLUTION NO. 7038 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH DAVID DOWNTAIN, D/B/A RP SHERMAN PROPERTIES II, LLC UNDER THE CITY OF SHERMAN'S CENTRAL BUSINESS DISTRICT HISTORIC BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM FOR IMPROVEMENTS TO 328-330 W LAMAR STREET

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH DAVID DOWNTAIN, D/B/A RP SHERMAN

PROPERTIES II, LLC UNDER THE CITY OF SHERMAN'S CENTRAL BUSINESS DISTRICT HISTORIC BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM FOR IMPROVEMENTS TO 328-330 W. LAMAR STREET.

RES 7039
CBD DOWNTOWN GRANT
(213 N. TRAVIS ST)

RESOLUTION NO. 7039 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH DAVID DOWNTAIN, D/B/A RP SHERMAN PROPERTIES II, LLC UNDER THE CITY OF SHERMAN'S CENTRAL BUSINESS DISTRICT HISTORIC BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM FOR IMPROVEMENTS TO 213 N TRAVIS STREET

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH DAVID DOWNTAIN, D/B/A RP SHERMAN PROPERTIES II, LLC UNDER THE CITY OF SHERMAN'S CENTRAL BUSINESS DISTRICT HISTORIC BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM FOR IMPROVEMENTS TO 213 N TRAVIS STREET.

Nate Strauch, Community and Support Services Manager, said this is the first large scale investment in downtown residential development in years.

During the Comprehensive Master Plan update last year, the downtown came in as one of the top two areas of concern, and a lack of residential development was the main issue. In response to that, the staff redid the downtown incentive program and included residential development in that program. Previously the program was only for commercial development and excluded residential development.

The proposed plan is to add six new residential lofts to downtown Sherman, in two separate buildings. Renderings of the lofts are included in the Council's agenda packet and feature a "high-end" product.

Mr. Strauch said this residential element is a vital step in bringing the downtown back.

Robby Hefton, City Manager, asked about the earlier question about restoring a building back to its historic nature or character versus identifying a building as historic in nature, but not being through the State's restoration program.

Mr. Tracy's question was, if these buildings would be restored to their original historical condition. Mr. Strauch said he was confused as to what that would mean. The Modern Building was originally used as an office building, which would exclude any other use of the building.

Mayor Plyler clarified it might mean, would it continue to have some of the original, historic attributes on the outside of the building? Will the interesting motifs be visible on the outside of the building?

Mr. Strauch said in the past, David Downtain, the requestor, has always been very careful to take historical consideration in all of his buildings. The front façade will remain in the historic way it currently is, but the back side will be redone with a more modern look for the fire escapes. Therefore, he said it would be a combination of the two.

Mr. Strauch said when the grant program was changed a few months ago, they did include a new stipulation, that any of these projects, whose goal is to totally restore the historical façade, qualifies for a two-to-one match, instead of a four-to-one match. So that has been taken into consideration.

Council Member Teamann said Mr. Tracy asked if it would be a requirement to stay with historical use, and that's not a part of the City's grant program. Mr. Strauch confirmed that it is not required specifically, however, if the project is not to restore the historic façade, it would not qualify for the two-to-one match. The City really wanted to maintain and restore the historic nature of the buildings.

Council Member Howeth said there were renderings in the agenda packet and asked if those could be shown to the audience so they could see what was planned.

Mr. Downtain said he was excited about these two projects for the downtown area. He said this was a "milestone" to have residential lofts in the downtown area. He said their projects try to "honor a piece of the past", while embracing the current codes and needs of todays residents.

He said there are currently two loft apartments that will be located at the 330 West Lamar Street location on the east side of the building. There will be two more lofts constructed on the west side of the building, at a future date. He showed renderings of the projects and described architectural features.

The Travis Street project includes four units in a three story building. There will be two units on the third floor and two units on the second floor. He said the front façade, "really won't change", and they are honoring some of the architectural features in the apartments.

Council Member Teamann said he also appreciated seeing the Houston Street building that Mr. Downtain purchased, being cleaned up.

ACTION TAKEN.

Motion by Deputy Mayor Stevenson to approve Resolution Nos. 7038 and 7039, as presented. Second by Council Member Teamann.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 7040 WATER & WASTEWATER RATE REVIEW

RESOLUTION NO. 7040 – TO ADOPT THE RESULTS OF THE ANNUAL RATE REVIEW FOR WATER AND WASTEWATER

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, TO ADOPT THE RESULTS OF THE ANNUAL RATE REVIEW FOR WATER AND WASTEWATER.

Mr. Hefton briefed the Council on the proposed water and wastewater rate update for 2023. Beginning in FY 2022, the City started a series of annual rate reviews for the utility system. At that time, through the ordinance that set the rates, a five-year plan was also adopted for the rates.

The City is now in the second year of the rate plan, and this proposal continues the results of the original rate study, without changing the rates that were part of that study. He said the City is averaging about 4.5% annual rate increases, and this recommendation holds those rates the same.

Mr. Hefton said there have been several changes that he wanted to update the Council on. Since the last update, there have been some industrial customers that have come on line or are projected to come on line. Those projected uses are being built into the rate analysis. There have also been some revisions in the projected uses for commercial and industrial customers. The timing of when these customers will come on line has also changed.

Mr. Hefton said the CIP estimate for 2022 was about $315 million, and that has increased to approximately $392 million. The increase is due to the addition of some projects and the fact that other projects have been "pushed out". To make the plan work, and keep with the funding mechanisms, there has been some capitalized interest built into the costs. He said the total number is about $336 million, but there is another $56 million that is a capitalized interest cost.

The issue this rate study wanted to address is, are incremental revenues from new customers enough to cover the debt service on these projects, without changing the rate plan the City currently has. He presented a projection of the water rates, the wastewater rates, and a "blended" rate of both rates. The residential rate increase will be at a 4.6%, 4.7% rate, and at the end of the five year period, it drops down to 1.1%.

With those proposed rates, projecting out to 2027, Sherman's rates in four years, would still be less that the State's average today of the peer cities. Even with these rate increases, Sherman will still be less than the State averages.

Mr. Hefton also presented the effects of the changes since the last update. There is a "gap" in years 2024 through 2028, in projected use, verses what was projected a year ago. He said the gap is the problem that they are trying to solve.

Mr. Hefton addressed several of the Utility CIP Major Projects. One project added to the list is for a 100 mgd Water Treatment Plant water storage reservoir, which will add redundancy and liability to

the system. Currently there is one pipeline coming from Lake Texoma to the Water Treatment Plant. If that pipeline goes down, there is no way to get surface water to the City's customers. This project will help remedy that situation by adding onsite storage of raw water that could be used if needed.

Mr. Philpott said, in the past, when the surface water system went down, the City could switch to the ground water system for everyone, if needed. As the City has continued to grow, the ground water system has not increased and can't supply enough water for everyone. There is no longer a full backup of the surface water system.

Mr. Hefton also mentioned the 36' Water Line, saying it would take millions of gallons of water from the Water Plant to the west side of Sherman, down to Shepherd Drive. This will serve the growth corridor for North Sherman, West Sherman, and the Industry area.

Over half of the $118 million bond package that the Greater Texoma Utility Authority will be proposing in the next couple of months, will go for this project. There will be a bond rating call on Wednesday, with Standard and Poor's, for this bond issue. Approval tonight will validate that the City is "still keeping with the plan."

Other "vital" projects are the four mgd capacity expansion at the Wastewater Treatment Plant, for a little over $100 million, which was recently identified as needing to move forward in the plan, because of limitations at the Wastewater Treatment Plant, and being able to treat up to 16 mgd, which is what Sherman is permitted to discharge for. This project will add 4 mgd to get closer to the 16 mgd that is allowed.

The other critical project is the rehab of the Conventional Water Treatment Plant. Originally the discussion was for a 15 mgd expansion at the Water Treatment Plant, that would cost about $220 million. The plan would not work with that cost and the $110 million on the Wastewater Treatment Plant.

Mr. Hefton said they started looking at one of the original plans, which was to rehab the existing, conventional plant. They looked at the cost of rehabbing the current plant, as opposed to constructing a new plant. A preliminary estimate said between $15 and $20 million would be needed to rehab the plant.

Currently the plant is 10 mgd, maximum capacity, and maybe a little less, since one of the EDR units may be beyond repair. There is still between 7 and 8 mgd capacity with the other three units and the rest of the system.

Mr. Hefton said, the staff believes that by rehabbing that and keeping 7 mgd capacity on line, instead of eliminating it and building a new plant, the City should be able to get to the 2028, 2029, 2030 time frame, where the revenues will catch up with the projects.

Therefore, the staff has done with the rate plan is substituted $25 million in year three (2025), instead of having $225 million for the new plant expansion. By doing that, the City can stay with the plan of 4.5%, get the water they believe they'll need, in the time they will need it.

Mr. Hefton said, in summation, the City has hirer debt than what was originally thought, and a reduction in the timing of the commercial volume, especially early in the time frame. They believe the City can still meet the coverage by structuring the debt, by getting support from the General Fund, from the Sherman Economic Development Corporation, and from Impact Fees. In years 2023, 2024, and 2025, the City will be building reserves in the Utility Fund, until they are needed in 2026, 2027, 2028, and 2029 to "smooth out the process".

He added that the debt coverage needed to be at least 1.05, which it is, showing the City has the financial ability to pay the debt, according to standards established by the bond agencies. The 1.05 is the minimum threshold, and the City has that in each year.

Mr. Hefton talked about assumptions that the City needed to make, Including timing of commercial water purchases; interest rates; internal growth and inflation; and continued support from SEDCO, the General Fund, and Impact Fees. He added that, if any of these assumptions are altered, the forecast and conclusions will have to be revised.

Mr. Hefton said there are two very large projects, of which they don't know the exact timing. The first project is the 15 mgd expansion of the Water Treatment Plant, at a cost of over $200 million. This will probably be before 2030, but probably near the end of that period.

The second project is the Wastewater Treatment industrial plant. There's not even an estimated cost for this, but it will probably be in the "hundreds of million dollars" range. Design will continue on these projects so when construction is needed, it can move forward.

Mr. Hefton said, by approving this resolution, the Council will be reaffirming the results of the Rate Study, which are to keep the rates on par with what's been discussed in the past, but also a commitment on the City Council's part to continue to support development of the infrastructure, and make sure the debt is paid as it comes through.

Deputy Mayor Stevenson said the City will be "riding the line pretty close", and asked what will happen if the reserves aren't built up as much as they need to be. Mr. Hefton said, especially for this time of transition, there may be the ability in other funds, to build up reserves that could be used for one-time money, such as through the construction sales tax. He added that they will keep the General Fund reserves where they need to be, and keep a minimum of 60 to 90 days in the reserves.

Council Member Howeth said, in the past, the City has had to return a portion of the construction sales tax to the State. Mr. Hefton said, in the past, there were some audits that returned a portion of the construction sales tax to the State, because it was overpaid.

The City spoke with representatives from Texas Instruments to make sure they were monitoring the payments and reporting it in a way that would minimize the clawback of payments.

Council Member Howeth wanted to make a motion to adopt the annual rate, based upon what it is today. Council Member Teamann wanted to make an addition to the motion, saying that the Council is "willing to make any necessary changes in the future".

ACTION TAKEN.

Motion by Council Member Howeth to approve Resolution No. 7040, adopting the annual rate, as presented. Second by Deputy Mayor Stevenson.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 7041
ENERGY EFFICIENCY BLOCK GRANT

RESOLUTION NO. 7041 – AUTHORIZING SUBMISSION OF A GRANT APPLICATION AND THE ACCEPTANCE OF THE ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG) PROGRAM THROUGH THE DEPARTMENT OF ENERGY (DOE) FOR THE CITY OF SHERMAN

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF A GRANT APPLICATION AND THE ACCEPTANCE OF THE ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG) PROGRAM, THROUGH THE DEPARTMENT OF ENERGY (DOE) FOR THE CITY OF SHERMAN OPERATIONS.
CONSENT AGENDA.

RES 7042
WWTP OPERATIONS BLDG & REMODEL

RESOLUTION NO. 7042 (NO ACTION TAKEN AT THE JANUARY 3, 2023 REGULAR CITY COUNCIL MEETING) – ACCEPTING THE CONTRACT WITH PIAZZA CONSTRUCTION, LLC AS COMPLETE FOR THE CONSTRUCTION OF THE WWTP OPERATIONS BUILDING ADDITION & REMODEL

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH PIAZZA CONSTRUCTION, LLC AS COMPLETE FOR THE CONSTRUCTION OF THE WWTP OPERATIONS BUILDING ADDITION & REMODEL.
CONSENT AGENDA.

RES 7043
BINKLEY PARK ASPHALT PUMP TRACK

RESOLUTION NO. 7043 – AUTHORIZING EXECUTION OF A CONTRACT WITH AMERICAN RAMP COMPANY FOR CONSTRUCTION OF AN ASPHALT PUMP TRACK AT BINKLEY PARK THROUGH THE SOURCEWELL PURCHASING COOPERATIVE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONTRACT WITH AMERICAN RAMP COMPANY FOR CONSTRUCTION OF AN

ASPHALT PUMP TRACK AT BINKLEY PARK THROUGH THE SOURCEWELL PURCHASING COOPERATIVE.
CONSENT AGENDA.

RES 7044
POLICE & FIRE
PAY SCHEDULES

RESOLUTION NO. 7044 – REPEALING AND REPLACING RESOLUTION NO. 6926; ESTABLISHING SALARY STRUCTURES AND INCENTIVE/CERTIFICATION PAY SCHEDULES FOR FIREFIGHTERS AND POLICE OFFICERS; ESTABLISHING SPECIAL LONGEVITY PAY SCHEDULES FOR NEWLY HIRED FIREFIGHTERS AND POLICE OFFICERS; PROVIDING FOR AN EFFECTIVE DATE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REPEALING AND REPLACING RESOLUTION NO. 6926; ESTABLISHING SALARY STRUCTURES AND INCENTIVE/CERTIFICATION PAY SCHEDULES FOR FIREFIGHTERS AND POLICE OFFICERS; ESTABLISHING SPECIAL LONGEVITY PAY SCHEDULES FOR NEWLY HIRED FIREFIGHTERS AND POLICE OFFICERS; PROVIDING FOR AN EFFECTIVE DATE.
CONSENT AGENDA.

REQ TO ADVERTISE
OLD SETTLERS PARK
BALLFIELD FENCING

REQUEST TO ADVERTISE PURCHASE AND INSTALLATION TO REPLACE EXISTING BALLFIELD FENCING AT OLD SETTLERS PARK

Deputy Mayor Stevenson asked to remove Item F-1 from the Consent Agenda, for consideration in its regular order of business.

Theresa Hutchinson, Parks and Recreation Manager, said the request was to replace ballfield fencing at Old Settlers Park, which is in the target area. This will allow Community Development Block Grant money to be used for the project.

Terrence Steele, Assistant City Manager, said, once the Council approves the budget, each department has their own budget. If the Council would like to repair fencing at the Municipal Airport, then the staff would look at the Airport's budget for funding for that project.

Mayor Plyler said the request would be to ask the staff to look at the need for fencing at the Airport.

Mary Lawrence, Director of Finance, said there is a fencing project for the Airport this year, which would address a part of the fence that is really bad. This project would include 50% funding from the Texas Department of Transportation.

Council Member Teamann asked if there was a requirement to use a chain link fence around the Airport to keep animals out. He said a portion of the fence at the back is barbed wire. Ms. Lawrence was unaware of a requirement.

ACTION TAKEN.

Motion by Deputy Mayor Stevenson to approve the request to advertise for the purchase and installation to replace existing ballfield fencing at Old Settlers Park, as presented. Second by Council Member Dobbs.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

MAIN STREET ADVISORY BOARD (4) — **MAIN STREET ADVISORY BOARD**

ACTION TAKEN.

Motion by Council Member Teamann to reappoint Lindsey Manley and Courtney Mitchell to the Main Street Advisory Board for a term from September 5, 2022 to September 4, 2024; and to appoint Joey Morneau for a term from March 7, 2023 to March 7, 2025, as presented. Second by Council Member Howeth.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

ANIMAL CONTROL ADVISORY COMMITTEE (2) — **ANIMAL CONTROL ADVISORY COMMITTEE**

ACTION TAKEN.

Motion by Council Member Teamann to reappoint Henry Marroquin and Morgan Simpson to the Animal Control Advisory Board for a term from March 17, 2023 to March 17, 2026, as presented. Second by Deputy Mayor Stevenson.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

COUNCIL COMMENTS

NEW POLICE DEPARTMENT — **NEW POLICE DEPT**

Council Member Marroquin said several of the Council had an opportunity to visit the new Police Department, and he commended the staff for a "good job".

WATER STUDY — **WATER STUDY**

Council Member Teamann said he appreciated all the work that went into the Water Study, and the presentation today. He said it was "very challenging" and he appreciated the staff working on it.

FIRE DEPARTMENT EFFICIENCIES — **FIRE DEPT EFFICIENCIES**

Council Member Teamann said he appreciated Billy Hartsfield, Fire Chief, on presenting a resolution for pay schedules and staffing needs, to help make the Fire Department more efficient.

FIRE DEPARTMENT COMPLIMENT — **FIRE DEPT COMPLIMENT**

Council Member Holland talked with a citizen after a recent fire, and said they had only good things to say about the Fire Department.

ANNOUNCEMENTS — **ANNOUNCEMENTS**

Mayor Plyler announced the following:

- **The Annual St. Patrick's Day Parade will be held on March 11, 2023, at 11 a.m. The parade will be held along Crockett and Travis Streets.**

- **The Sherman Celtic Festival will be held March 25 and 26, 2023, at Pecan Grove Park. The event will feature great music, vendors, and activities for the entire family.**

- **This year's lineup for Hot Summer Nights 2023 will be revealed on April 7, 2023, at 8 a.m., at Schulman's Movie Bowl Grill, as part of Coffee With the Mayor.**

EXECUTIVE SESSION

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

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

TEX. GOV'T CODE § 551.071 --
SEEKING THE ADVICE OF ITS ATTORNEY ABOUT PENDING OR CONTEMPLATED LITIGATION, SETTLEMENT OFFERS OR ANY MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE CITY COUNCIL UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THE TEXAS OPEN MEETINGS ACT

TEX. GOV'T CODE § 551.072 --
DELIBERATING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.073 --
DELIBERATING A NEGOTIATED CONTRACT FOR A PROSPECTIVE GIFT OR DONATION TO THE CITY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.074 --
DELIBERATING THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE; OR TO HEAR A COMPLAINT OR CHARGE AGAINST AN OFFICER OR EMPLOYEE UNLESS THE OFFICER OR EMPLOYEE WHO IS THE SUBJECT OF THE DELIBERATION OR HEARING REQUESTS A PUBLIC HEARING

TEX. GOV'T CODE § 551.076 –
DELIBERATING THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION, OF SECURITY PERSONNEL OR DEVICES OR A SECURITY AUDIT

TEX. GOV'T CODE § 551.087 –
DISCUSSING OR DELIBERATING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE CITY SEEKS TO HAVE LOCATE, STAY OR EXPAND IN OR NEAR THE CITY AND WITH WHICH THE

CITY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR DELIBERATING THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO A BUSINESS PROSPECT

A) Sherman Hospital Project

TEX. GOV'T CODE § 551.089 --
DELIBERATING SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION RESOURCES TECHNOLOGY, NETWORK SECURITY INFORMATION, OR THE DEPLOYMENT OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL, CRITICAL INFRASTRUCTURE OR SECURITY DEVICES

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 6:11 p.m. and reconvened in Open Meeting.

OPEN MEETING **OPEN MEETING**

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

ADJOURNMENT **ADJOURNMENT**

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

_____
MAYOR

_____
CITY CLERK

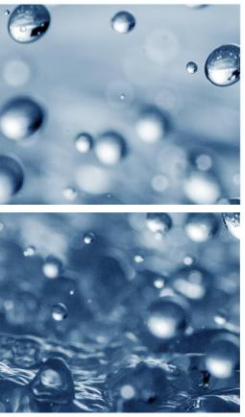
City Council Presentation – City of Sherman

Water and Wastewater Rate Update -- 2023

Sherman
CLASSIC TOWN. BROAD HORIZON.

Revised: March 6 2023

March 2023



WILLDAN

City of Sherman
Changes Since 2022 Rate Analysis

- City has added two new commercial/industrial customers
  - Falcon
  - Global Wafers
- Commercial/Industrial forecast volume purchases have been nominally revised, but timing of volumes have changed
- New debt to fund CIP has increased significantly:
  - 2022 estimate: $315,000,000
  - 2023 estimate: $392,155,000 (including $56M cap interest + admin)
- Key issue: will additional revenues from new customers be sufficient to offset additional annual debt service without changing the rate plan?

Current Water Rate Plan

Scenario: 2023 02 06 Falcon -- Current Rate Plan

		Current	Effective Oct-23	Oct-24	Oct-25	Oct-26
Residential						
Customer Service Charge						
5/8 X 3/4"		$ 24.18	**$ 24.91**	$ 25.66	$ 26.43	$ 26.96
1"		47.71	**49.14**	50.62	52.13	53.18
1 1/2"		95.86	**98.74**	101.70	104.75	106.85
Volume Rate Per 1,000 Gal						
1,500	Above	3.47	3.58	3.68	3.79	3.87
Percent Change			**3.0%**	3.0%	3.0%	2.0%
Non-Residential						
Customer Service Charge						
5/8 X 3/4"		24.18	**24.91**	25.66	26.43	26.96
1"		47.71	**49.14**	50.62	52.13	53.18
1 1/2"		95.86	**98.74**	101.70	104.75	106.85
2"		163.32	**168.22**	173.26	178.46	182.03
3"		356.06	**366.74**	377.74	389.08	396.86
4"		625.85	**644.62**	663.96	683.88	697.56
6"		1,396.76	**1,438.67**	1,481.83	1,526.28	1,556.81
Volume Rate Per 1,000 Gal						
1,500	Above	3.47	**3.58**	3.68	3.79	3.87
Percent Change			**3.0%**	3.0%	3.0%	2.0%

Current Wastewater Rate Plan

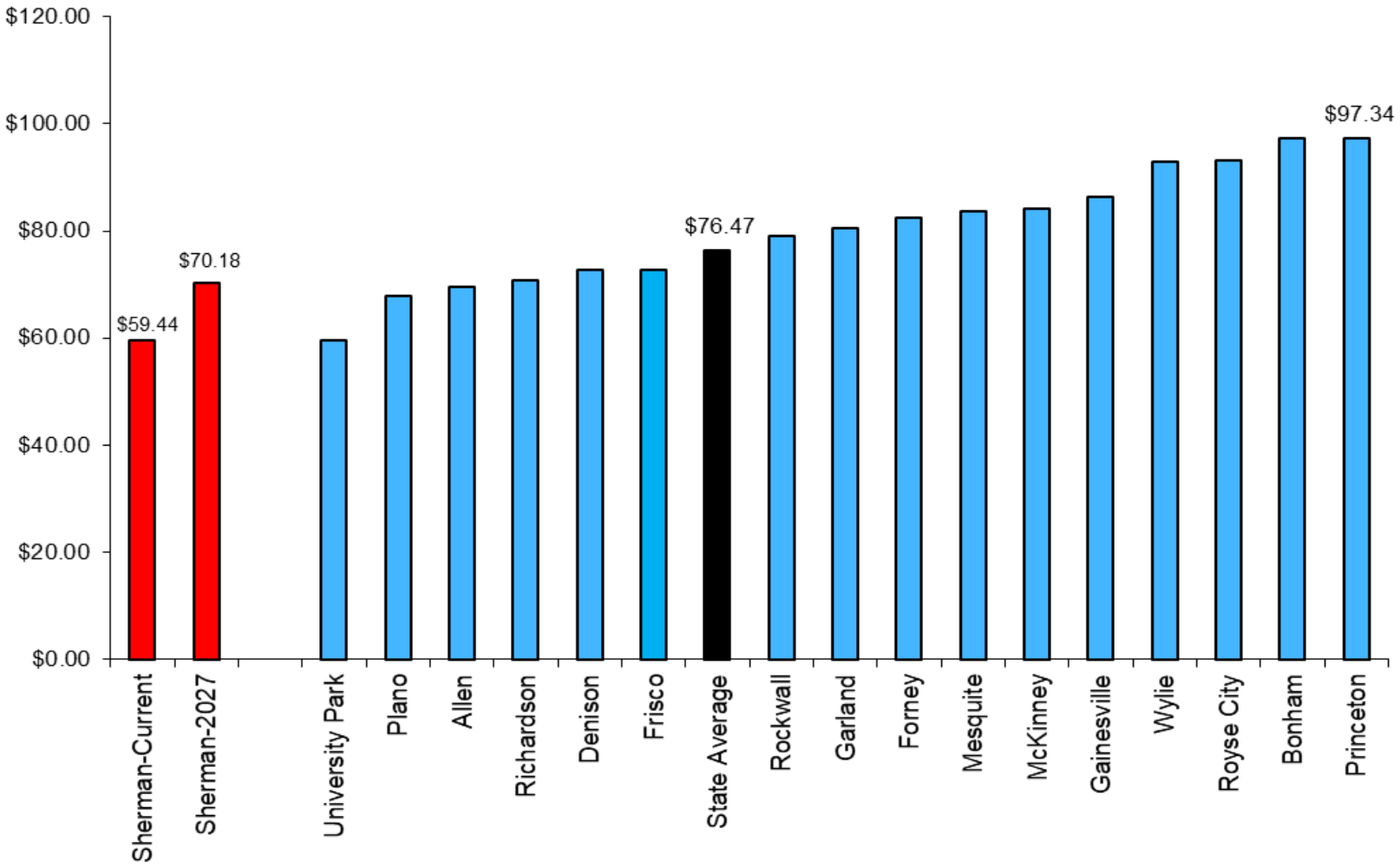
Scenario: 2023 02 06 Falcon -- Current Rate Plan

		Current	Effective Oct-23	Oct-24	Oct-25	Oct-26
Residential						
Customer Service Charge						
All Meters		$ 9.29	**$ 9.94**	$ 10.63	$ 11.38	$ 11.38
Volume Rate Per 1,000 Gal						
1,500	9,000	3.95	**4.22**	4.52	4.84	4.84
Percent Change			**7.0%**	7.0%	7.0%	0.0%
Non-Residential						
Customer Service Charge						
All Meters		$ 9.29	**$ 9.94**	$ 10.63	$ 11.38	$ 11.38
Volume Rate Per 1,000 Gal						
1,500	Above	3.95	**4.22**	4.52	4.84	4.84
Percent Change			**7.0%**	7.0%	7.0%	0.0%

Current Water and Wastewater Rate Plan Impact on Monthly Charges

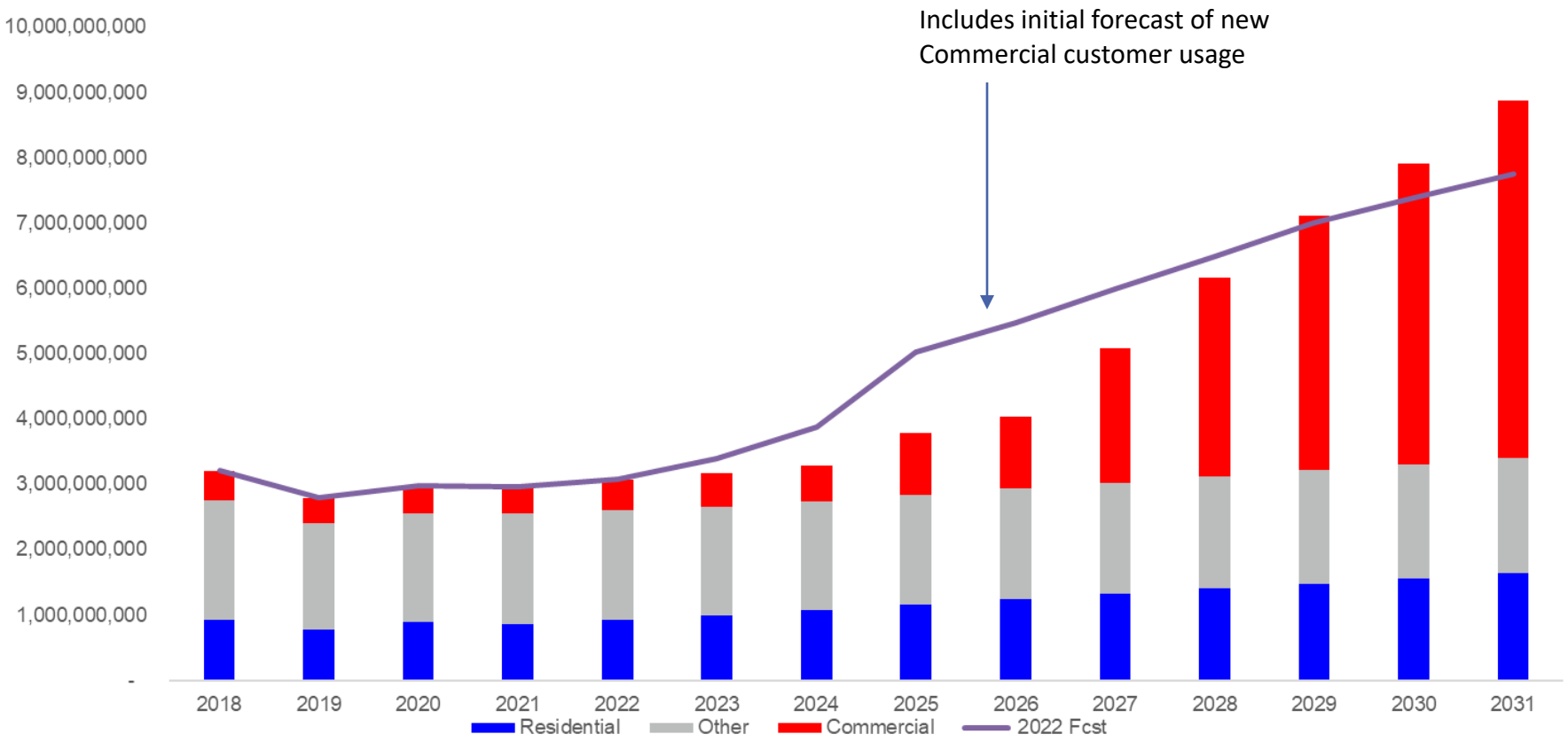
Scenario:	2023 02 06 Falcon -- Current Rate Plan	Current	Effective Oct-23	Oct-24	Oct-25	Oct-26
Residential Monthly Charges Inside -- 3/4"						
1,500 Water	Total	$ 33.47	**$ 34.85**	$ 36.29	$ 37.80	$ 38.33
1,500 WW	Increase -- $		**1.38**	1.44	1.51	0.53
	Increase -- %		**4.1%**	4.1%	4.2%	1.4%
6,000 Water	Total	66.86	**69.95**	73.20	76.64	77.51
6,000 WW	Increase -- $		**3.09**	3.26	3.44	0.87
	Increase -- %		**4.6%**	4.7%	4.7%	1.1%
10,000 Water	Total	92.59	**96.92**	101.49	106.32	107.49
9,000 WW	Increase -- $		**4.33**	4.57	4.83	1.17
	Increase -- %		**4.7%**	4.7%	4.8%	1.1%
Commercial Monthly Charges Inside -- 2"						
20,000 Water	Total	$ 309.86	**$ 322.45**	$ 335.65	$ 349.49	$ 354.46
20,000 WW	Increase -- $		**12.59**	13.20	13.84	4.97
	Increase -- %		**4.1%**	4.1%	4.1%	1.4%
40,000 Water	Total	458.25	**478.45**	499.71	522.09	528.58
40,000 WW	Increase -- $		**20.20**	21.26	22.38	6.49
	Increase -- %		**4.4%**	4.4%	4.5%	1.2%

Monthly Residential Charge Comparison
5,000 Gallons Water and Wastewater

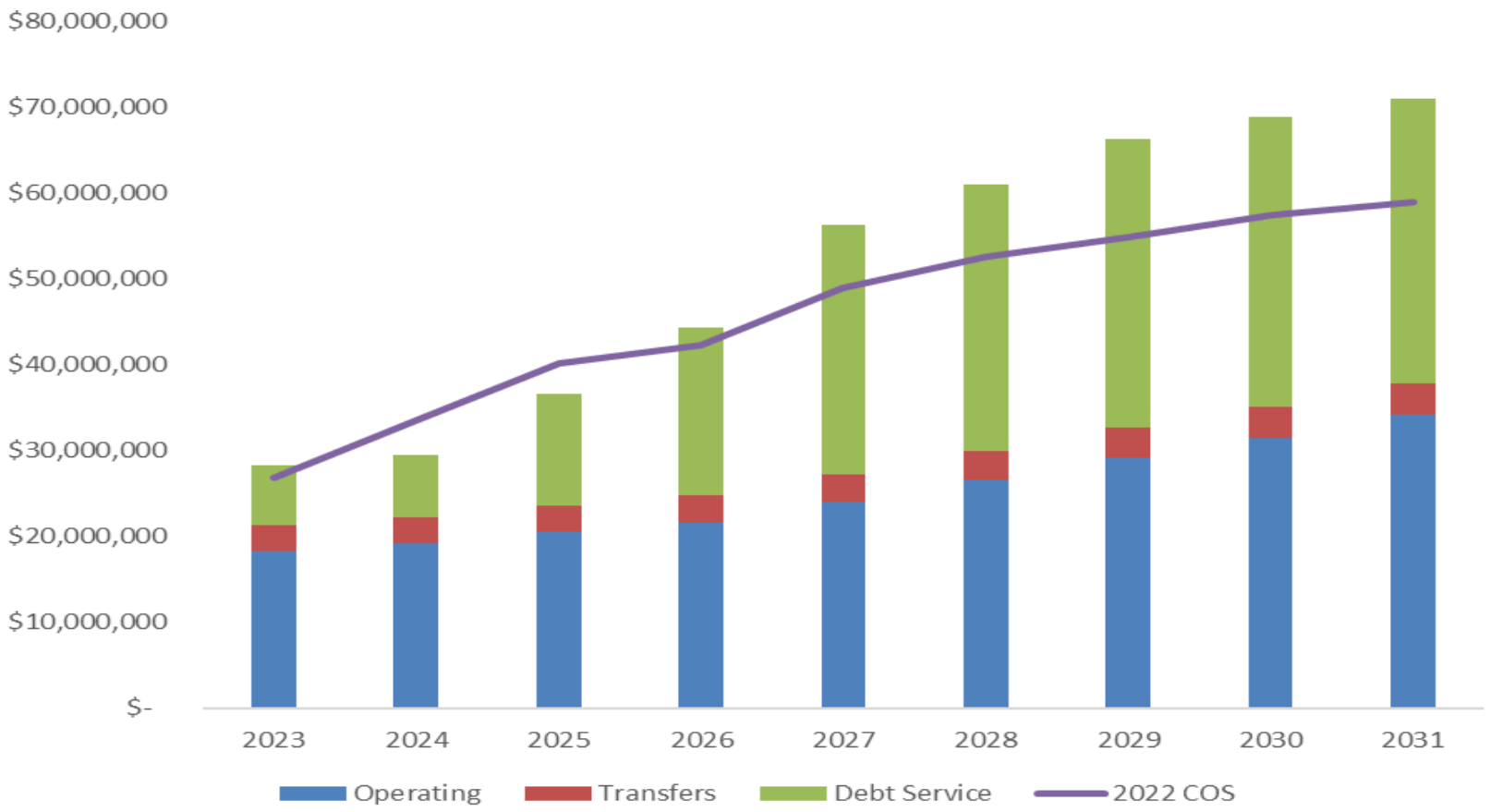


Actual and Forecast Water Billed Consumption Retail and Wholesale

Gallons



Forecast Cost of Service – Current and 2022



Utility CIP Major Projects (in $Millions)

DESCRIPTION	2023	2024	2025
15 MGD WTP Design	$ 7.0		
100 MGD WTP water storage		$ 30.0	
2 MGD Elevated Tank		$ 16.8	
36" Water Line	$ 69.3		
Pump Station Expansion	$ 1.0	$ 12.4	
WTP Brine Discharge	$ 9.0		
Rehab Conventional WTP			$ 25.0
WWTP 4 MGD Expansion	$ 11.4	$ 20.0	$ 80.0
WWTP Digester		$ 0.5	$ 7.3
WWTP Electrical Upgrades	$ 4.9	$ 8.2	
All Other	$ 15.4	$ 12.1	$ 5.7
	$ 118.0	**$ 100.0**	**$ 118.0**

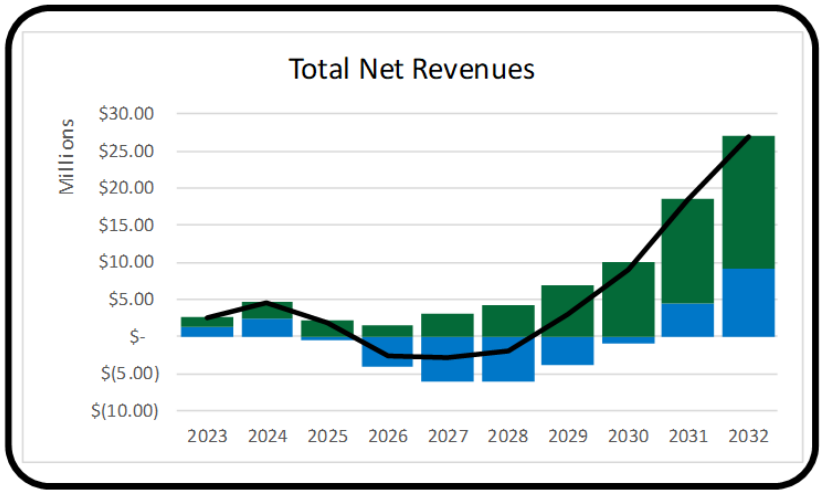
Notes on Current Rate Plan

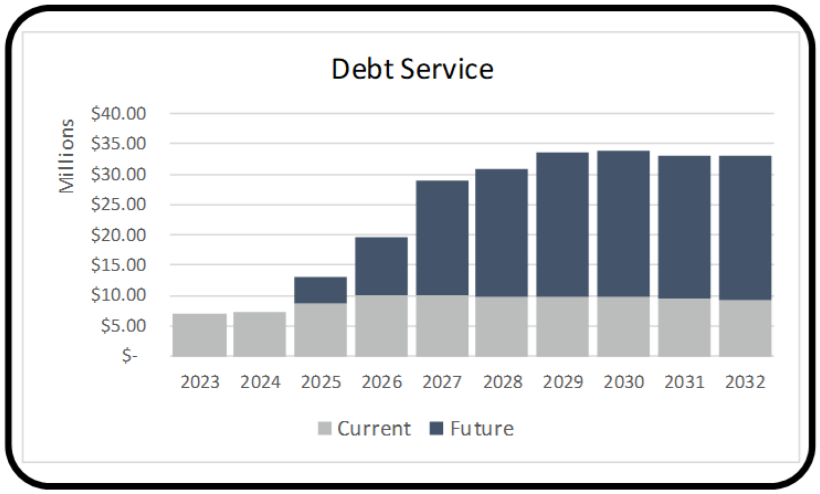
- Current rate plan is strained by combination of higher amount of debt issued and reduction in commercial volume forecast for 2024 – 2028
- **However, City can still meet debt coverage requirements with current rate plan by implementing the following:**
  - Support from General Fund and SEDCO 2024-2027
  - Contributions from Impact fees
  - Buildup and drawdown of reserve funds
- After FY 2028 as commercial customers reach maximum consumptions, revenues are forecast to cover expenses and reserves can be replenished

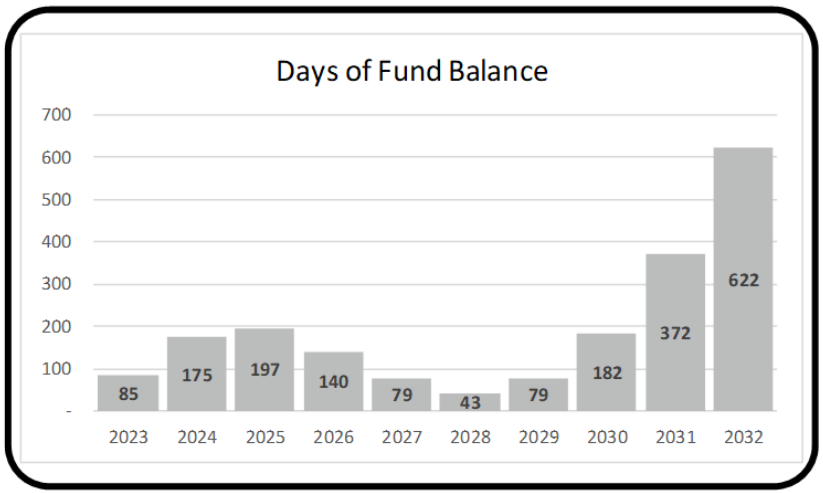
Current Rate Plan
Forecast Revenues and Expenses

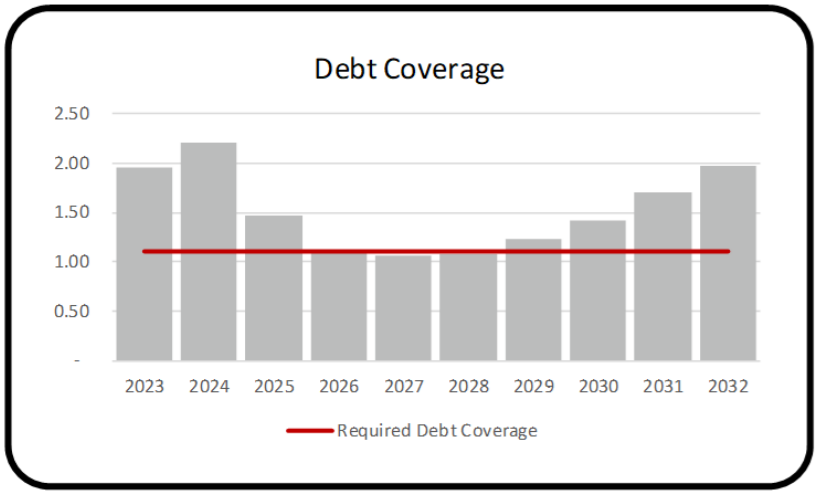
	Prelminary 2023	Forecast 2024	Forecast 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030	Forecast 2031
Forecast Debt Issues	$ 138,455,000	$ 116,175,000	$ 137,525,000	$ -	$ -	$ -	$ -	$ -	$ -
$ 392,155,000									
Beginning Fund Balance	**$ 1,409,771**	**$ 3,978,367**	**$ 8,596,025**	**$ 10,404,964**	**$ 7,808,684**	**$ 4,902,407**	**$ 2,957,084**	**$ 6,035,190**	**$ 15,081,696**
Revenues									
Water	16,739,564	18,107,468	20,626,728	22,560,126	27,094,129	32,603,142	38,419,871	43,979,960	50,603,032
Wastewater	9,860,254	10,999,241	13,244,655	15,063,316	18,673,684	23,263,732	27,737,457	31,795,337	36,739,496
SEDCO Reimbursements	-	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-
General Fund Reimbursements	-	-	-	-	3,500,000	-	-	-	-
Impact Fee Reimbursements	1,059,784	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	-	-
Non-Rate-Other	3,108,276	2,870,456	2,404,428	2,037,350	2,050,660	2,064,368	2,078,488	2,093,032	2,108,012
Total Revenues	30,767,878	34,077,164	38,375,811	41,760,793	53,418,473	59,031,242	69,335,816	77,868,329	89,450,539
Cost of Service									
Operating	17,127,415	17,884,238	19,248,100	20,293,833	22,735,656	25,359,889	27,857,091	30,178,058	32,908,721
Capital Outlays	1,193,561	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000
Debt Service	6,951,194	7,325,343	12,978,399	19,629,704	29,059,603	30,988,352	33,670,494	33,808,787	33,109,444
Transfers	2,927,112	3,014,925	3,105,373	3,198,534	3,294,490	3,393,325	3,495,125	3,599,979	3,707,978
Total	28,199,282	29,459,507	36,566,872	44,357,072	56,324,750	60,976,566	66,257,710	68,821,823	70,961,143
Net Revenues	**2,568,596**	**4,617,658**	**1,808,939**	**(2,596,279)**	**(2,906,277)**	**(1,945,323)**	**3,078,106**	**9,046,506**	**18,489,397**
Debt Coverage	1.96	2.21	1.47	1.09	1.06	1.09	1.23	1.41	1.71
Ending Fund Balance	**3,978,367**	**8,596,025**	**10,404,964**	**7,808,684**	**4,902,407**	**2,957,084**	**6,035,190**	**15,081,696**	**33,571,093**

Current Rate Plan
Forecast Metrics









Water Sewer **Combined Projections**

Summary and Caveats

- Current rate plan and debt service schedule is based on a series of assumptions regarding:
  - Timing of commercial water purchases
  - Interest rates and term of debt
  - City internal growth and expense increases
  - Support from SEDCO, G/F and Impact Fees
- If any of these assumptions are altered, forecast and conclusions will have to be revised
- **Under existing plan, debt coverage is very tight in 2026-2028 time period City is forecast to collect less revenues than Cost of Service during these years**

Major Take-aways

- A lot of variability in projections due to:
  - Timing of CIPs
  - Cost/Scope of CIPs
  - Timing of volume increases (esp. industrial/commercial)
  - Size of volume increases
- Two very large looming projects not in current projections because timing is assumed to be needed after the 5-yr window
  - WTP 15 MGD expansion ($200M +)
  - WWTP industrial plant ($XXX M+)
- Big challenges in FY26-FY29 because debt service comes on before industrial revenues increase enough to cover debt service
- Conventional WTP being re-habbed to keep it running longer

City Staff Presentation – City of Sherman

Questions and Discussion

Sherman
CLASSIC TOWN. BROAD HORIZON.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **B. 1.**

Meeting Date: 03/20/2023

Prepared By: Theresa Hutchinson, Parks & Recreation Manager

Approved By: Robby Hefton, City Manager

Caption:

SPECIAL PRESENTATION

2023 Lone Star Recreation Programming Achievement Award

Issue:

Sherman Parks and Recreation was awarded the 2023 Lone Star Recreation Programming Achievement Award for The Fall Festival for Special Needs event that was held in November at the Municipal Ballroom.

Background:

The Texas Recreation and Parks Society awards the Lone Star Recreation Programming Achievement Award to an organization that has offered a new program to one of its community groups. Nominees were based on the following criteria: goals and objectives, participation, efficiency and creativity. Over 140 nominees were received.

Origination:

Parks and Recreation

Financial Consideration:

No financial considerations.

Staff Recommendation:

No staff recommendations.

Alternatives:

No alternatives.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **D. 1.**

Meeting Date: 03/20/2023

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

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

Issue:

F. 1. **** RESOLUTION NO. 7045***
Awarding a Bid to and Authorizing Execution of a Contract with Southwest CDJR, LLC for the Purchase of Multiple Fleet Vehicles for Multiple City Departments

F. 2. **** RESOLUTION NO. 7046***
Awarding a Bid to and Authorizing Execution of a Contract with Voice Products, Inc. for the Purchase and Implementation of Call Recording Software and Hardware

F. 3. **** RESOLUTION NO. 7047***
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 922 South Montgomery Street within City of Sherman's Reinvestment Zone, Number Ten (#10)

F. 4. **** RESOLUTION NO. 7048***
Awarding a Bid to and Authorizing Execution of a Contract with Campbell Oil Company for the Purchase of Aviation Fuel for the Sherman Municipal Airport

F. 5. **** RESOLUTION NO. 7049***
Awarding Bids to and Authorizing Execution of Contracts with Multiple Vendors for the Annual Supply of Chemicals for the Sherman Water Treatment Plant

F. 6. **** RESOLUTION NO. 7050***
Authorizing Submission of a Grant Application to Firehouse Subs Foundation to Fund the Purchase of Rifle Plate Carriers and Body Armor Plates for the Sherman Police Department

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **D. 2.**

Meeting Date: 03/20/2023

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

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

Issue:

G. 6. ***** OTHER BUSINESS***

Final Plat of Copley Land Surveying, consisting of 1.149 acres in the D.C. Shelp Survey, Abstract No. 1097 and the J.B. Shannon Survey, Abstract No. 1085, and currently zoned C-2 (General Commercial) District; Ed and Cathy Breach, Owner and Copley Land Surveying, Surveyor (5904 Texoma Parkway)

G. 7. ***** OTHER BUSINESS***

Replat for Lots 3R-A and 3R-B, Block 2, Cypress Lofts Addition, Phase 1A, consisting of 6.101 acres in the James H. Clark Survey, Abstract No. 275, and being all of Lot 3R, Block 2, Cypress Lofts Addition, Phase 1A, and currently zoned C-2 (General Commercial) District; Todd Young, Young Enterprises, LP, Owner and Helvey-Wagner Surveying, Surveyor (200 Block Hilre Drive and in the 201 Block Northcreek Drive)

G. 8. ***** OTHER BUSINESS***

Replat for 725 South Rusk Addition, consisting of 0.269 acres in the Samuel Blagg Survey, Abstract No. 56, being a replat of part of Lot 5, Block 1, Blain Addition and currently zoned R-6 (Single-Family Residential) District; Juan Antonio Reyes and Gomez Reyna Cabrera Pacheco, Owner; and Preston Trail Land Surveying, Surveyor (725 South Rusk Street)

G. 9. ***** OTHER BUSINESS***

Final Plat of Double D Machining Addition, consisting of 1.40 acres in the Robert Thompson Survey, Abstract No. 1200 and is currently zoned M-1 (Light Manufacturing) District; Dylan Garza, Owner and Helvey-Wagner Surveying, Surveyor (2513 South First Street)

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 1.**

Meeting Date: 03/20/2023

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6572

Closing and Abandoning a Portion of Knollwood Road Right of Way in the City of Sherman, Grayson County, Texas, Being More Particularly Described in the Exhibit "A" Attached Hereto and Made a Part Hereof for all Purposes, said Property Shall be Reserved as an Easement for Public and Franchise Utilities for the Right of Ingress and Egress to Same for Purposes of Operation, Maintenance or Removal of such Utilities or until such Utilities shall be Abandoned or Relocated

Issue:

To consider approving the closure and abandonment of a portion of Knollwood Road right of way

Background:

This Ordinance will perform the necessary action to officially close and abandon a portion of Knollwood Road right of way. The adjoining owner will be incorporating the abandoned right of way into a replat of the surrounding properties.

Origination:

Young Enterprises, LP, adjoining property owner

Financial Consideration:

None

Staff Recommendation:

Staff recommends that the City Council approve the Ordinance closing and abandoning portion of right of way

Alternatives:

As may be directed by City Council

Attachments

Ordinance No. 6572
Release of Claims - Knollwood Road
Exhibit A
Location Map

ORDINANCE NO. 6572

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CLOSING AND ABANDONING A PORTION OF KNOLLWOOD ROAD RIGHT OF WAY IN THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, SAID PROPERTY SHALL BE RESERVED AS AN EASEMENT FOR PUBLIC AND FRANCHISE UTILITIES FOR THE RIGHT OF INGRESS AND EGRESS TO SAME FOR PURPOSES OF OPERATION, MAINTENANCE, OR REMOVAL OF SUCH UTILITIES OR UNTIL SUCH UTILITIES SHALL BE ABANDONDONED OR RELOCATED; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the portion of right of way of Knollwood Road in the City of Sherman, Grayson County, Texas, being more particularly described in the Exhibit "A" attached hereto and made a part hereof for all purposes, shall be closed and abandoned, save and except the property shall be reserved as an easement for public and franchise utilities for the right of ingress and egress to same for purposes of operation, maintenance or removal of such utilities or until such utilities shall be abandoned or relocated:

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

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

INTRODUCED on this the 20th day of March 2023.

ADOPTED on this the 20th day of March 2023.

EFFECTIVE DATE on this the 20th day of March 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

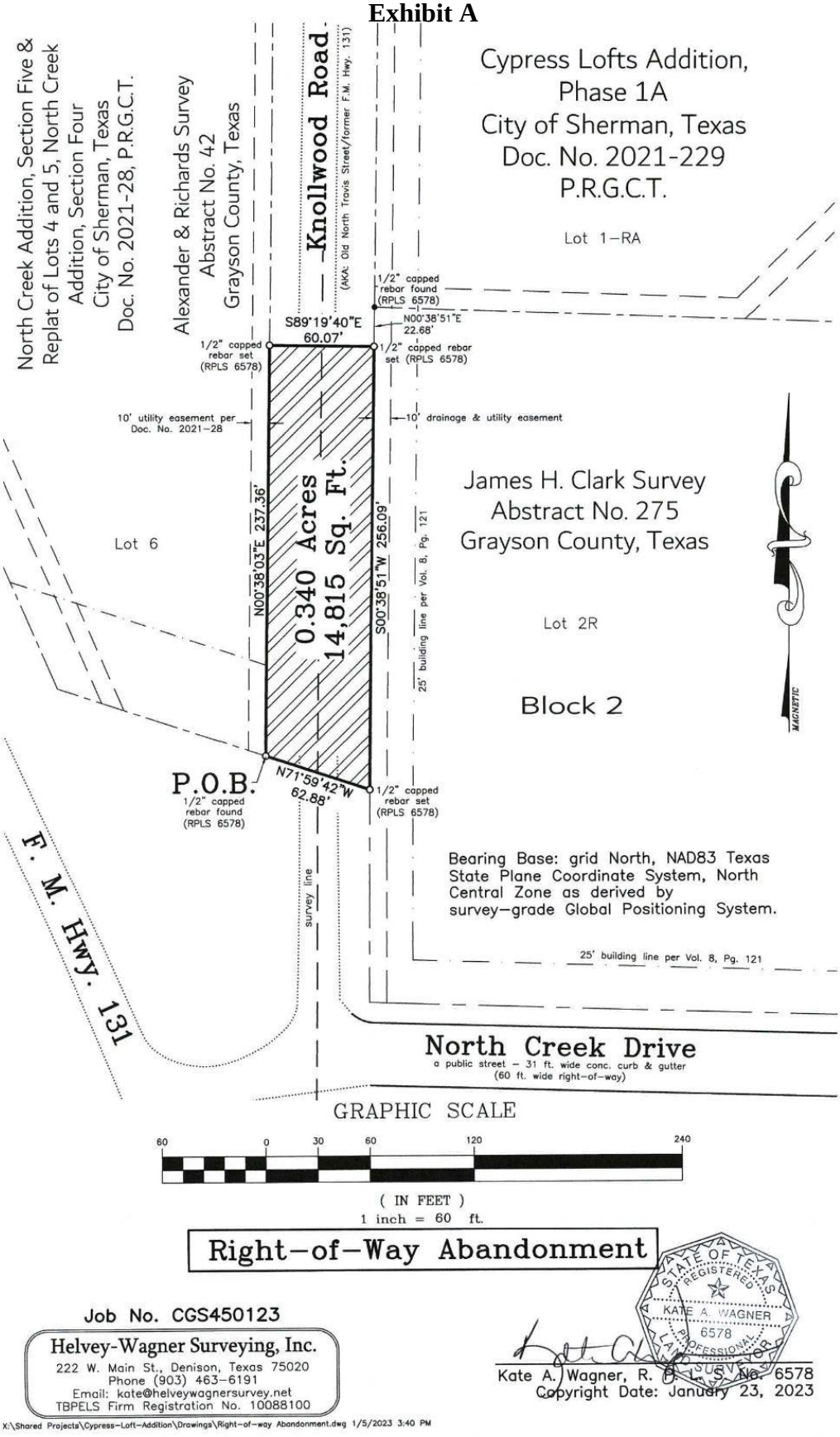
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
NAME: _____
CITY ATTORNEY

Exhibit A



Right–of–Way Abandonment

Job No. CGS450123

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463–6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

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STATE OF TEXAS REGISTERED KATE A. WAGNER 6578 PROFESSIONAL LAND SURVEYOR

Kate A. Wagner, R. P. L. S. No. 6578

Copyright Date: January 23, 2023

Helvey-Wagner Surveying, Inc.

222 West Main Street · Denison, Texas 75020
Ph: (903) 463-6191 · Email: kate@helveywagnersurvey.net
Texas Board of Engineers and Land Surveyors Firm Registration No. 10088100
Billy F. Helvey, RPLS No. 4488 – Kate A. Wagner, RPLS No. 6578

FIELD NOTES
0.340 Acres/14,815 Sq. Ft.

SITUATED in the City of Sherman, County of Grayson, State of Texas, and being a part of the James H. Clark Survey, Abstract No. 275 and a part of the Alexander & Richards Survey, Abstract No. 42, and being a portion of Knollwood Road right-of-way *(AKA: Old North Travis Street/former F.M. Hwy 131)* lying West of and adjacent to Lot 2R, Block 2 of Cypress Lofts Addition, Phase 1A to the City of Sherman, Texas, as per plat of record in Doc. No. 2021-229, Plat Records, Grayson County, Texas, and East of and adjacent to Lot 6, of North Creek Addition, Section Five & Replat of Lots 4 and 5, North Creek Addition, Section Four to the City of Sherman, Texas, as per plat of record in Doc. No. 2021-28, said Plat Records and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a 1/2 inch capped rebar found (RPLS 6578) in the North right-of-way line of F.M. Highway No. 131 (aka: Travis Street), at the Southeast corner of Lot 6 of said North Creek Addition, Section Five & Replat of Lots 4 and 5, North Creek Addition, Section Four and being the Southwest corner of the herein described tract;

THENCE North 00 deg. 38 min. 03 sec. East, with the East line of Lot 6 of said North Creek Addition, Section Five & Replat of Lots 4 and 5, North Creek Addition, Section Four, a distance of 237.36 ft. to a 1/2 inch capped rebar set (RPLS 6578) at the Northwest corner of the herein described tract;

THENCE South 89 deg. 19 min. 40 sec. East, over and across said Knollwood Road, a distance of 60.07 ft. to a 1/2 inch capped rebar set (RPLS 6578) lying in the West line of Lot 2R, Block 2 of said Cypress Lofts Addition, Phase 1A, and being the Northeast corner of the herein described tract;

THENCE South 00 deg. 38 min. 51 sec. West, with the West line of Lot 2R, Block 2 of said Cypress Lofts Addition, Phase 1, a distance of 256.09 ft. to a 1/2 inch capped rebar set (RPLS 6578) in the East line of said F.M. Highway 131, at the Southeast corner of the herein described tract;

THENCE North 71 deg. 59 min. 42 sec. West, over and across said Knollwood Road, with a North right-of-way line of said F.M. Highway No. 131, a distance of 62.88 ft. to the **PLACE OF BEGINNING** and containing **0.340 ACRES/14,815 SQ. FT.** of land.

Kate A. Wagner, R.P.L.S. No. 6578
January 23, 2023

RELEASE OF CLAIMS
(Right-of-Way Abandonment)

Young Enterprises, LP hereby requests that the City of Sherman, Texas ("City") abandon right-of-way, consisting of 0.340± acres of land, situated in the James H. Clark Survey, Abstract No. 275 and the Alexander & Richards Survey, Abstract No. 42, Sherman, Grayson County, Texas, which is more particularly described and depicted in Exhibit A, attached hereto and incorporated herein by reference for all purposes ("Existing Right-of-Way"). In consideration of the abandonment of the Existing Right-of-Way, the receipt and sufficiency of which is hereby acknowledged, Young Enterprises, LP hereby releases any and all claims, causes of action, demands, suits and actions against the City and its City Council members, officers, agents, employees and representatives arising out of or relating in any way to the Existing Right-of-Way and/or the abandonment of the Existing Right-of-Way (collectively, "Released Claims").

Young Enterprises, LP is fully authorized and empowered to enter into this Release on the terms and conditions stated herein, and the undersigned is fully authorized and legally competent to execute this Release on behalf of Young Enterprises, LP as the legal, valid and binding act and deed of Young Enterprises, LP. Young Enterprises, LP represents and warrants that the Released Claims are currently owned solely by Young Enterprises, LP, free and clear of all liens, encumbrances, pledges, assignments, claims and security interests of any kind or nature. Young Enterprises, LP further represents and warrants that it has the right to compromise and settle the Released Claims and any other claims that could have been asserted by Young Enterprises, LP which relate in any way to the Existing Right-of-Way.

YOUNG ENTERPRISES, LP AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, EMPLOYEES AND REPRESENTATIVES FROM AND AGAINST ANY AND ALL DAMAGES, INJURIES, CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING ATTORNEY'S FEES AND EXPENSES, ARISING FROM OR OUT OF THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THE PRECEDING PARAGRAPH OF THIS RELEASE, AND/OR ARISING FROM OR OUT OF ANY CLAIMS IN REGARD TO THE CITY'S ABANDONMENT OF THE EXISTING RIGHT-OF-WAY BY (I) THE ADJOINING OR ABUTTING LANDOWNERS, OR (II) ANY UTILITY SERVICE PROVIDER WITH FACILITIES PRESENTLY IN THE GROUND IN THE EXISTING RIGHT-OF-WAY WHICH IS BEING ABANDONED.

This Release shall be binding upon and inure to the benefit of the parties' respective legal heirs, successors and assigns.

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

Any claim or cause of action arising out of this Release shall be subject to the laws of the State of Texas, and exclusive venue shall lie in Grayson County, Texas.

In witness whereof, this Release is executed as of the ____ day of _____, 20__.

YOUNG ENTERPRISES, LP

By: _____

Name: _____

Title: _____

ACKNOWLEDGMENT

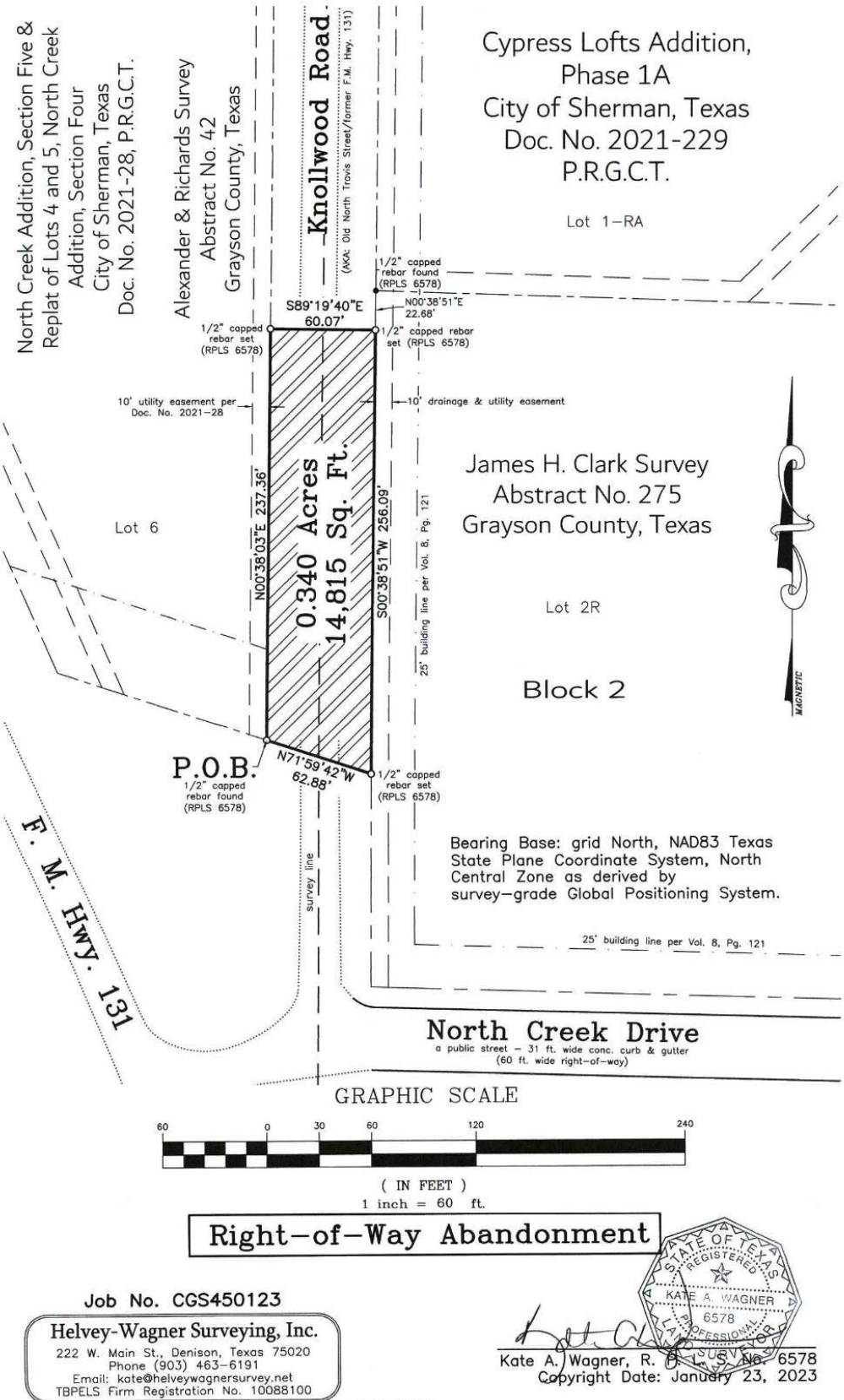
STATE OF TEXAS §
§
COUNTY OF GRAYSON §

Before me, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed as the _____ and duly authorized representative of Young Enterprises, LP, and that he executed said instrument for the purposes and consideration therein expressed as a binding act and deed of Young Enterprises, LP.

Given under my hand and seal of office on this the _____ day of _____, 20__.

_____
Notary Public, State of Texas
My Commission Expires: _____

Exhibit A


North Creek Addition, Section Five & Replat of Lots 4 and 5, North Creek Addition, Section Four City of Sherman, Texas Doc. No. 2021-28, P.R.G.C.T.
Alexander & Richards Survey Abstract No. 42 Grayson County, Texas
Knollwood Road
(AKA: Old North Travis Street/former F.M. Hwy. 131)
Cypress Lofts Addition, Phase 1A City of Sherman, Texas Doc. No. 2021-229 P.R.G.C.T.
Lot 1–RA
1/2" capped rebar found (RPLS 6578)
S89°19'40"E 60.07'
N00°38'51"E 22.68'
1/2" capped rebar set (RPLS 6578)
1/2" capped rebar set (RPLS 6578)
10' utility easement per Doc. No. 2021–28
10' drainage & utility easement
James H. Clark Survey Abstract No. 275 Grayson County, Texas
Lot 6
N00°38'03"E 237.36'
0.340 Acres 14,815 Sq. Ft.
S00°38'51"W 256.09'
25' building line per Vol. 8, Pg. 121
Lot 2R
Block 2
MAGNETIC
P.O.B.
1/2" capped rebar found (RPLS 6578)
N71°59'42"W 62.88'
1/2" capped rebar set (RPLS 6578)
Bearing Base: grid North, NAD83 Texas State Plane Coordinate System, North Central Zone as derived by survey–grade Global Positioning System.
F. M. Hwy. 131
survey line
25' building line per Vol. 8, Pg. 121
North Creek Drive
a public street – 31 ft. wide conc. curb & gutter
(60 ft. wide right–of–way)
GRAPHIC SCALE
60 0 30 60 120 240
(IN FEET)
1 inch = 60 ft.
Right–of–Way Abandonment
Job No. CGS450123
Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463–6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100
STATE OF TEXAS REGISTERED KATE A. WAGNER 6578 PROFESSIONAL LAND SURVEYOR
Kate A. Wagner, R. P. L. S. No. 6578
Copyright Date: January 23, 2023
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Helvey-Wagner Surveying, Inc.

222 West Main Street · Denison, Texas 75020
Ph: (903) 463-6191 · Email: kate@helveywagnersurvey.net
Texas Board of Engineers and Land Surveyors Firm Registration No. 10088100
Billy F. Helvey, RPLS No. 4488 – Kate A. Wagner, RPLS No. 6578

FIELD NOTES
0.340 Acres/14,815 Sq. Ft.

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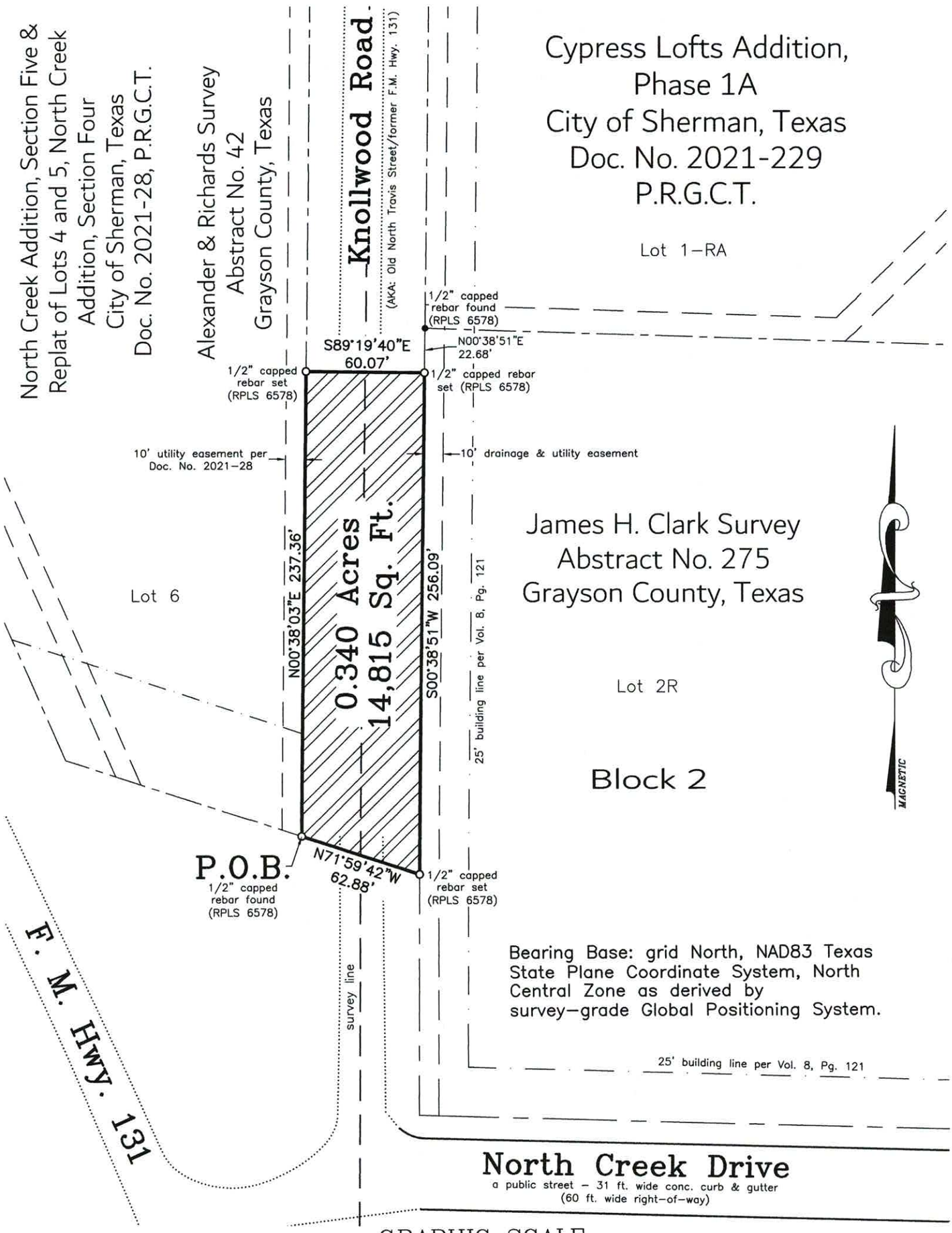
Kate A. Wagner, R.P.L.S. No. 6578
January 23, 2023



GRAPHIC SCALE

60 0 30 60 120 240

(IN FEET)

1 inch = 60 ft.

Right–of–Way Abandonment

Job No. CGS450123

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463–6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

STATE OF TEXAS
REGISTERED
KATE A. WAGNER
6578
PROFESSIONAL
LAND SURVEYOR

Kate A. Wagner, R. P. L. S. No. 6578

Copyright Date: January 23, 2023

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Helvey-Wagner Surveying, Inc.

222 West Main Street · Denison, Texas 75020
Ph: (903) 463-6191 · Email: kate@helveywagnersurvey.net
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Billy F. Helvey, RPLS No. 4488 – Kate A. Wagner, RPLS No. 6578

FIELD NOTES
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Kate A. Wagner, R.P.L.S. No. 6578
January 23, 2023

Knollwood Road ROW Abandonment

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 2.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6573

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, and Granting a Specific Use Permit to Allow a Mini-Warehouse on a Tract of Land Zoned C-2 (General Commercial) District Located at 2601 Hilltop Drive, consisting of 5.51 acres, Lot 2, Block 1, Cates First Addition, City of Sherman, Grayson County, Texas (Noah Starr, Owner; Gary Leese, Cannon Storage Systems, Inc., Representative; and Grant Engineering, Inc., Surveyor); Prescribing Conditions to the Specific Use Permit; Providing A Penalty Not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

Issue:

To consider granting a Specific Use Permit for a Mini-Warehouse on a Tract of Land Zoned C-2 (General Commercial) District Located at 2601 Hilltop Drive, consisting of 5.51 acres, Lot 2, Block 1, Cates First Addition, City of Sherman, Grayson County, Texas (Noah Starr, Owner; Gary Leese, Cannon Storage Systems, Inc., Representative; and Grant Engineering, Inc., Surveyor)

Background:

The property is located at 2601 Hilltop Drive between Texoma Parkway and Sistrunk Street. The property owner is requesting a Specific Use Permit to allow a mini-warehouse in a C-2 (General Commercial) District.

The following has been approved for this location:

- March 9, 2004 - Specific Use Permit to allow a gravel driveway and parking lot in lieu of the required durable and dustless surface in a C-2 (General Commercial) District.
- January 11, 2005 - Variance to allow a front setback of 2' in lieu of 15' in C-2 (General Commercial) District.
- February 21, 2023 - Variance under Section 14.02.017(1) to allow a 1.63’ side setback in lieu of the required 15’ for an existing structure in a C-2 (General Commercial) District.
- February 21, 2023 - Variance under Section 14.02.017(1) to allow a 1.94’ side yard setback in lieu of the required 15’ for a new structure in a C-2 (General Commercial) District.

This request is for expansion of an existing mini-warehouse location.

Origination:

Noah Starr (Owner)
Gary Leese, Cannon Storage Systems, Inc. (Representative)
Grant Engineering, Inc (Land Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission voted 7/0 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter.**The proposed use is compatible with the City of Sherman Comprehensive Plan.**

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6573
Exhibit A - Survey
Exhibit B - Site Plan
Location Map
Zoning Map
Zoning Sign Photos
Future Land Use Map
Narrative
Photos / Elevations
Staff Review Letter
P & Z Communication

ORDINANCE NO. 6573

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14 AND GRANTING A SPECIFIC USE PERMIT TO ALLOW A MINI-WAREHOUSE ON A TRACT OF LAND ZONED C-2 (GENERAL COMMERCIAL) DISTRICT LOCATED AT 2601 HILLTOP DRIVE, CONSISTING OF 5.51 ACRES, LOT 2, BLOCK 1, CATES FIRST ADDITION, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS (NOAH STARR, OWNER; GARY LEESE, CANNON STORAGE SYSTEMS, INC., REPRESENTATIVE; AND GRANT ENGINEERING, INC., SURVEYOR); PRESCRIBING CONDITIONS TO THE SPECIFIC USE PERMIT; PROVIDING A PENALTY NOT TO EXCEED $2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; 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 effective date of this Ordinance, the property located at 2601 Hilltop Drive, consisting of 5.51 acres, Lot 2, Block 1, Cates First Addition, City of Sherman, Grayson County, Texas is/are granted a Specific Use Permit to allow a Mini-warehouse, subject to the conditions described in this Ordinance and that Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14 is hereby amended so as to hereafter include property highlighted in green on **Exhibit A – Survey**

SECTION 2. That this Specific Use Permit is granted on the following conditions:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's Zoning Ordinance/Code of Ordinance Chapter 14.

2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267). *(Code of Ordinances Chapter 3.02(c))*
3. Impact fees will be required at the time of building permit application. *(Chapter 13, Article. 13.11)*
4. One (1) freestanding sign for each freestanding building, **not to exceed one (1) freestanding sign per development lot.** ***(Section 14.07.009(1))***
5. The property must be properly maintained in a state of good repair and neat appearance.
6. The granting of a Specific Use Permit has no effect on the uses permitted as of right and does not waive the regulations of the underlying zoning district.
7. A Specific Use Permit is an amendment to the district regulations of the Zoning Ordinance that permits the establishment of a specific use within a zoning district in which such specific use may be established unless such use of land or structure is discontinued or abandoned for a period of thirty (30) consecutive days in which event such Specific Use Permit shall be void and such use may not thereafter be resumed unless a new Specific Use Permit is granted in accordance with this section. (*Chapter 14, Sec. 14.06.009 (1)(a)(3))*
8. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.
9. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

Engineering

10. Privately owned and maintained detention in accordance with City criteria may be required. Engineering documentation verifying capacity to outfall on Fallon Drive or civil engineering plans to outfall on Fallon Drive shall be provided to the City of Sherman Engineering Department for review and approval. If detention is required, Ownership and Maintenance information to be shown on plat. Code of Ordinances Chapter 10, Exhibit A, Sec. 12(I)
11. Verify fire requirements and code compliance with Fire Marshal. Code of Ordinances Chapter 3.02.002(c)

Additional Conditions:

12. The property shall be developed and used in accordance with all City Ordinances and the Site Plan shown in **Exhibit B.**

SECTION 3. That this Ordinance shall be entered upon the official zoning map as provided in Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, Section 14.01.002.

SECTION 4. That after holding a properly noticed public hearing, the City Council may amend, change, or rescind the Specific Use Permit if any of the conditions set forth in Zoning Ordinance/Code of Ordinances Chapter 14, Section 14.06.009(1)(g), apply or exist.

SECTION 5. That the Specific Use Permit shall be effective from and after the effective date of this Ordinance. Upon termination of the Specific Use Permit, the property shall cease to be used as provided herein unless another Specific Use Permit or appropriate zoning has been obtained.

SECTION 6. That it shall be unlawful for any person to make use of the property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the property any building that is not in conformity with the permissible uses under

this Ordinance. Any person violating any provision of this Ordinance or the Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 7. That the Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 8. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 9. 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.

SECTION 10. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS.

INTRODUCED on this the 20th day of March 2023.

ADOPTED on this the 20th day of March 2023.

EFFECTIVE DATE on this the 20th day of March 2023.

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

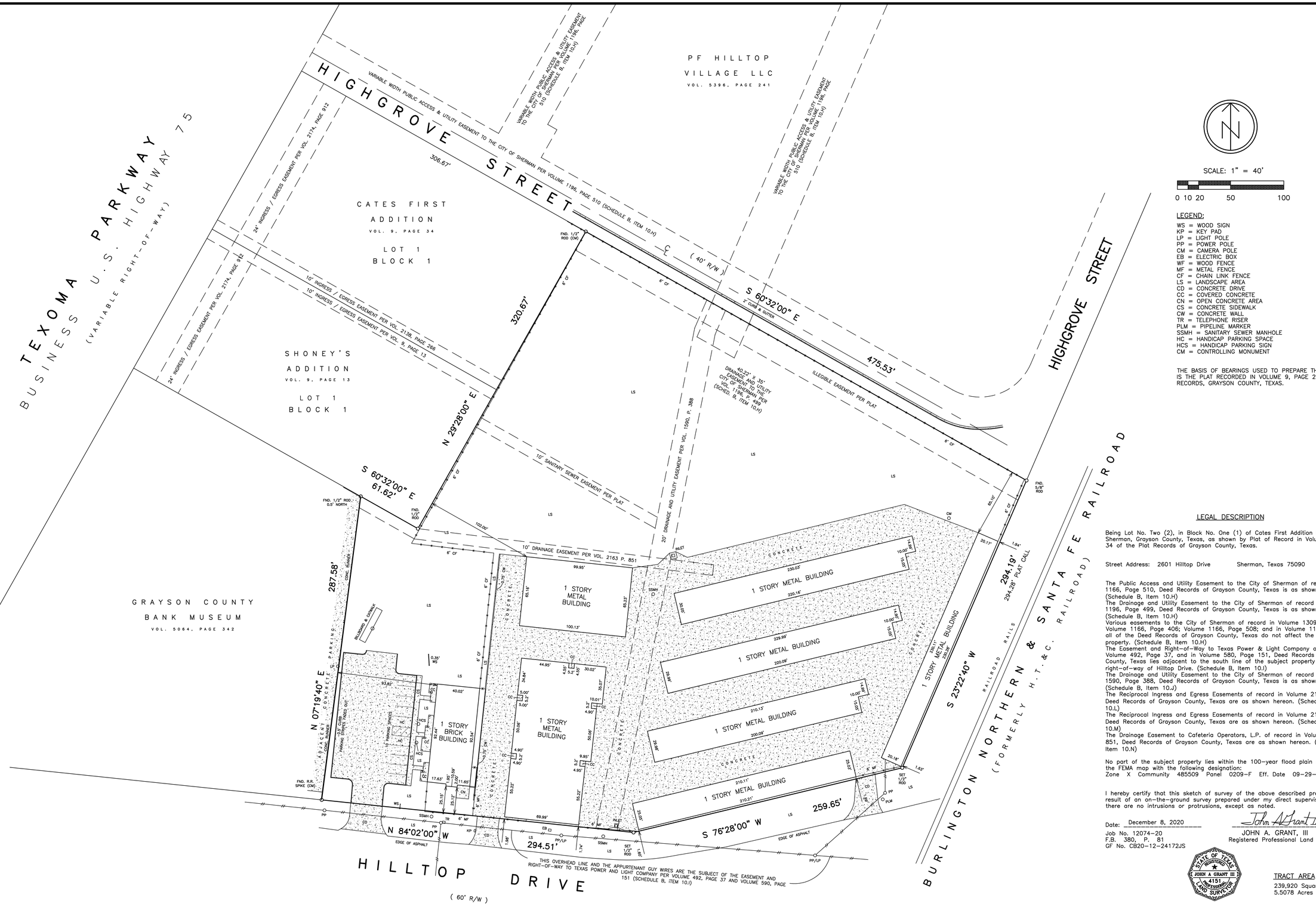
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT A



LEGEND:

WS = WOOD SIGN
KP = KEY PAD
LP = LIGHT POLE
PP = POWER POLE
CM = CAMERA POLE
EB = ELECTRIC BOX
WF = WOOD FENCE
MF = METAL FENCE
CF = CHAIN LINK FENCE
LS = LANDSCAPE AREA
CD = CONCRETE DRIVE
CC = COVERED CONCRETE
CN = OPEN CONCRETE AREA
CS = CONCRETE SIDEWALK
CW = CONCRETE WALL
TR = TELEPHONE RISER
PLM = PIPELINE MARKER
SSMH = SANITARY SEWER MANHOLE
HC = HANDICAP PARKING SPACE
HCS = HANDICAP PARKING SIGN
CM = CONTROLLING MONUMENT

THE BASIS OF BEARINGS USED TO PREPARE THIS SURVEY IS THE PLAT RECORDED IN VOLUME 9, PAGE 24, PLAT RECORDS, GRAYSON COUNTY, TEXAS.

LEGAL DESCRIPTION

Being Lot No. Two (2), in Block No. One (1) of Cates First Addition to the City of Sherman, Grayson County, Texas, as shown by Plat of Record in Volume 9, Page 34 of the Plat Records of Grayson County, Texas.

Street Address: 2601 Hilltop Drive Sherman, Texas 75090

The Public Access and Utility Easement to the City of Sherman of record in Volume 1166, Page 510, Deed Records of Grayson County, Texas is as shown hereon. (Schedule B, Item 10.H)
The Drainage and Utility Easement to the City of Sherman of record in Volume 1196, Page 499, Deed Records of Grayson County, Texas is as shown hereon. (Schedule B, Item 10.H)
Various easements to the City of Sherman of record in Volume 1309, Page 136; Volume 1166, Page 406; Volume 1166, Page 508; and in Volume 1166, Page 513; all of the Deed Records of Grayson County, Texas do not affect the subject property. (Schedule B, Item 10.H)
The Easement and Right-of-Way to Texas Power & Light Company of record in Volume 492, Page 37, and in Volume 580, Page 151, Deed Records of Grayson County, Texas lies adjacent to the south line of the subject property within the right-of-way of Hilltop Drive. (Schedule B, Item 10.I)
The Drainage and Utility Easement to the City of Sherman of record in Volume 1590, Page 388, Deed Records of Grayson County, Texas is as shown hereon. (Schedule B, Item 10.J)
The Reciprocal Ingress and Egress Easements of record in Volume 2138, Page 266, Deed Records of Grayson County, Texas are as shown hereon. (Schedule B, Item 10.L)
The Reciprocal Ingress and Egress Easements of record in Volume 2174, Page 912, Deed Records of Grayson County, Texas are as shown hereon. (Schedule B, Item 10.M)
The Drainage Easement to Cafeteria Operators, L.P. of record in Volume 2163, Page 851, Deed Records of Grayson County, Texas are as shown hereon. (Schedule B, Item 10.N)

No part of the subject property lies within the 100-year flood plain according to the FEMA map with the following designation:
Zone X Community 485509 Panel 0209-F Eff. Date 09-29-10

I hereby certify that this sketch of survey of the above described property is the result of an on-the-ground survey prepared under my direct supervision, and that there are no intrusions or protrusions, except as noted.

Date: December 8, 2020

Job No. 12074-20
F.B. 380, P. 81
GF No. CB20-12-24172JS

John A Grant III

JOHN A. GRANT, III
Registered Professional Land Surveyor 4151

STATE OF TEXAS ★ REGISTERED ★ JOHN A GRANT III 4151 PROFESSIONAL LAND SURVEYOR

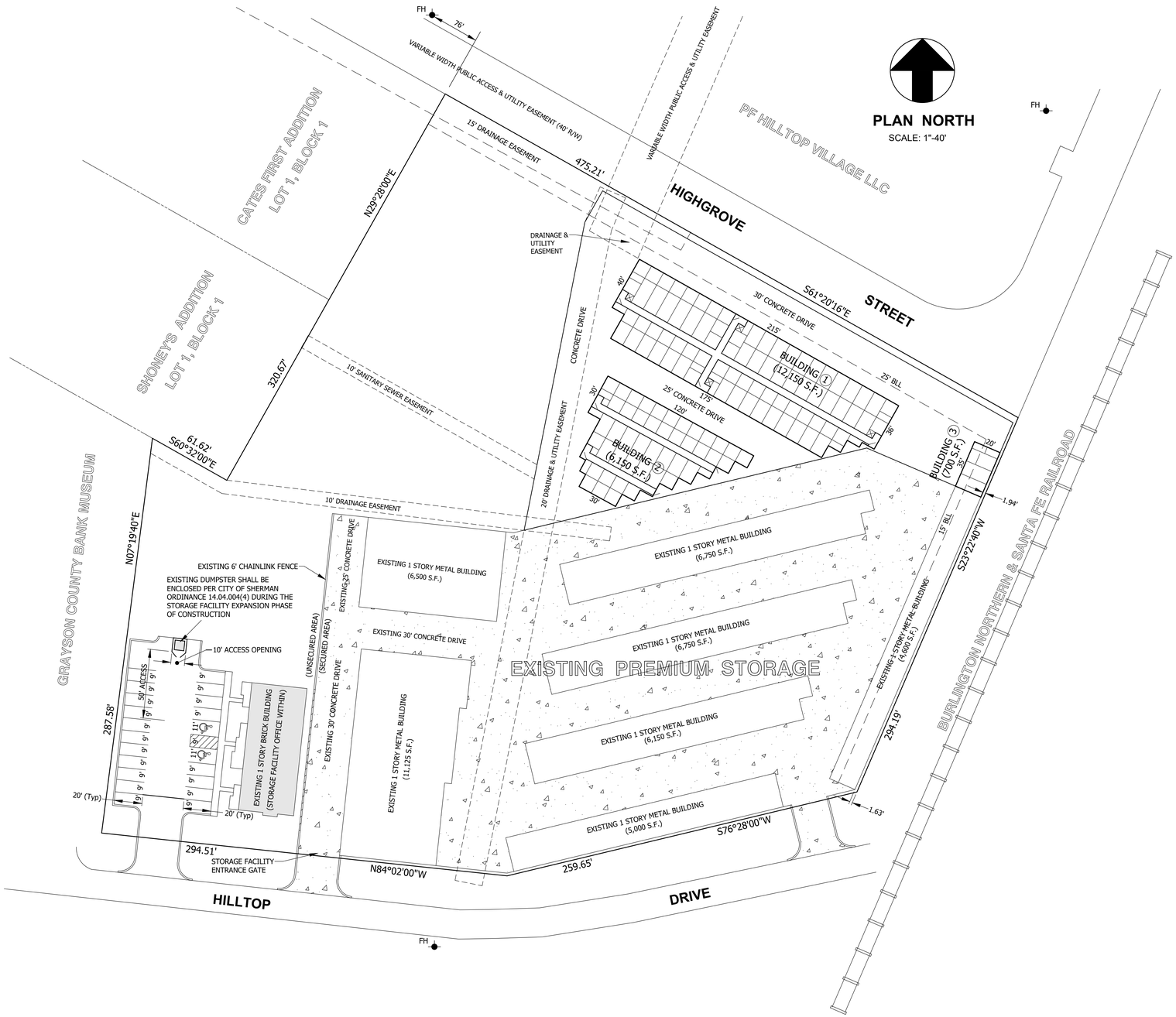
TRACT AREA

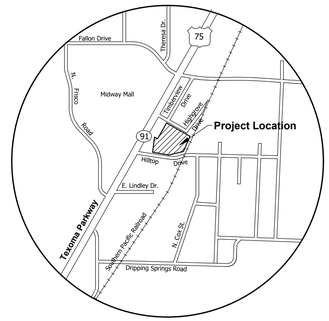
239,920 Square Feet
5.5078 Acres

Grant Engineering, Inc.

Engineers Surveyors Planners
3244 Hemphill Street Fort Worth, Texas 76110-4014 817-923-3131
Firm Registration No. 100919-00

EXHIBIT B





LOCATION MAP

Not To Scale

PROJECT DATA:

2018 INTERNATIONAL BUILDING CODE
2020 NATIONAL ELECTRIC CODE
2018 INTERNATIONAL MECHANICAL CODE
2018 INTERNATIONAL FIRE CODE

PROJECT LOCATION: **2601 HILLTOP DRIVE**
SHERMAN, TEXAS 75090

PROPERTY AREA: 5.51± Acres
EXPANSION-PHASE 1 AREA: 1.05± Acres

BUILDINGS AREA.:
Building 1: 12,150 S.F.
Building 2: 6,150 S.F.
Building 3: 700 S.F.

TOTAL BUILDING AREA.: 19,000 S.F.

CONSTRUCTION: TYPE IIB/NON-CUMBUSTIBLE-UNPROTECTED
OCCUPANCY: SELF STORAGE BUILDING
GROUP S-1, MODERATE HAZARD STORAGE

SPRINKLERED BUILDINGS: NONE

PARKING SPACES REQUIRED:

(QTY 6) PARKING SPACES REQUIRED PER CITY OF SHERMAN ORDINANCE 14.04.003.
(MIN. QTY 6) PARKING SPACES, TO INCLUDE ACCESSIBLE PARKING, PROVIDED AT SELF STORAGE FACILITY OFFICE AS INDICATED ON PLAN.

LEGAL DESCRIPTION

BEING LOT NO. TWO (2), IN BLOCK NO. ONE (1) OF CATES FIRST ADDITION TO THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, AS SHOWN BY PLAT OF RECORD IN VOLUME 9, PAGE 34 OF PLAT RECORDS OF GRAYSON COUNTY, TEXAS.

LAND AREA: 5.51 ACRES.

FLOOD INFORMATION

NO PART OF THE SUBJECT PROPERTY LIES WITHIN THE 100-YEAR FLOOD PLAIN ACCORDING TO THE FEMA MAP WITH THE FOLLOWING DESIGNATION: ZONE X COMMUNITY 485509, PANEL 0209-F, EFFECTIVE DATE 09-29-10.

THIS PROPERTY IS NOT IN A SPECIAL FLOOD HAZARD ZONE.

Premium Storage-Expansion

BUILDINGS 1, 2 & 3
2601 Hilltop Drive
Sherman, Texas 75090

CANNON STORAGE SYSTEMS, INC.
P.O. BOX 984
LAWTON, OKLAHOMA 73502

COPYRIGHT NOTICE: The designs represented by these plans are copyrighted and are subject to copyright protection under 17 U.S.C. § 101, et seq., as amended. The design and ownership of the documents, and the right to use the information contained in the instruments of service are all retained by Cannon Storage Systems, Inc. Unauthorized use of these plans or the designs represented therein will subject the infringer to damages and/or judicial action by federal law.

OVERALL SITE LAYOUT

PARKING REQUIREMENTS

Revised By	Date

Drawn By: GLL
Date: 1-23-23
Job No.:
Sheet No.

C1.0

dlagrone H:\PLANNING\Public Notification KT.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
LOCATION MAP
2601 HILLTOP DR.

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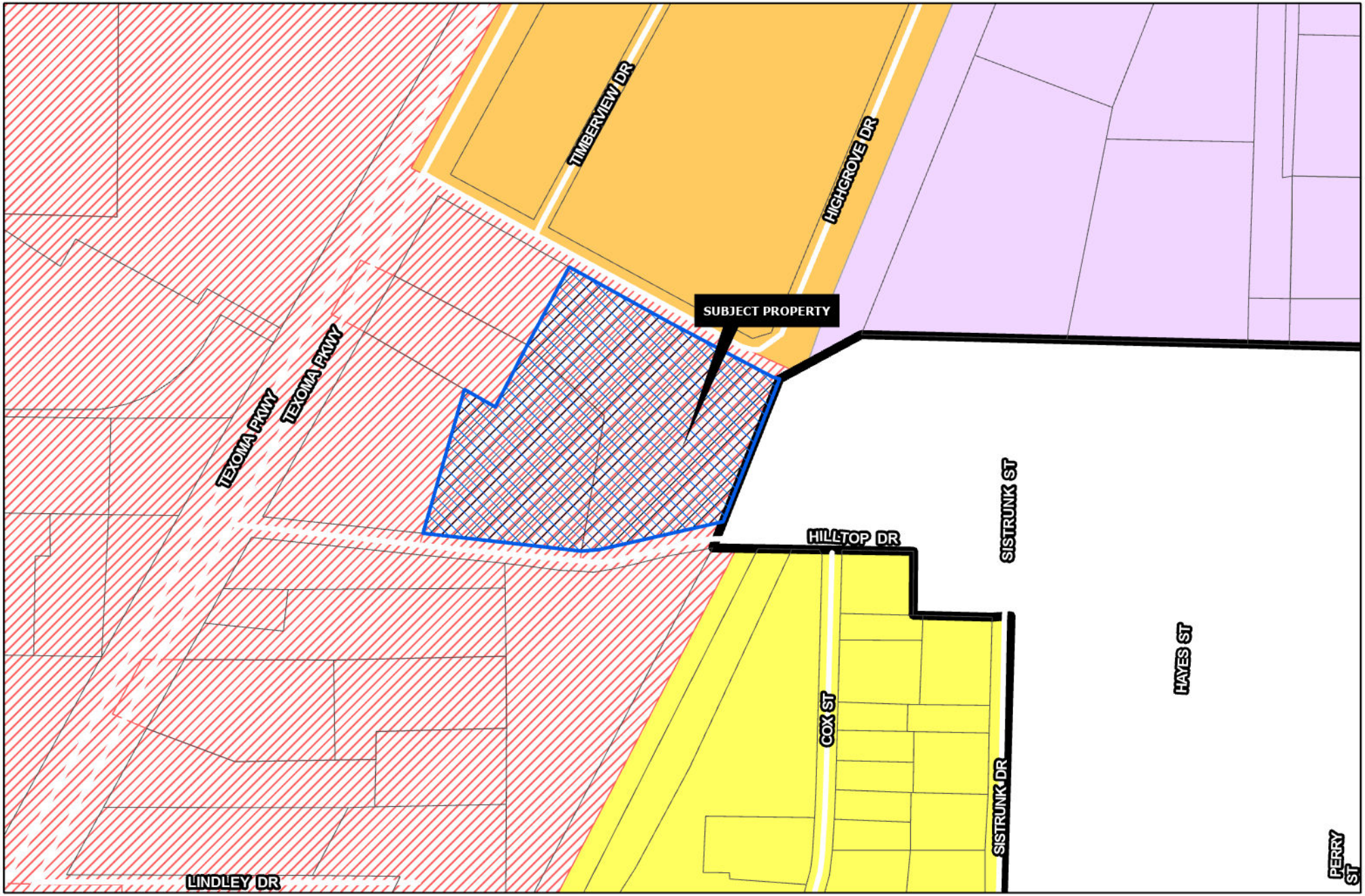
Date: 2/9/2023 11:50 AM



Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- R-A Residential Agricultural
- R-E Estate Residential
- R-12 Single Family Residential
- R-6 Single Family Residential
- R-5 Single Family Residential
- R-4 Patio Home Residential
- R-2F Duplex Residential
- R-TH Townhome Residential
- MF-15 Multi-Family Residential
- MF-30 Multi-Family Residential
- MH Manufactured Housing
- C-N Neighborhood Commercial
- C-O Office
- C-1 Retail Business
- C-2 General Commercial
- M-1 Light Manufacturing
- M-1.5 Medium Manufacturing
- M-2 Heavy Manufacturing
- PD Planned Development
- Subject Locations

Road Names All

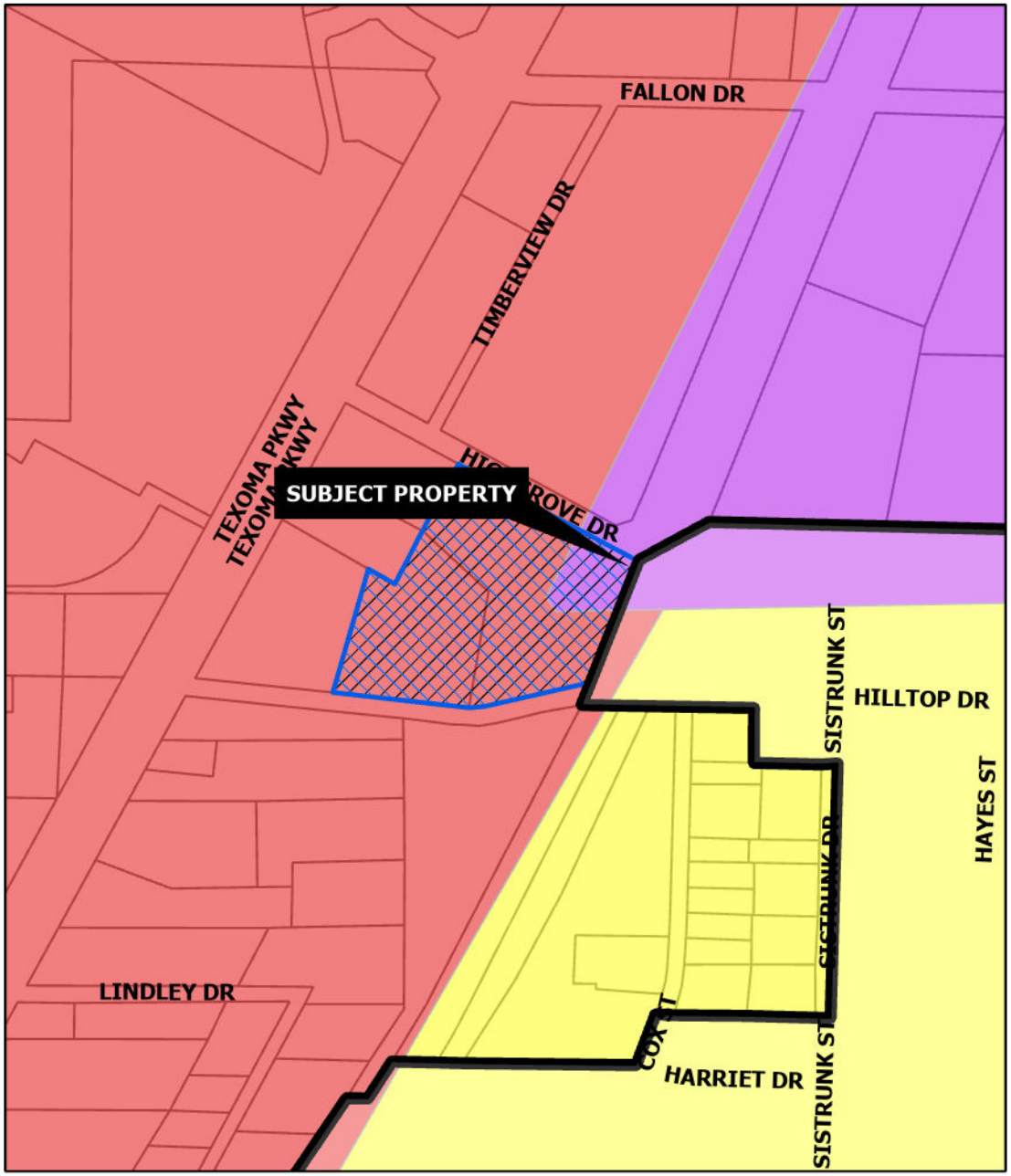
CITY OF SHERMAN ZONING MAP 2601 HILLTOP DR.

N
W E
S

Date: 2/9/2023 11:50 AM

2/06/2023 @ 2:17PM
Sherman
CLASSIC TOWN, BROAD HORIZON
NOTICE OF
SPECIFIC USE PERMIT
AND VARIANCE
REQUEST
PROJECT #: 23-000231
FOR INFORMATION CONTACT:
DEVELOPMENT SERVICES
903-892-7229

2/06/2023 @12:59PM
Sherman
CLASSIC TOWN. BROAD HORIZON.
NOTICE OF
SPECIFIC USE PERMIT
AND VARIANCE
REQUEST
PROJECT #: 23-000231
FOR INFORMATION CONTACT:
DEVELOPMENT SERVICES
903-892-7229



REGIONAL COMMERCIAL

Intent & Character

The Regional Commercial category is intended to promote large-scale commercial development along US-75, while promoting community character through design. US-75 serves as the major gateway to and through the community; therefore, aesthetics and design should be promoted in this corridor. This category should allow large-scale commercial uses that serve the region and the community alike. A mix of uses and inter-connectivity between parcels should be encouraged.

Appropriate Land Use Types

- Retail and Restaurants
- Multi-Family Living
- Office Complex
- Medical
- Mixed Use
- Indoor Entertainment

Compatible Zoning Districts

- Retail Business
- General Commercial
- Office
- Multi-Family Residential (MF-15 and MF-30)
- Planned Development (for larger tracts)

Considerations

- Site design considerations should be given to parking, landscaping, and building articulation.
- Where possible, parking should be screened from view or well-landscaped with native, drought-tolerant plants.
- All buildings facades fronting a public street or within significant public view should have aesthetically-pleasing horizontal and vertical articulation.
- Signage should be multi-tenant, where possible, and should match the character of the primary structure.
- High density residential should be included in mixed use developments.
- High density residential is appropriate behind commercial areas, with inter-connectivity.
- If high density is stand alone, the surrounding uses and connectivity should be considered to avoid an "island."

TECHNOLOGY HUB

Intent & Character

The Technology Hub category is intended for areas of the community that are dedicated to large-scale employment uses. These areas are generally located north and south, anchored by the airport and Texas Instruments, respectively. These areas contribute to the community by providing a tax base and employment opportunities.

Appropriate Land Use Types

- Manufacturing
- Research and Development
- Warehousing and Distribution
- Multi-Family

Compatible Zoning Districts

- Light Manufacturing
- Heavy Manufacturing
- Multi-Family Residential (MF-15 and MF-30)

Considerations

- Multi-family uses can support employment uses and provide housing variety in the community. These uses should be integrated into planned developments.
- Industrial uses should be ones that are primarily operated inside.
- Outdoor storage should be limited and screened from public view.

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- Agriculture/Rural
- Airport
- City Parkland
- Community Commercial
- Core Neighborhood
- Downtown
- Regional Commercial
- Suburban Neighborhood
- Technology Hub
- Subject Locations

CITY OF SHERMAN
FUTURE LAND USE MAP
2601 HILLTOP DR.

N
W E
S

Date: 2/9/2023 12:01 PM

Cannon Storage Systems, Inc.
P.O. Box 984
Lawton, Oklahoma 73502
1-888-500-3299

January 20, 2023

SPECIFIC USE PERMIT
PREMIUM STORAGE EXPANSION-PROJECT NARRATIVE

Premium Storage Expansion
2601 Hilltop Drive
Sherman, TX 75090

Premium Storage Expansion is a 3 building, 19,000 S.F. expansion to an existing self storage facility, constructed in 2004/2005, located on C-2 zoned property. The construction will include excavation, concrete, metal building construction, electrical & mechanical.

Cannon Storage Systems, Inc. was the original supplier & erector of the existing self storage buildings on site. The proposed buildings will be of the same Type 2B construction and will match the exterior appearance of the existing buildings on site.

Gary L. Leese
Cannon Storage Systems, Inc.

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services

STAFF REVIEW LETTER

February 14, 2023

Starr Holdings Sherman Property, LLC
Noah Starr
1406 Waldorf Ave. No. 2
Austin, TX 78721

Grant Engineering, Inc.
3244 Hemphill Street
Fort Worth, TX 76110

Cannon Storage Systems, Inc.
Gary Leese
2305 S.W. 11TH Street
Lawton, OK 73501

Dear Applicants,

The request of a Public Hearing and Variance under Section 14.02.017(1) to allow a 1.63' side setback in lieu of the required 15' for an existing structure in a C-2 (General Commercial) District; Public Hearing and Variance under Section 14.02.017(1) to allow a 1.94' side yard setback in lieu of the required 15' for a new structure in a C-2 (General Commercial) District; and Public Hearing, Site Plan and Specific Use Permit under Section 14.06.009 to allow a mini-warehouse in a C-2 (General Commercial) District located at 2601 Hilltop Drive has been scheduled to be heard by the Planning and Zoning Commission on Tuesday, February 21, 2023, at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

City staff has reviewed your request and the following items need to be noted/addressed:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's Zoning Ordinance/Code of Ordinance Chapter 14.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267). *(Code of Ordinances Chapter 3.02(c))*
3. Impact fees will be required at the time of building permit application. *(Chapter 13, Article. 13.11)*
4. One (1) freestanding sign for each freestanding building, **not to exceed one (1) freestanding sign per development lot.** ***(Section 14.07.009(1))***
5. The property must be properly maintained in a state of good repair and neat appearance.
6. The granting of a Specific Use Permit has no effect on the uses permitted as of right and does not waive the regulations of the underlying zoning district.
7. A Specific Use Permit is an amendment to the district regulations of the Zoning Ordinance that permits the establishment of a specific use within a zoning district in which such specific use may be established unless such use of land or structure is discontinued or abandoned for a period of thirty (30) consecutive days in which event such Specific Use Permit shall be void and such use may not thereafter be resumed unless a new Specific Use Permit is granted in accordance with this section. (*Chapter 14, Sec. 14.06.009 (1)(a)(3)*)
8. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.

9. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

Engineering

10. Privately owned and maintained detention in accordance with City criteria may be required. Engineering documentation verifying capacity to outfall on Fallon Drive or civil engineering plans to outfall on Fallon Drive shall be provided to the City of Sherman Engineering Department for review and approval. If detention is required, Ownership and Maintenance information to be shown on plat. Code of Ordinances Chapter 10, Exhibit A, Sec. 12(I)
11. Verify fire requirements and code compliance with Fire Marshal. Code of Ordinances Chapter 3.02.002(c)

It is the policy of Planning and Zoning Commission and Board of Adjustment not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Development Services at 903-892-7229 prior to the meeting.

Respectfully,

Rob Rae
Acting Secretary, Planning and Zoning Board and Board of Adjustment

cc: Robby Hefton, City Manager
Clint Philpott, Asst. City Manager
Wayne Lee, P.E., Director of Engineering
Tom Pruitt, Utility Engineer
Billy Hartsfield, Fire Chief
Amber Doan, Engineering Coordinator
Christopher Armstrong, Asst. City Engineer
The Law Firm of Abernathy, Roeder, Boyd, & Hullett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 16.

Meeting Date: 02/21/2023

Prepared by: Lauren Marlow, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman	
David Downtain, Vice Chairman	Paul Manley, Commissioner
Shawn Davis, Commissioner	Glenn Whitaker, Commissioner
Leigh Ann Sims, Commissioner	Bryan Blagg, Commissioner

Requested Action/Proposed Use:

2601 HILLTOP DRIVE

The request of Noah Starr (Owner), Gary Leese, Cannon Storage Systems, Inc. (Representative) and Grant Engineering, Inc (Surveyor) concerning the property located at 2601 Hilltop Drive, consisting of 5.51 acres, Lot 2, Block 1, Cates First Addition, as follows:

Board of Adjustment

A. Public Hearing and Variance under Section 14.02.017(1) to allow a 1.63' side setback in lieu of the required 15' for an existing structure in a C-2 (General Commercial) District.
B. Public Hearing and Variance under Section 14.02.017(1) to allow a 1.94' side yard setback in lieu of the required 15' for a new structure in a C-2 (General Commercial) District.

Planning and Zoning Commission

C. Public Hearing, Site Plan and Specific Use Permit under Section 14.06.009 to allow a mini-warehouse in a C-2 (General Commercial) District.

Background:

The property is located at 2601 Hilltop Drive between Texoma Parkway and Sistrunk Street. The property owner is requesting a Variance for an existing structure and a Variance for a new structure located on the east property line. The property owner is also requesting Site Plan approval and a Specific Use Permit to allow a mini-warehouse in a C-2 (General Commercial) District.

The following has been approved for this location:

- March 9, 2004 - Specific Use Permit to allow a gravel driveway and parking lot in lieu of the required durable and dustless surface in a C-2 (General Commercial) District.
- January 11, 2005 - Variance to allow a front setback of 2' in lieu of 15' in C-2 (General Commercial) District.

Adjacent Zoning:
C-2 (General Commercial) District

Origination:
Noah Starr (Owner)
Gary Leese, Cannon Storage Systems, Inc. (Representative)
Grant Engineering, Inc (Land Surveyor)

Master Plan Designation:
Regional Commercial category is intended to promote large-scale commercial development along US-75, while promoting community character through design. US-75 serves as the major gateway to and through the community; therefore, aesthetics and design should be promoted in this corridor. This category should allow large-scale commercial uses that serve the region and the community alike. A mix of uses and inter-connectivity between parcels should be encouraged.

Number of notices mailed:
4

Objections Received:
0

Development Review Meeting:
No

Attachments

Location Map
Zoning Map
Zoning Sign Photo 1
Zoning Sign Photo 2
FLUM
Narrative - Variance 1
Narrative - Variance 2
Narrative - SUP
Survey
Site Plan - Addition Only
Site Plan - Fire Lane & ADA
Overall Site Layout
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 3.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6574

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, to Rezone a Tract of Land Consisting of 0.359 acres, all of Lot 3, Lot 4 and the East half (E/2) of Lot 5, Block 11, Kerr's Nursery Addition, City of Sherman, Grayson County, Texas, Located at 415 East Orange Street, Heretofore Zoned C-2 (General Commercial) District; Rezoning and Placing the Tract in the R-6 (Single-Family Residential) District Zoning Classification, (Indalecio Torres, Owner; Julio Torres, Representative; and Copley Land Surveying, Surveyor); Providing for a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

Issue:

To consider the request of Indalecio Torres (Owner), Julio Torres (Representative) and Copley Land Surveying (Surveyor) concerning the property located at 415 East Orange Street, consisting of 0.359 acres, all of Lot 3, Lot 4 and the East half (E/2) of Lot 5, Block 11, Kerr's Nursery Addition, City of Sherman, Grayson County, Texas, heretofore zoned C-2 (General Commercial) District; Rezoning and placing the tract in the R-6 (Single-Family Residential) District Zoning Classification

Background:

The property is located at 415 East Orange Street between Texoma Parkway and North Broughton Street. The owner is requesting a Zone Change from a C-2 (Retail Business) District to an R-6 (Single-Family Residential) District. The owner would also like to plat the property into two lots for residential development.

Origination:

Indalecio Torres (Owner)
Julio Torres (Representative)
Copley Land Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission voted 7/0 to recommend to the City Council that the Zone Change be approved subject to the Staff Review Letter. **The proposed use is compatible with the City of Sherman Comprehensive Plan.**

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6574
Exhibit A - Replat & Legal Desc.
Location Map
Zoning Map
Zoning Sign Photo
Future Land Use Map
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6574

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 0.359 ACRES, ALL OF LOT 3, LOT 4 AND THE EAST HALF (E/2) OF LOT 5, BLOCK 11, KERR'S NURSERY ADDITION, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 415 EAST ORANGE STREET, HERETOFORE ZONED C-2 (GENERAL COMMERCIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-6 (SINGLE-FAMILY RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, (INDALECIO TORRES, OWNER; JULIO TORRES, REPRESENTATIVE; AND COPLEY LAND SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; 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 proposed rezoning case; and

WHEREAS, the City Council finds that rezoning the property as described in this Ordinance is in accordance with the Comprehensive Plan and 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 rezone the property as described in this Ordinance.

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

SECTION 1. That, from and after the effective date of this Ordinance, the property described in **Exhibit A – Replat and Legal Description**, attached hereto, located at 415 East Orange Street, and all streets, roads and alleyways contiguous and/or adjacent thereto, shall be rezoned and placed in the R-6 (Single-Family Residential) District, and that Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, is hereby amended so as to hereafter include such property.

SECTION 2. That this Ordinance shall be entered upon the Official Zoning Map as provided in Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, Section 14.01.002.

SECTION 3. That no person shall acquire any vested interest in this Ordinance or in any other specific regulations contained herein. Any portion of this Ordinance may be repealed or amended by the City Council in the manner provided for by law.

SECTION 4. That it shall be unlawful for any person to make use of the Property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the General Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 5. That the Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 6. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 7. 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.

SECTION 8. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS.

INTRODUCED on this the 20th day of March 2023.

ADOPTED on this the 20th day of March 2023.

EFFECTIVE DATE on this the 20th day of March 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

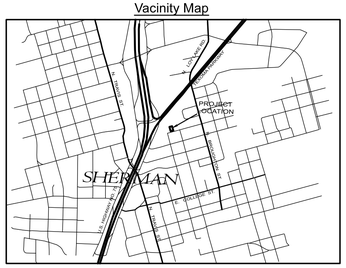
APPROVED AS TO FORM:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT A

CLS Job# 21100490

Vacinity Map



Replat of
Lot 3R & 4R, Block 11, Kerr's Nursery Addition
Being the replat of Lot 3, Lot 4 and the E/2 of Lot 5, Block 11, Kerr's Nursery Addition, an addition to the City of Sherman Grayson County, Texas

2/2/2023

Copley Land Surveying
1702 Verdi Ln., Sherman, Texas 75090
TX 903-415-0643, OK 580-980-0181
john@copleylandsurveying.com

OWNERS/DEVELOPER
INDALECIO TORRES GONZALEZ
ARACELI TORRES
419 E. ORANGE STREET
SHERMAN, TEXAS 75090

SURVEYOR
JOHN C. COPLEY
R.P.L.S. NO. 6720
1702 VERDI LN.
SHERMAN, TEXAS 75090

CLS Job# 21100490

Legal Description

Situated *in the City of Sherman, County of Grayson, State of Texas, being all of Lot 3, Lot 4 and the East half (E/2) of Lot 5, Block 11, Kerr's Nursery Addition, an addition to the City of Sherman as shown by plat of record in Volume 138, Page 151, Deed Records, Grayson County, Texas, deeded to Indalecio Torres Gonzalez and Araceli Torres by deed of record in Document No. 2021-16542, Official Public Records, Grayson County, Texas and being more particularly described by metes and bounds as follows:*

Beginning *at a 1/2" steel rod set with an aluminum cap marked COPLEY RPLS 6720 in the north line of E. Orange Street at the southeast corner of said Lot 3 and the southwest corner of said Lot 2 said point bearing South 74°29'01" West a distance of 150.00 feet from a 1/2" pipe found at the southeast corner of said Block 11;*

Thence ***South 74°29'01" West****, along the north line of said E. Orange Street and the south line of both Lot 4 and Block 11, passing the southeast corner of said Lot 3, continuing along the south line of said Lot 4, passing the southwest corner of said Lot 4, continuing along the south line of said Lot 5 in all a distance of* ***125.00 feet*** *to a 1/2" steel rod set with an aluminum cap marked COPLEY RPLS 6720 for the southwest corner of the herein described tract;*

Thence ***North 15°30'59" West****, over and across said Lot 5, a distance of* ***125.00 feet*** *to a 1/2" steel rod set with an aluminum cap marked COPLEY RPLS 6720 in the north line of both Lot 5 and Block 11 and the south line of a 2.683 acre tract of land conveyed to R. L. & C., LLC by deed of record in Document No. 2018-25498 of said Official Public Records, for the northwest corner of the herein described tract;*

Thence ***North 74°29'01" East****, along the north line of both said Lot 5 and Block 11, passing the northeast corner of said Lot 5 continuing along the north line of said Lot 4, passing the northeast corner of said Lot 4, continuing along the north line of said Lot 3 in all a distance of* ***125.00 feet*** *to a 1/2" steel rod set with an aluminum cap marked COPLEY RPLS 6720 for the northeast corner of said Lot 4;*

Thence ***South 15°30'59" East****, along the east line of said Lot 4 and the west line of said Lot 3, a distance of* ***125.00 feet*** *to the* ***Point-of-Beginning*** *and containing* ***0.359 acres*** *of land.*

KNOWN ALL MEN BY THESE PRESENTS:

That I, John C. Copley, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments thereon where properly placed, under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

_____ _____
John C. Copley *Date*
Registered Professional
Land Surveyor No. 6720
Firm No. 10194429

Owners Certificate & Dedication

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

That We, INDALECIO TORRES GONZALEZ AND ARACELI TORRES, Owner and Developer, do hereby adopt this plat designating the hereinabove property as the Replat of LOT 3R & 4R, BLOCK 11, KERR'S NURSERY ADDITION, an addition to the City of Sherman, 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 or 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 a right of ingress and egress to and from and upon the said easement 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 _____ _ _____, 2023.

_____
INDALECIO TORRES GONZALEZ

_____
ARACELI TORRES

STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared INDALECIO TORRES GONZALES 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 purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this__ _day of_____, 2023.

_____
Notary Public in and for
the State of Texas

STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared ARACELI TORRES 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 purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this__ _day of_____, 2023.

_____
Notary Public in and for
the State of Texas

AVIGATION RELEASE

THE STATE OF TEXAS §
COUNTY OF GRAYSON §

WHEREAS, INDALECIO TORRES GONZALEZ and ARACELI TORRES, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as Lot 3R & 4R, Block 11, Kerr's Nursery Addition, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed or navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER's described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property; and OWNER does hereby fully remiss and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at Lot 3R & 4R, Block 11, Kerr's Nursery Addition, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

Executed this ____ day of _____, 2023.

*By:*_____
INDALECIO TORRES GONZALEZ

*By:*_____
ARACELI TORRES

~ GENERAL NOTES ~

1. Water Supply to be provided by the City of Sherman.
2. Sewer service to be provided by the City of Sherman.
3. Electrical service is provided by Oncor Electrical Delivery.
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. The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or for the control of erosion.
7. 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.
8. The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
9. Bearings are based on the City of Sherman Control Monument Network.
10. The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.

Purpose:
The purpose of this is to Replat is to combine 1 Lot and a 1/2 Lot into 1 Lot.

Acceptance of Dedication

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, the Replat of LOT 3R & 4R, BLOCK 11, KERR'S NURSERY ADDITION, an addition to the City of Sherman, Texas, was submitted to the City Council on the _____day of _____ ____, 2023, 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.

Witness my hand this____ day of _____, _____ ,2023.

_____
Clerk, City of Sherman, Texas

Approved this _____ day of _____,2023, by the City Planning Commission to the City of Sherman, Texas.

_____ _____
Chairman *Secretary*

Accepted by the City Council of the City Sherman.

_____ _____
Mayor, City of Sherman, Texas *Date*

Replat of
Lot 3R & 4R, Block 11, Kerr's Nursery Addition
Being the replat of Lot 3, Lot 4 and the E/2 of Lot 5, Block 11, Kerr's Nursery Addition, an addition to the City of Sherman Grayson County, Texas

Copley Land Surveying
1702 Verdi Ln., Sherman, Texas 75090
TX 903-415-0643, OK 580-980-0181
john@copleylandsurveying.com

OWNERS/DEVELOPER
INDALECIO TORRES GONZALEZ
ARACELI TORRES
419 E. ORANGE STREET
SHERMAN, TEXAS 75090

SURVEYOR
JOHN C. COPLEY
R.P.L.S. NO. 6720
1702 VERDI LN.
SHERMAN, TEXAS 75090

2/2/2023

dlagrone H:\PLANNING\Public Notification KT.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
LOCATION MAP
415 E. ORANGE ST.

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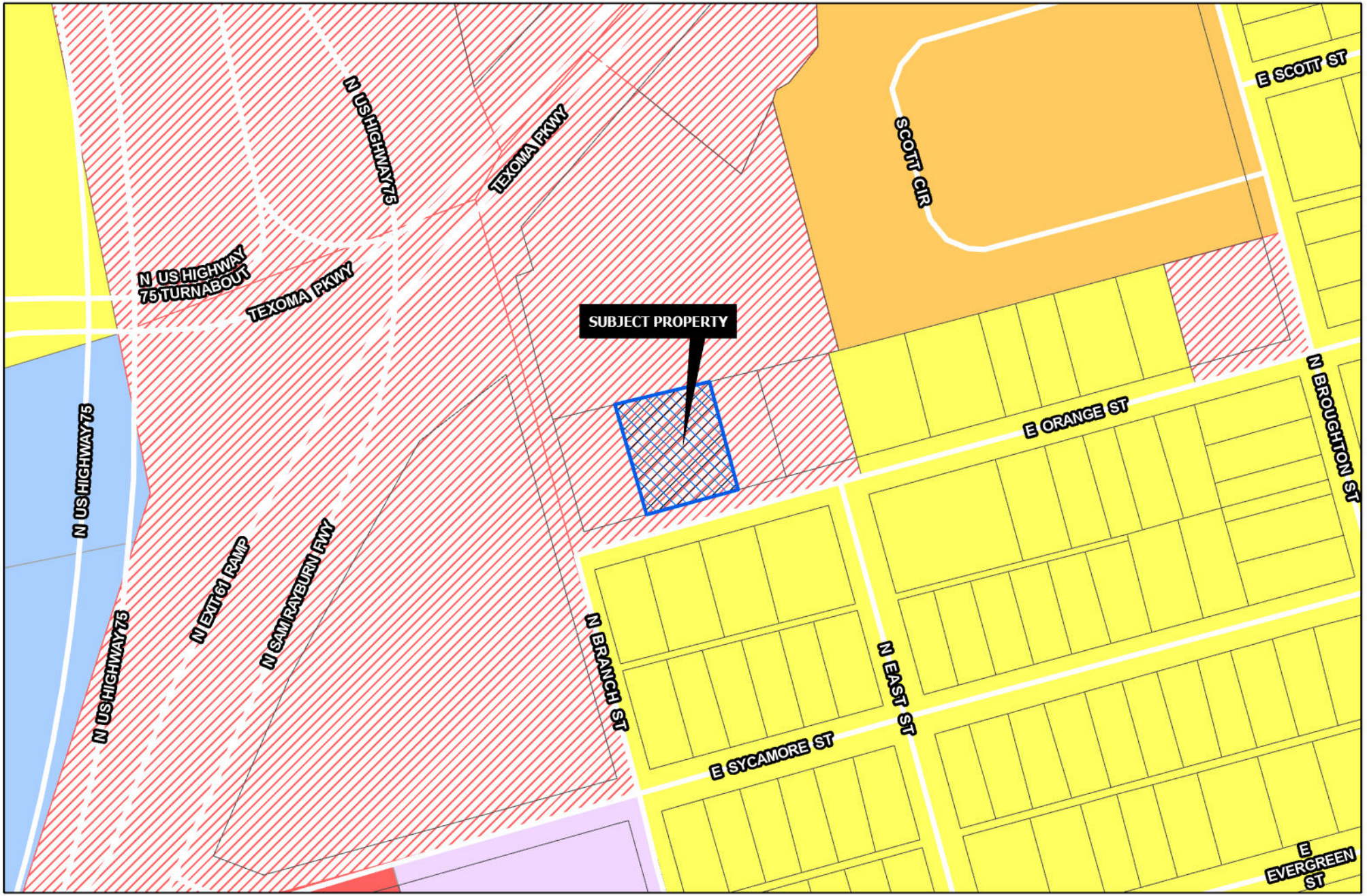
Date: 2/9/2023 12:06 PM



Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- R-A Residential Agricultural
- R-E Estate Residential
- R-12 Single Family Residential
- R-6 Single Family Residential
- R-5 Single Family Residential
- R-4 Patio Home Residential
- R-2F Duplex Residential
- R-TH Townhome Residential
- MF-15 Multi-Family Residential
- MF-30 Multi-Family Residential
- MH Manufactured Housing
- C-N Neighborhood Commercial
- C-O Office
- C-1 Retail Business
- C-2 General Commercial
- M-1 Light Manufacturing
- M-1.5 Medium Manufacturing
- M-2 Heavy Manufacturing
- PD Planned Development
- Subject Locations
- Road Names All

CITY OF SHERMAN ZONING MAP 415 E. ORANGE ST.

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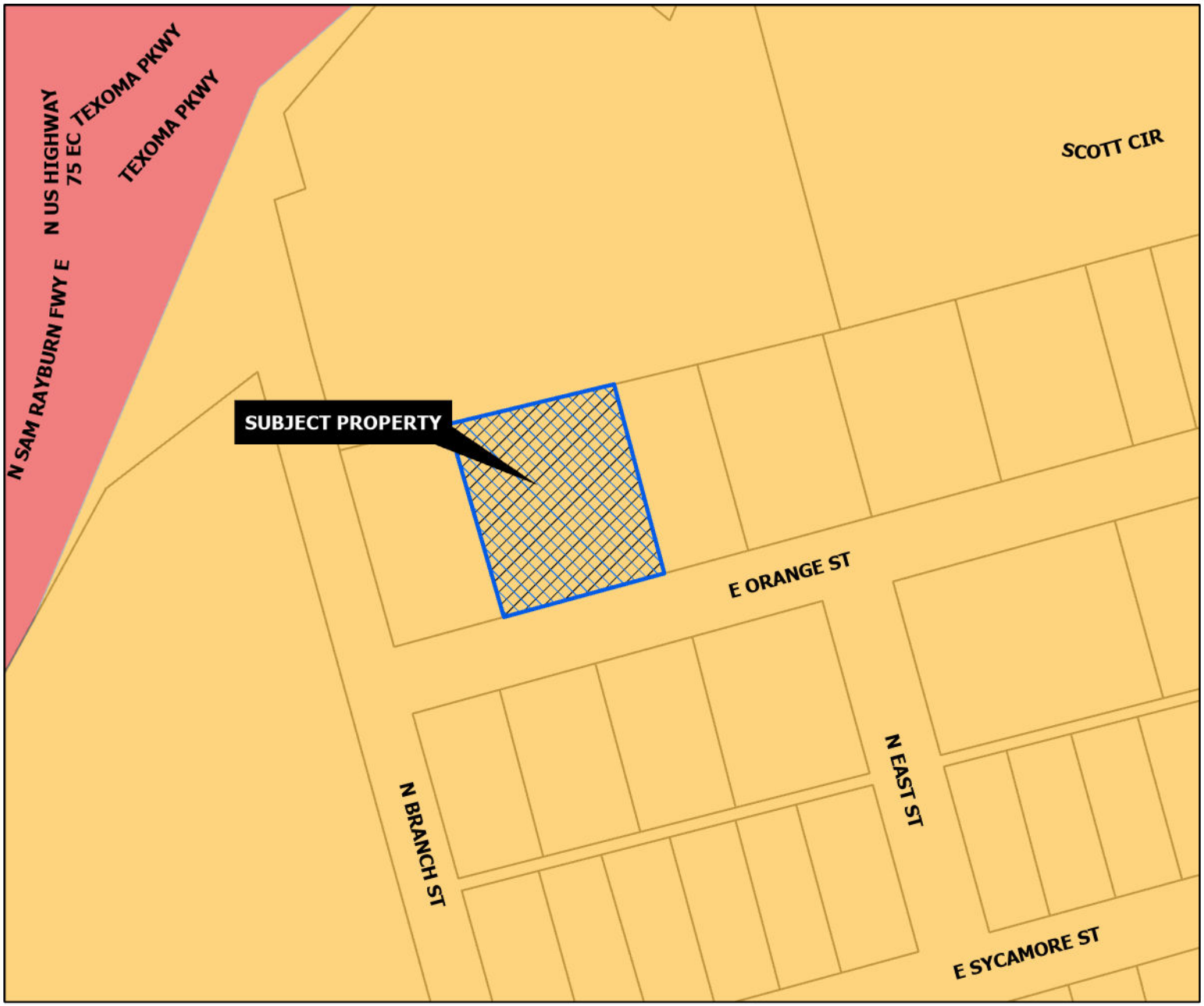
Date: 2/9/2023 12:11 PM

2/9/23



CORE NEIGHBORHOOD

Intent & Character

The Core Neighborhood category is intended to protect and enhance the existing residential areas of Sherman. This area is generally located in the center of the city, east and west of US-75. A majority of the Core Neighborhood category encompasses what is known as east Sherman. This category encourages infill development that maintains the existing character, while increasing the aesthetic appeal of the community. In certain areas, an increase in density can be appropriate through the development of single-family attached products, like townhomes or quad-plexes.

Appropriate Land Use Types

- Single-family detached
- Single-family attached
- Local/neighborhood commercial and office
- Parks and open space
- Schools and civic uses

Compatible Zoning Districts

- Single-Family Residential (R-5, R-4, R-2F, and R-TH)
- Multi-Family Residential (MF-15 and MF-30)
- Manufactured Housing
- Retail Business
- Neighborhood Commercial

Considerations

- Infill that increases density should match the character of the surrounding structures.
- Small-scale commercial uses are appropriate along larger streets and should be compatible with the surrounding residential development.

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- Agriculture/Rural
- Airport
- City Parkland
- Community Commercial
- Core Neighborhood
- Downtown
- Regional Commercial
- Suburban Neighborhood
- Technology Hub
- Subject Locations

CITY OF SHERMAN
FUTURE LAND USE MAP
415 E. ORANGE ST.

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Date: 2/9/2023 12:22 PM

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services

STAFF REVIEW LETTER

February 14, 2023

Indalecio Torres
419 E. Orange St.
Sherman, TX 75090

Julio Torres
419 E. Orange St.
Sherman, TX 75090

Copley Land Surveying
1702 Verdi Lane
Sherman, TX 75090

Dear Applicants,

The request of a Public Hearing and Zone Change from a C-2 (Retail Business) District to an R-6 (Single-Family Residential) District located at 415 East Orange Street has been scheduled to be heard by the Planning and Zoning Commission on Tuesday, February 21, 2023, at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

City staff has reviewed your request and the following items need to be noted/addressed:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's Zoning Ordinance/Code of Ordinance Chapter 14.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267). *(Code of Ordinances Chapter 3.02(c))*
3. Required parking or driveways must be paved concrete or asphalt. (Section 14.04.003(3)).
    a. Parking of recreational vehicles (RVs), travel trailers, boat trailers, or other trailers are not permitted in the front yard. (Section 14.04.00. (2)(d))
    b. It shall be unlawful, where a standard driveway exists, to park, stand, store, or drive upon any surface between the front property line and the rear property line other than upon a standard driveway. *(Section 12.04.008(c)*
4. Impact fees will be required at the time of building permit application. *(Chapter 13, Article. 13.11)*
5. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.
6. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

It is the policy of Planning and Zoning Commission and Board of Adjustment not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Development Services at 903-892-7229 prior to the meeting.

Respectfully,

Rob Rae
Acting Secretary, Planning and Zoning Board and Board of Adjustment

cc: Robby Hefton, City Manager
Clint Philpott, Asst. City Manager
Wayne Lee, P.E., Director of Engineering
Tom Pruitt, Utility Engineer
Billy Hartsfield, Fire Chief
Amber Doan, Engineering Coordinator
Christopher Armstrong, Asst. City Engineer
The Law Firm of Abernathy, Roeder, Boyd, & Hullett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 20.

Meeting Date: 02/21/2023

Prepared by: Lauren Marlow, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

415 EAST ORANGE STREET

The request of Indalecio Torres (Owner), Julio Torres (Representative) and Copley Land Surveying (Surveyor) concerning the property located at 415 East Orange Street, consisting of 0.359 acres, all of Lot 3, Lot 4 and the East half (E/2) of Lot 5, Block 11, Kerr's Nursery Addition, as follows:

Planning and Zoning Commission

A. Public Hearing and Zone Change from a C-2 (Retail Business) District to an R-6 (Single-Family Residential) District.
B. Replat of Kerr's Nursery Addition

Background:

The property is located at 415 East Orange Street between Texoma Parkway and North Broughton Street. The owner is requesting a Zone Change from a C-2 (Retail Business) District to an R-6 (Single-Family Residential) District. The owner would also like to plat the property into two lots for residential development.

Adjacent Zoning:

C-2 (General Commercial) District
R-6 (Single-Family Residential) District

Origination:

Indalecio Torres (Owner)
Julio Torres (Representative)
Copley Land Surveying (Surveyor)

Master Plan Designation:

Core Neighborhood category is intended to protect and enhance the existing residential areas of Sherman. This area is generally located in the center of the city, east and west of US-75. A majority of the Core Neighborhood category encompasses what is known as east Sherman. This category encourages infill development that maintains the existing character, while increasing the aesthetic appeal of the community. In certain areas, an increase in density can be appropriate through the development of single-family attached products, like townhomes or quad-plexes.

Number of notices mailed:

15

Objections Received:

0

Development Review Meeting:

No

Attachments

Location Map

Zoning Map

Zoning Sign Photo

FLUM

Replat

Staff Review Letter - Plat

Staff Review Letter - Zoning

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 4.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6575

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, Repealing Ordinance No. 6460, and Granting a Specific Use Permit to Allow a Smoke Shop on a Tract of Land Zoned C-1 (Retail Business) District/O-1 (75 & 82) Overlay District Located at 2916 North Highway 75, Suite 110, Lot 4 of Shafer Plaza, City of Sherman, Grayson County, Texas (Tava Properties, LLC, Owner; Infinity and Beyond, Tenant; and Nouman Muhammad, Representative); Prescribing Conditions to the Specific Use Permit; Providing A Penalty Not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

Issue:

To consider a Specific Use Permit for a Smoke Shop on a Tract of Land Zoned C-2 (General Commercial) District Located at 2916 North Highway 75, Suite 110, Lot 4 of Shafer Plaza, City of Sherman, Grayson County, Texas (Tava Properties, LLC, Owner; Infinity and Beyond, Tenant; and Nouman Muhammad, Representative)

Background:

The property is located at 2916 North Highway 75, Suite 110 between East US Highway 82 and Michelle Drive. The owner is requesting to renew the Specific Use Permit that it received for a Smoke/Vape Shop on March 21, 2022.

The following has been approved for this location:

- October 9, 2001 - Specific Use Permit to allow a private club in a C-1 (Retail Business) District
- March 21, 2017 - Specific Use Permit to allow a liquor store in a C-1 (Retail Business) District/O-1 (75 & 82 Overlay) District. P&Z Condition: Restrictive Lighting in and around windows.
- March 21, 2022 - Specific Use Permit to allow a Smoke/Vape Shop in a C-1 (Retail Business) District/O-1 (75 & 82) Overlay District. City Council: Notwithstanding anything to the contrary herein, the Specific Use Permit granted in this Ordinance shall automatically expire, terminate and be rescinded on the first anniversary of the effective date identified below, unless earlier terminated, rescinded, extended or renewed by separate action of the City Council.

Origination:

Tava Properties, LLC (Owner)
Infinity and Beyond (Tenant)
Nouman Muhammad (Representative)

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission voted 7/0 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter, the expiry of one year for review and the Specific Use Permit be tied to the tenant.**The proposed use is compatible with the City of Sherman Comprehensive Plan.**

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6575
Exhibit A - Final Plat
Exhibit B - Site Plan
Location Map
Zoning Map
Zoning Sign Photo
Future Land Use Map
Narrative
Floor Plan
Photos
Ordinance to Repeal
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6575

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, REPEALING ORDINANCE 6460, AND GRANTING A SPECIFIC USE PERMIT TO ALLOW A SMOKE SHOP ON A TRACT OF LAND ZONED C-1 (RETAIL BUSINESS) DISTRICT/O-1 (75 & 82) OVERLAY DISTRICT LOCATED AT 2916 NORTH HIGHWAY 75, SUITE 110, LOT 4 OF SHAFER PLAZA, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS (TAVA PROPERTIES, LLC, OWNER; INFINITY AND BEYOND, TENANT; AND NOUMAN MUHAMMAD, REPRESENTATIVE); PRESCRIBING CONDITIONS TO THE SPECIFIC USE PERMIT; PROVIDING A PENALTY NOT TO EXCEED $2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; 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 effective date of this Ordinance, the property located at 2916 North Highway 75, Suite 110, Lot 4 of Shafer Plaza, City of Sherman, Grayson County, Texas is/are granted a Specific Use Permit to allow a Smoke Shop, subject to the conditions described in this Ordinance and that Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14 is hereby amended so as to hereafter include property as described as **Exhibit A – Final Plat Shafer Plaza** and highlighted in yellow on **Exhibit B – Site Plan**.

SECTION 2. That this Specific Use Permit is granted on the following conditions:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's Zoning Ordinance/Code of Ordinance Chapter 14.

2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267). *(Code of Ordinances Chapter 3.02(c))*
3. The property must be properly maintained in a state of good repair and neat appearance.
4. The granting of a Specific Use Permit has no effect on the uses permitted as of right and does not waive the regulations of the underlying zoning district.
5. A Specific Use Permit is an amendment to the district regulations of the Zoning Ordinance that permits the establishment of a specific use within a zoning district in which such specific use may be established unless such use of land or structure is discontinued or abandoned for a period of thirty (30) consecutive days in which event such Specific Use Permit shall be void and such use may not thereafter be resumed unless a new Specific Use Permit is granted in accordance with this section. (*Chapter 14, Sec. 14.06.009 (1)(a)(3))*
6. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.
7. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

Additional Conditions:

8. The property shall be developed and used in accordance with all City Ordinances and the Site Plan shown in **Exhibit B.**
9. Notwithstanding anything to the contrary herein, the Specific Use Permit granted in this Ordinance shall automatically expire, terminate and be rescinded in the event that a person or entity other than Infinity and Beyond is the lessee of the Property.
10. Notwithstanding anything to the contrary herein, the Specific Use Permit granted in this Ordinance shall automatically expire, terminate and be rescinded on the first anniversary of the effective date identified below, unless earlier terminated, rescinded, extended or renewed by separate action of the City Council. The owner of the property subject to the Specific Use Permit must receive City Council approval of an application to extend or renew the Specific Use Permit prior to the expiration thereof.

SECTION 3. That this Ordinance shall be entered upon the official zoning map as provided in Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, Section 14.01.002.

SECTION 4. That after holding a properly noticed public hearing, the City Council may amend, change, or rescind the Specific Use Permit if any of the conditions set forth in Zoning Ordinance/Code of Ordinances Chapter 14, Section 14.06.009(1)(g), apply or exist.

SECTION 5. That the Specific Use Permit shall be effective from and after the effective date of this Ordinance. Upon termination of the Specific Use Permit, the property shall cease to be used as provided herein unless another Specific Use Permit or appropriate zoning has been obtained.

SECTION 6. That it shall be unlawful for any person to make use of the property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 7. That the Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 8. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 9. 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.

SECTION 10. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS.

INTRODUCED on this the 20th day of March 2023.

ADOPTED on this the 20th day of March 2023.

EFFECTIVE DATE on this the 20th day of March 2023.

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

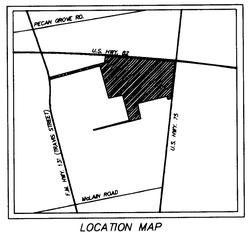
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT A



LOCATION MAP

U.S. Highway 82
(VARIABLE WIDTH RIGHT-OF-WAY)

0 60 120 240
GRAPHIC SCALE
1"=60'

F.M. Highway 131
(100 FOOT WIDE RIGHT-OF-WAY)

U.S. Highway 75
(545.00 FOOT WIDE RIGHT-OF-WAY)

Travis Street

STATE OF TEXAS - VOL 1375, PG 111

STATE OF TEXAS
VOL 1379, PG 162

MUELLER SUPPLY COMPANY
Vol 2276, Pg 871

LOT 1

LOT 2

LOT 3

LOT 4

LOT 5

Block One - COVEY ADDITION - Vol 9, Pg 67

LOT 1 Block One W-C-T ADDITION Vol 9, Pg 40

Block One Replat of Lot 2 W-C-T ADDITION Vol 10, Pg 43

Block One - LA QUINTA ADDITION Vol 10, Pg 42

LOT 3 - Block One ACTION-75 ADDITION - Vol 10, Pg 38

SHAFER PLAZA XIV - VOL 2702, PG'S 131 & 140, O.P.R.G.C.T.

Bow Pipe Line Company
Vol 1503, Pg 301

Tract Two
Faye R. Plangman & Frank W. Moon
Vol 1988, Pg 264

RELOCATED TEXACO PIPELINE
20' EASEMENT
(BY SEPARATE INSTRUMENT)

Point of Beginning

N02°48'13"E 103.71'
109.42' S80°27'30"E
193.95' S88°42'03"E
S83°56'09"E - 630.02'
S46°29'33"E 108.69'
N75°00'35"E - 822.63'
S74°56'19"W - 751.32'
N14°57'11"W - 491.22'
N15°09'28"W 374.84'
S13°16'24"E - 222.75'
N75°46'41"E - 544.08'
S76°41'36"W - 712.79'
N10°57'50"W 10.18'
S76°51'52"W - 204.46'
S07°24'48"W - 473.82'
N75°33'02"E
S82°35'09"E - 131.20'
N82°06'42"W - 308.97'
N76°41'36"E - 544.02'
S76°41'36"W - 443.60'
N19°57'22"W - 46.50'
S76°23'17"W - 48.87'

Δ=00°53'30"
R=1959.86'
L=30.50'
RADIAL BRG. S83°59'11"W

DETAIL AT NORTH END
RELOCATED TEXACO
PIPELINE EASEMENT
(N.T.S.)

DETAIL AT SOUTH END
RELOCATED TEXACO
PIPELINE EASEMENT
(N.T.S.)

GENERAL NOTES:

1. THE SURVEYOR HAS NOT ABSTRACTED SUBJECT PROPERTY.
2. C.M. CONTROLLING MONUMENT
3. BASIS OF BEARING – PLAT OF RECORD AS RECORDED IN VOL. 2702, PG. 140, O.P.R.G.C.T.
4. THE 100 YEAR FLOOD PLAIN LIMITS AND THE BASE FLOOD ELEVATIONS SHOWN HEREON HAVE BEEN GRAPHICALLY INTERPOLATED FROM THAT DOCUMENT ENTITLED "FLOOD INSURANCE RATE MAP", PANEL NO. 48181 C 0135 E, DATED JULY 17, 1995, AND PUBLISHED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA).
5. A "COMMON ACCESS EASEMENT" GRANTING ACCESS TO AND THROUGH ALL OF THE LOTS SHOWN HEREON IS TO BE OBTAINED BY SEPARATE INSTRUMENT.

Sheet 1 of 2
FINAL PLAT

SHAFER PLAZA

AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS

BEING THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO SHAFER PLAZA XIV, LTD. AS RECORDED IN VOL.2702, PG'S.131 AND 140, O.P.R.G.C.T., AND INCLUDES ALL OF LOT 1, BLOCK ONE, W-C-T ADDITION AS RECORDED IN VOL.9, PG.40, P.R.G.C.T., AND LOTS 2 AND 3, BLOCK ONE, W-C-T ADDITION AS RECORDED IN VOL.10, PG.43, P.R.G.C.T.

Filed for Record in the Clerk's Office
at ____ o'clock ____ M
Recorded in Vol. ____ Page ____
____ Records Grayson County
SARA JANE ____
County Clerk, ____ County, Texas
By ____ Deputy

OWNERS

SHAFER PLAZA XIV, LTD.
4514 Cole Avenue, Suite 808
Dallas, Texas 75205
(214) 361-7778

DOUGLAS DISTRIBUTING CO.
(LOT 1, BLK. ONE, W-C-T ADD'N)
325 E. Forest Avenue
P.O.B. 1124
Sherman, Texas 75091

SURVEYOR

VILBIG & ASSOCIATES, INC.
CONSULTING ENGINEERS & SURVEYORS
10132 MONROE DRIVE DALLAS, TEXAS 75229
(214) 352-7333

SCALE: 1"=60'

VAI JOB NO. 541-5

CITY REV.: 14 Sept 1999
DATE: 15 June 1999

10771

C:/208/SHAFER/541-5/FPLAT.DWG

ICB Commercial

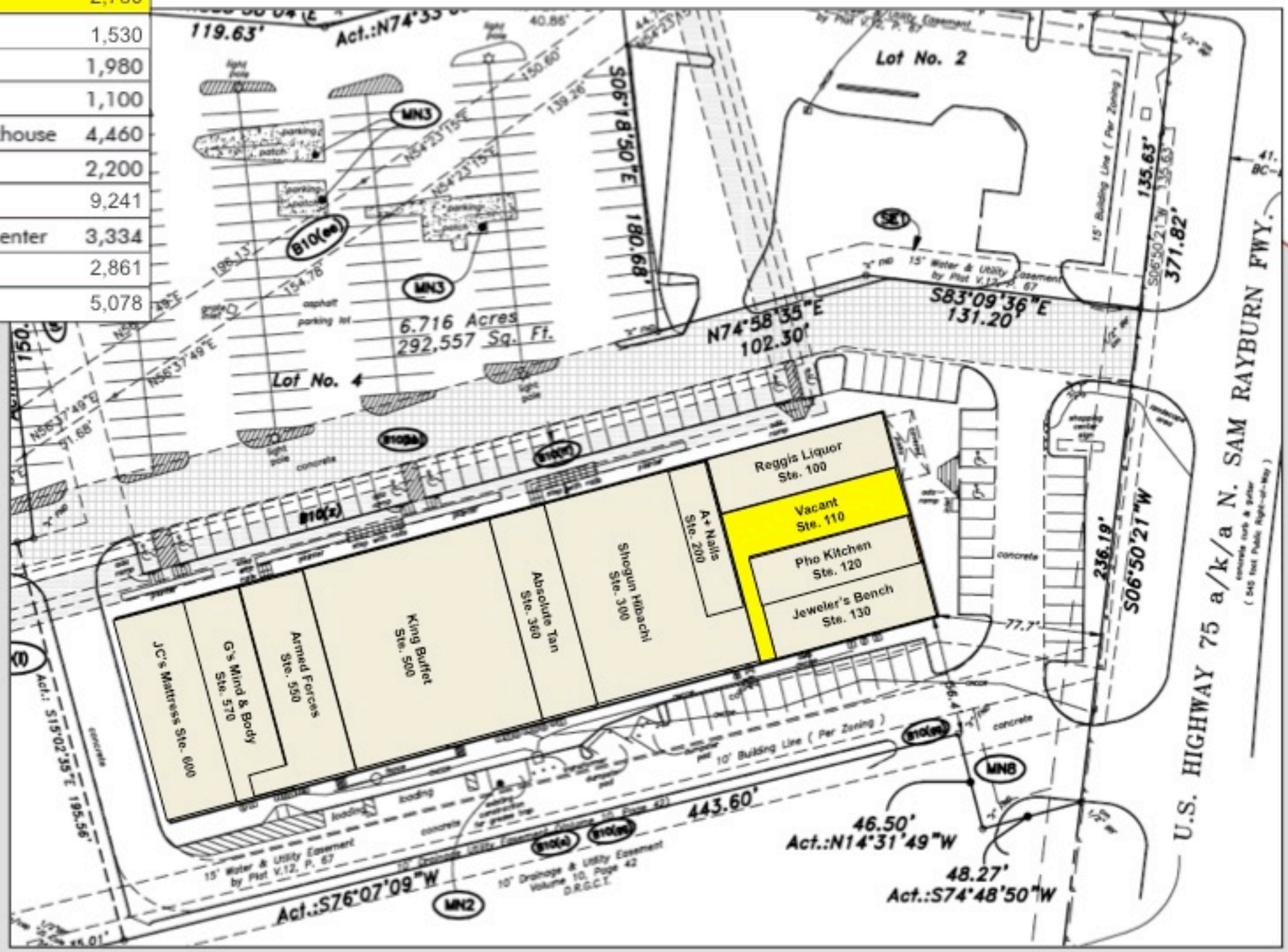
Diligence From The Ground Up

Site Plan

EXHIBIT B

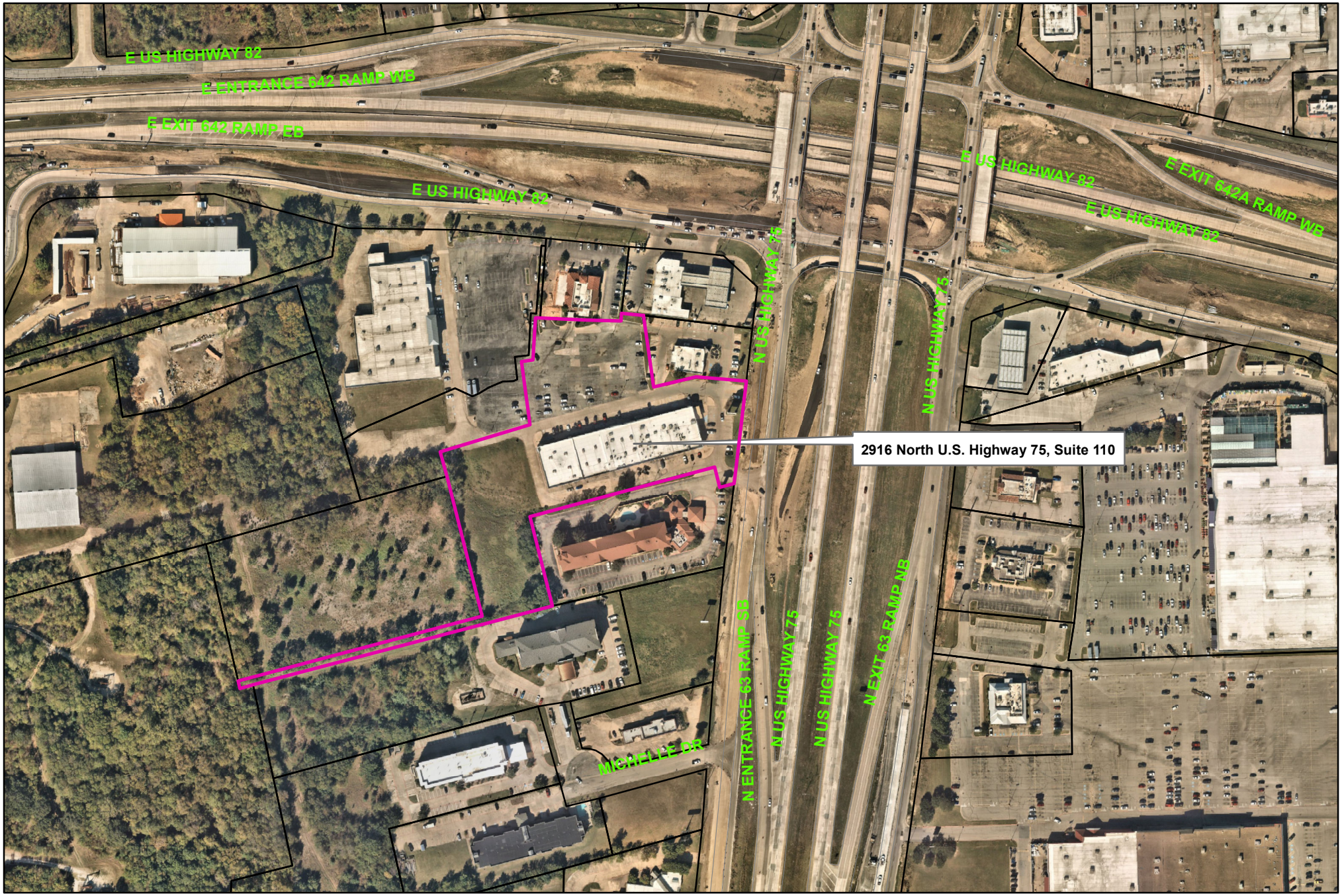
2916 N. US Hwy 75, Sherman, TX

100	Reggis Liquor	2,872
110	Vacant	2,780
120	Stewards Cajun	1,530
130	The Jewelers Bench	1,980
200	A+ Nails	1,100
300	Shogun Japanese Steakhouse	4,460
360	Absolute Tan	2,200
500	King Buffet - Available	9,241
550	Armed Forces Career Center	3,334
570	G's Mind & Body	2,861
600	JC's Mattress Outlet	5,078



ICB Properties

The information contained herein was obtained from sources believed reliable; however, ICB Properties, LLC makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change of price or conditions, prior sale or lease, or withdrawal without notice.



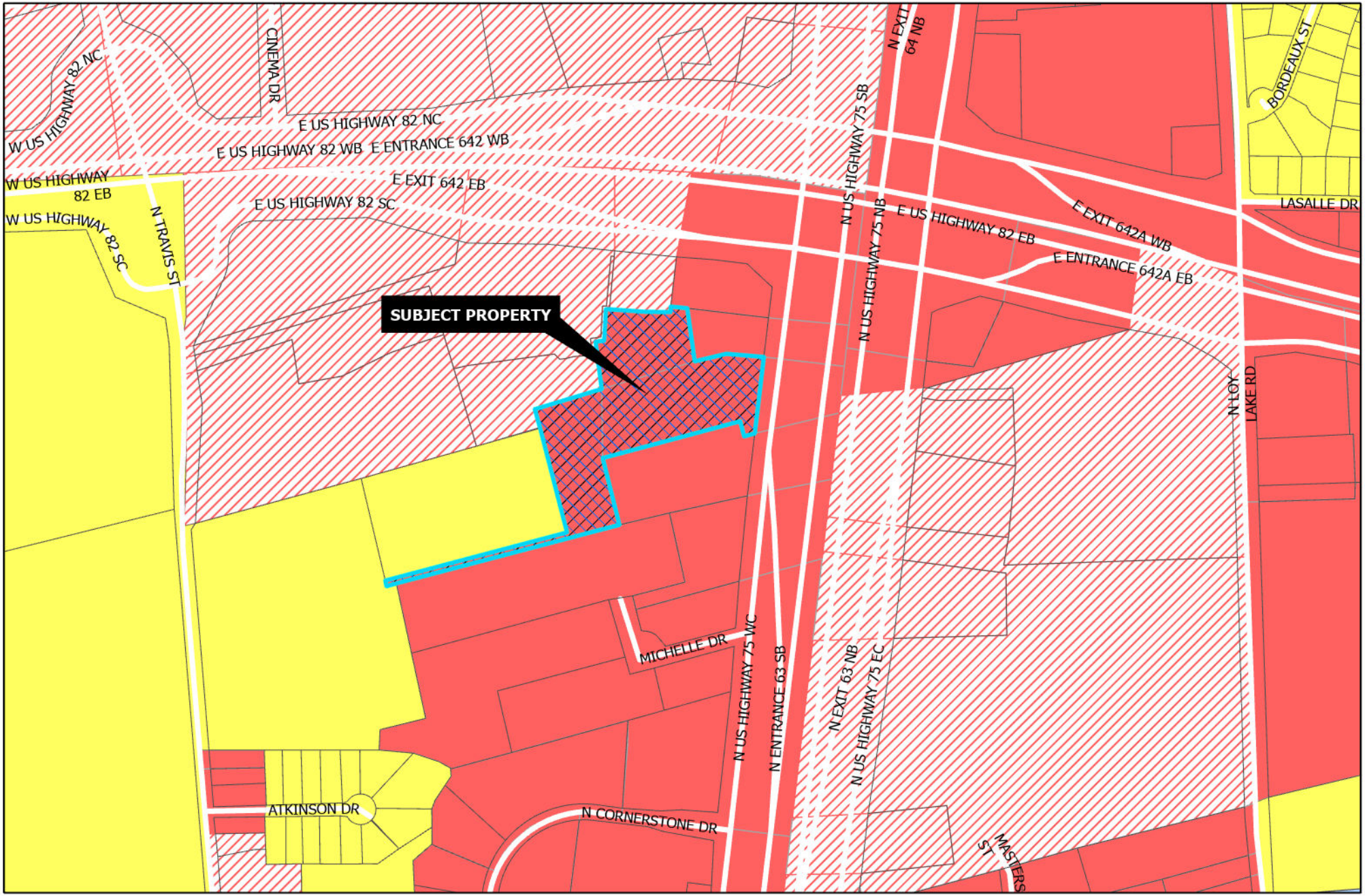
Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

2916 North U.S. Highway 75, Ste 110

NOT TO SCALE

1 in = 300 ft



Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- R-A Residential Agricultural
- R-E Estate Residential
- R-12 Single Family Residential
- R-6 Single Family Residential
- R-5 Single Family Residential
- R-4 Patio Home Residential
- R-2F Duplex Residential
- R-TH Townhome Residential
- MF-15 Multi-Family Residential
- MF-30 Multi-Family Residential
- MH Manufactured Housing
- C-N Neighborhood Commercial
- C-O Office
- C-1 Retail Business
- C-2 General Commercial
- M-1 Light Manufacturing
- M-1.5 Medium Manufacturing
- M-2 Heavy Manufacturing
- PD Planned Development
- Subject Locations

CITY OF SHERMAN

2916 N. HWY 75, STE. 110

N
W E
S

Date: 1/30/2023 11:22 AM

Sherman
CLASSIC TOWN. BROAD HORIZON.

NOTICE OF
SPECIFIC USE
PERMIT REQUEST

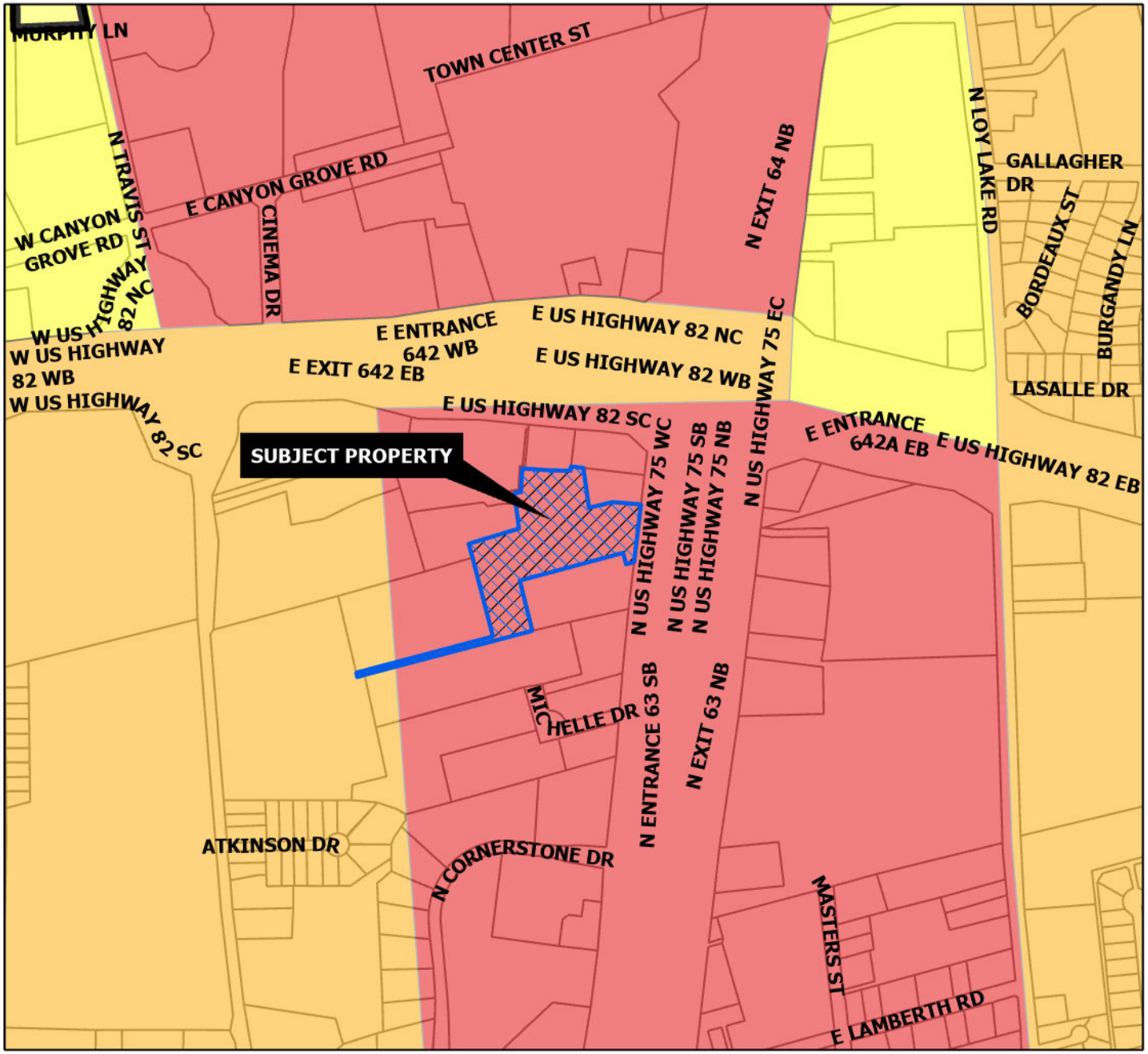
PROJECT #: 23-000269

FOR INFORMATION CONTACT:
DEVELOPMENT SERVICES
903-892-7229

THE Jewelers Bench

REGGIS
BEER

2/13/2023



REGIONAL COMMERCIAL

Intent & Character

The Regional Commercial category is intended to promote large-scale commercial development along US-75, while promoting community character through design. US-75 serves as the major gateway to and through the community; therefore, aesthetics and design should be promoted in this corridor. This category should allow large-scale commercial uses that serve the region and the community alike. A mix of uses and inter-connectivity between parcels should be encouraged.

Appropriate Land Use Types

- Retail and Restaurants
- Multi-Family Living
- Office Complex
- Medical
- Mixed Use
- Indoor Entertainment

Compatible Zoning Districts

- Retail Business
- General Commercial
- Office
- Multi-Family Residential (MF-15 and MF-30)
- Planned Development (for larger tracts)

Considerations

- Site design considerations should be given to parking, landscaping, and building articulation.
- Where possible, parking should be screened from view or well-landscaped with native, drought-tolerant plants.
- All buildings facades fronting a public street or within significant public view should have aesthetically-pleasing horizontal and vertical articulation.
- Signage should be multi-tenant, where possible, and should match the character of the primary structure.
- High density residential should be included in mixed use developments.
- High density residential is appropriate behind commercial areas, with inter-connectivity.
- If high density is stand alone, the surrounding uses and connectivity should be considered to avoid an "island."

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- Agriculture/Rural
- Airport
- City Parkland
- Community Commercial
- Core Neighborhood
- Downtown
- Regional Commercial
- Suburban Neighborhood
- Technology Hub
- Subject Locations

CITY OF SHERMAN
FUTURE LAND USE MAP
2916 N. HWY 75, STE. 110

N
W E
S

Date: 2/3/2023 2:36 PM

Infinity and Beyond Sherman Expansion

Objective:

To ensure that the Planning & Zoning Commission, and City Council members have a clear understanding of Infinity and Beyond expansion into Sherman, TX.

Background:

Infinity and Beyond is a high end retail store that delivers an array of novelty and vape products. Our principles dictate that our customers receive the highest quality service available at all times, for our customers. By following our own policies Infinity and Beyond has proved to be a successful and growing company, within all of its located respected cities.

Current Locations and Future Expectations:

Infinity and Beyond Dallas:

Address: 5621 E Grand Ave Dallas, TX 75204.

Phone # 214-484-7811

Established: 12-22-2019

Infinity and Beyond Plano:

Address: 2520 K Ave Plano, TX 75093.

Phone # 972-905-5883

Established: 04-08-2021

Infinity and Beyond Red Oak:

Address: 509 N Interstate 35 E Rd Red Oak, TX 75154

Expected Establish Date: 06/15/2022

Infinity and Beyond Sherman:

Address: 2916 N US Hwy 75, Ste. 110, Sherman, TX 75090

Expected Establishment: 04/15/2022

Owners:

Nouman Muhammad :

Mr. Muhammad is one of the partners for Infinity and Beyond. Mr. Muhammad has been an entrepreneur since his early days. He started his first venture at the age of 17, as owning a limo service to pay his way thru college, at University of Texas at Arlington. He is a financial consultant by trade and worked a very successful career at Fidelity Investment's, where he obtained several trading licenses along with several recognition awards from the company.

Myles Walker:

Mr. Walker is co-partner for Infinity and beyond. He has continued his studies in aviation logistics to obtain his pilot's license. Mr. Walker currently holds insurance licensewith the state of Texas, as well as several recognition awards from New York Life for his hard work and dedication. While working in logistics he has been able to get a comprehensive understanding of the retail cycle within Dallas- Fort Worth metroplex cities, which ultimately helped the start of Infinity and Beyond.

The Project:

Infinity and Beyond is requesting a Special Use Permit from the City of Sherman, to establish a location at **2916 N US Hwy 75, Ste. 110, Sherman, TX 75090**. Our research indicates Sherman will be a very successful location for our business model and for the City of Sherman. Currently, we have 300-350+ customers that reside in Sherman, Dennison, Pottsboro, and other surrounding cities that are traveling to our Plano location, as it is the most convenient shop for them. With already having a large following in the Sherman area, this will allow us to establish a safe location for our loyal customers closer to them. Additionally, Infinity and Beyond will add value to the City of Sherman by bringing a new community engaged business which will grow rapidly. Infinity and Beyond owners take pride in being involved within the community along with helping and supporting our first responders in our district.

Products:

The following but not limited to products will be found within our stores

- Back packs
- Clothing
- Snacks and Soft Drinks
- Glassware
- Electronics
- Kratom
- Art Work
- CBD
- Cosmetics
- Vapes
- Jewelry
- Tobacco
- Hookahs
- Custom Consignment with local vendors
- Miscellaneous

Conclusion:

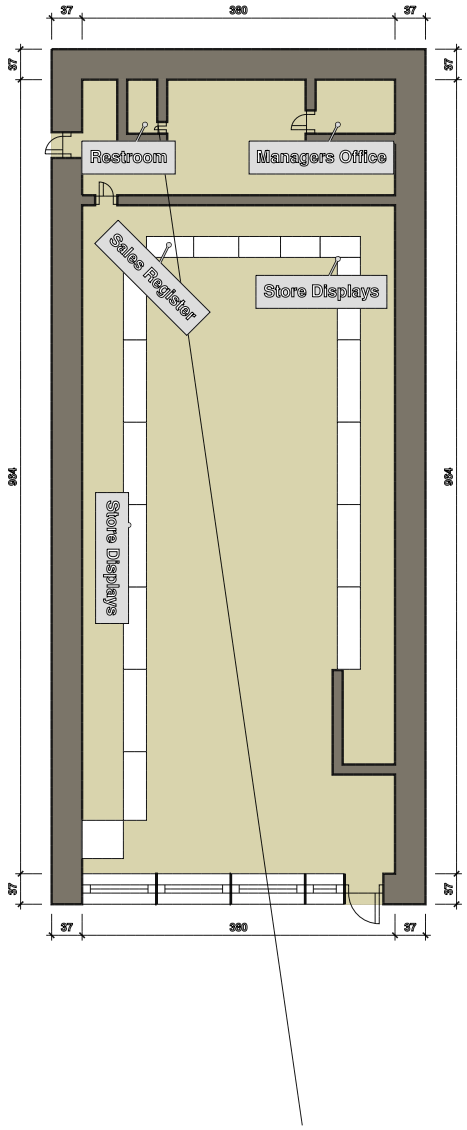
In conclusion, Infinity and Beyond is thankful for having the opportunity to present this to the City of Sherman. We see Sherman as a very thriving and prospering city, and we are excited to grow with this city. The potential in Sherman is incredible as it sits as a corridor for several major cities, and Infinity and Beyond will vow to do its part in keeping this city safe, and bringing more traffic from the surrounding cities.

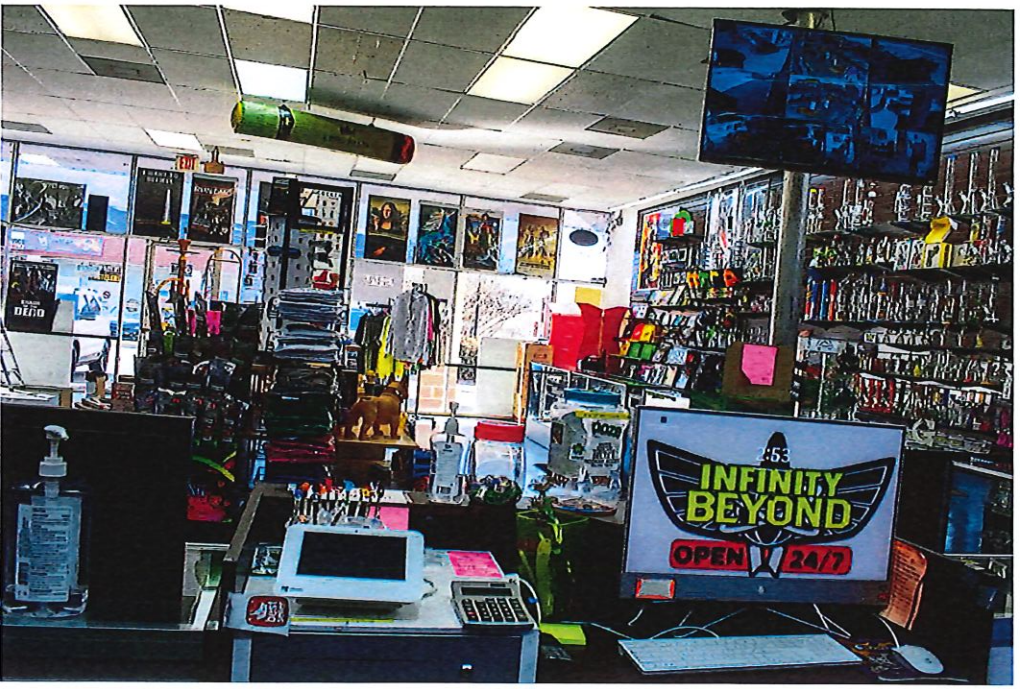
Please find attached a visual representation of our Plano location.

Thank you for your consideration, and your time. We hope to be a part of your community.

Best Regards,

Nouman Muhammad
Myles Walker
Infinity and Beyond, Owners.


37
360
37
37
37
904
904
37
37
37
360
37
Restroom
Managers Office
Sales Register
Store Displays
Store Displays


INFINITY
BEYOND
OPEN 24/7

INFINITY & BEYOND
SMOKE SHOP & MORE!!!

ORDINANCE NO. 6460

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A SMOKE/VAPE SHOP IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1 (75 & 82) OVERLAY DISTRICT AT 2916 NORTH HIGHWAY 75 SUITE 110, BEING LOT 4 OF SHAFER PLAZA (TAVA PROPERTIES LLC, OWNER; INFINITY AND BEYOND, TENANT; NOUMAN MUHAMMAD, REPRESENTATIVE; AND SANDS SURVEYING CORPORATION, SURVEYOR) 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 effective date of this Ordinance, Tava Properties, LLC (Owner), Infinity and Beyond (Tenant), Nouman Muhammad (Representative), and Sands Surveying Corporation (Surveyor) concerning the property located at 2916 North Highway 75, Suite 110, being Lot 4 of Shafer Plaza are granted a Specific Use Permit to allow a Smoke/Vape Shop in a C-1 (Retail Business) District/O-1 (75 & 82) Overlay District and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include property described as **Exhibit A – Plat and Exhibit B -Site Plan**.

SECTION 2. That this Specific Use Permit is granted on the following conditions:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's General Zoning Ordinance, Ordinance No. 2280, the regulations applicable to the C-1 (Retail Business) District, the O-1 (75 & 82) Overlay District, the Sign Ordinance and the

Commercial Tree and Landscaping Ordinance. (*Chapter 14, Exhibit A, Sec. 6.6; Sec. 6.13.1; Sec. 7(14) and Sec. 17).*

2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. All required off-street parking shall be on private property and shall not encroach into the right-of-way. *(Chapter 14, Exhibit A, Section 7, Subsection 10(b))*
4. The use of the property must comply with all Federal and State Laws and regulations and with all ordinances, rules and regulations of the City of Sherman.
5. Sale of electronic cigarettes or e-cigarettes or liquid nicotine to persons younger than 18 years of age is prohibited; proof of age required.
6. Sells, gives or causes to be sold or given an electronic cigarette or e-cigarette or liquid nicotine to another person who intends to deliver it to someone who is younger than 18 years of age is prohibited.
7. Vendor assisted sales required; self-service merchandising prohibited.
8. The facility or business shall not be open to persons younger than 18 years of age unless a parent or guardian is present.
9. Must comply with the City of Sherman Smoking Ordinance *(Chapter 8.06)*
10. Hours of operation must comply with all City of Sherman Ordinances.
11. The property must be properly maintained in a state of good repair and neat appearance.
12. Signs with flashing, blinking or traveling lights shall have lightbulbs which do not exceed sixty (60) watts each. Such lightbulbs shall be frosted. (*Chapter 14, Exhibit A, Sec. 7(14)(B)(8)).*
13. Digital signs shall have a maximum transition time between messages of two (2) seconds. The minimum duration of the message display shall be eight (8) seconds. Brightness shall be no more than 0.3 foot-candles over ambient light. Automatic dimming is required. The brightness measurement shall be taken utilizing a Foot-candle meter at 200' measured perpendicular to the face of the digital sign. (*Chapter 14, Exhibit A, Sec. 7(14)(b)(10)).*
14. The granting of a Specific Use Permit has no effect on the uses permitted as of right and does not waive the regulations of the underlying zoning district.
15. A specific use permit is an amendment to the district regulations of the zoning ordinance that permits the permanent establishment of a specific use within a zoning district in which such specific use may be established unless such use of land or structure discontinue or be abandoned for a period of sixty (60) consecutive days in which event such specific use permit shall be void and such use may not thereafter be resumed unless a new specific use permit granted. *(Chapter 14, Exhibit A, Sec. 8 (5)(b))*
16. The approval of the Specific Use Permit and site plan shall be effective for a period of (2) years from the date of approval and shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Specific Use Permit was approved.
17. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

City Council:

18. Notwithstanding anything to the contrary herein, the Specific Use Permit granted in this Ordinance shall automatically expire, terminate and be rescinded on the first anniversary of the effective date identified below, unless earlier terminated, rescinded, extended or renewed by separate action of the City Council.

SECTION 3. That this Ordinance shall be entered upon the official zoning map as provided in Section 2, Ordinance No. 2280.

SECTION 4. That it shall be unlawful for any person to make use of the Property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the General Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 5. That the General Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 6. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 7. 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.

SECTION 8. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS.

INTRODUCED on this the 21st day of March, 2022.

ADOPTED on this the 21st day of March, 2022.

EFFECTIVE DATE on this the 21st day of March, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services

STAFF REVIEW LETTER

February 14, 2023

Tava Property, LLC
11104 Brighton Lane
Frisco, TX 75033

Nouman Muhammad
1401 Elm St Apt 2810
Frisco, TX 75033

Infinity and Beyond
Myles Walker
2916 N US Hwy 75, Ste. 110
Sherman, TX 75090

Dear Applicants,

The request of a Public Hearing, Site Plan and Specific Use Permit under Section 14.06.009 to allow a Smoke/Vape Shop in a C-1 (Retail Business) District/O-1 (75 & 82) Overlay District located at 2916 North Highway 75, Suite 110 has been scheduled to be heard by the Planning and Zoning Commission on Tuesday, February 21, 2023, at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

City staff has reviewed your request and the following items need to be noted/addressed:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's Zoning Ordinance/Code of Ordinance Chapter 14.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267). *(Code of Ordinances Chapter 3.02(c))*
3. The property must be properly maintained in a state of good repair and neat appearance.
4. The granting of a Specific Use Permit has no effect on the uses permitted as of right and does not waive the regulations of the underlying zoning district.
5. A Specific Use Permit is an amendment to the district regulations of the Zoning Ordinance that permits the establishment of a specific use within a zoning district in which such specific use may be established unless such use of land or structure is discontinued or abandoned for a period of thirty (30) consecutive days in which event such Specific Use Permit shall be void and such use may not thereafter be resumed unless a new Specific Use Permit is granted in accordance with this section. (*Chapter 14, Sec. 14.06.009 (1)(a)(3)*)
6. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.
7. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

It is the policy of Planning and Zoning Commission and Board of Adjustment not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Development Services at 903-892-7229 prior to the meeting.

Respectfully,

Rob Rae
Acting Secretary, Planning and Zoning Board and Board of Adjustment

cc: Robby Hefton, City Manager
Clint Philpott, Asst. City Manager
Wayne Lee, P.E., Director of Engineering
Tom Pruitt, Utility Engineer
Billy Hartsfield, Fire Chief
Amber Doan, Engineering Coordinator
Christopher Armstrong, Asst. City Engineer
The Law Firm of Abernathy, Roeder, Boyd, & Hullett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 18.

Meeting Date: 02/21/2023

Prepared by: Lauren Marlow, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

2916 NORTH HIGHWAY 75, SUITE 110

The request of Tava Properties, LLC (Owner), Infinity and Beyond (Tenant) and Nouman Muhammad (Representative) concerning the property located at 2916 North Highway 75, Suite 110, Lot 4 of Shafer Plaza, as follows:

Planning and Zoning Commission

Public Hearing, Site Plan and Specific Use Permit under Section 14.06.009 to allow a Smoke/Vape Shop in a C-1 (Retail Business) District/O-1 (75 & 82) Overlay District.

Background:

The property is located at 2916 North Highway 75, Suite 110 between East US Highway 82 and Michelle Drive. The owner is requesting a Specific Use Permit and Site Plan for a Smoke/Vape Shop.

Adjacent Zoning:

C-2 (General Commercial) District
C-1 (Retail Business) District
R-6 (Single-Family Residential)

Origination:

Tava Properties, LLC (Owner)
Infinity and Beyond (Tenant)
Nouman Muhammad (Representative)

Master Plan Designation:

Regional Commercial category is intended to promote large-scale commercial development along US-75, while promoting community character through design. US-75 serves as the major gateway to and through the community; therefore, aesthetics and design should be promoted in this corridor. This category should allow large-scale commercial uses that serve the region and the community alike. A mix of uses and inter-connectivity between parcels should be encouraged.

Number of notices mailed:

13

Objections Received:

0

Development Review Meeting:

No

Attachments

Location Map
Zoning Map
FLUM
Zoning Sign Photo
Survey
Narrative
Site Plan
Floor Plan
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 5.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6576

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, to Rezone a Tract of Land Consisting of 0.191 acres in the G.B. Pilant Survey, Abstract No. 963, City of Sherman, Grayson County, Texas, Located at 620 and 622 South First Street, Heretofore Zoned R-6 (Single-Family Residential) District; Rezoning and Placing the Tract in the an R-4 (Patio Home Residential) District Zoning Classification, (Martin Corarrubias, M & G Homebuilders, Owners and Helvey-Wagner Surveying, Inc., Surveyor); Providing for a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

Issue:

To consider the request of Martin Corarrubias, M & G Homebuilders (Owners) and Helvey-Wagner Surveying, Inc. (Surveyor) concerning the property located at 620 and 622 South First Street, consisting of 0.191 acres in the G.B. Pilant Survey, Abstract No. 963, City of Sherman, Grayson County, Texas, heretofore zoned R-6 (Single-Family Residential) District; Rezoning and placing the tract in the R-4 (Patio Home Residential) District

Background:

The property is located at 620 and 622 South First Street between East King Street and East Odneal Street. The owner is requesting a Zone Change from an R-6 (Single-Family Residential) District to an R-4 (Patio Home Residential) District.

Origination:

Martin Corarrubias, M & G Homebuilders (Owners)
Helvey-Wagner Surveying, Inc.(Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission voted 7/0 to recommend to the City Council that the Zone Change be approved subject to the Staff Review Letter. **The proposed use is compatible with the City of Sherman Comprehensive Plan.**

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6576
Exhibit A - Preliminary Plat
Location Map
Zoning Map
Zoning Sign Photo
Future Land Use Map
Narrative
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6576

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 0.191 ACRES IN THE G.B. PILANT SURVEY, ABSTRACT NO. 963, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 620 AND 622 SOUTH FIRST STREET, HERETOFORE ZONED R-6 (SINGLE-FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE AN R-4 (PATIO HOME RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, (MARTIN CORARRUBIAS, M & G HOMEBUILDERS, OWNERS AND HELVEY-WAGNER SURVEYING, INC. , SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; 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 proposed rezoning case; and

WHEREAS, the City Council finds that rezoning the property as described in this Ordinance is in accordance with the Comprehensive Plan and 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 rezone the property as described in this Ordinance.

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

SECTION 1. That, from and after the effective date of this Ordinance, the property described in **Exhibit A – Preliminary Plat and Field Notes**, attached hereto, located at 620 and 622 South First Street, and all streets, roads and alleyways contiguous and/or adjacent thereto, shall be rezoned and placed in the R-4 (Patio Home Residential) District, and that Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, is hereby amended so as to hereafter include such property.

SECTION 2. That this Ordinance shall be entered upon the Official Zoning Map as provided in Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, Section 14.01.002.

SECTION 3. That no person shall acquire any vested interest in this Ordinance or in any other specific regulations contained herein. Any portion of this Ordinance may be repealed or amended by the City Council in the manner provided for by law.

SECTION 4. That it shall be unlawful for any person to make use of the Property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the General Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 5. That the Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 6. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 7. 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.

SECTION 8. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS.

INTRODUCED on this the 20th day of March 2023.

ADOPTED on this the 20th day of March 2023.

EFFECTIVE DATE on this the 20th day of March 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

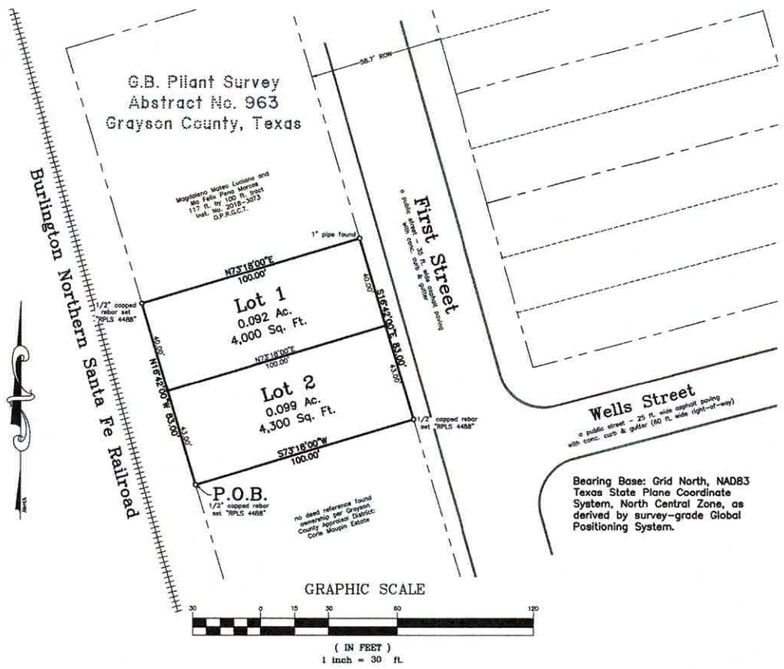
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT A

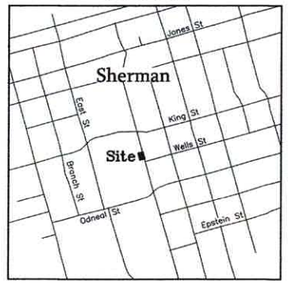


Preliminary Plat
Mora on First Addition
to
the City of Sherman
Grayson County, Texas
0.191 Acres
in the
G.B. Pilant Survey
Abstract No. 963

General Notes:

1. Water Supply to be provided by the City of Sherman.
2. Sewer service to be provided by the City of Sherman.
3. Electrical service is provided by Oncor Electrical Delivery Co.
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. The City of Sherman 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 26, 2008.
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.

Vicinity Map
(not to scale)



Job No. CGS351021

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owners:
M&G Home Builders
1218 N. Brents Avenue
Sherman, Texas 75090

Z:\Shared Projects\Land Projects R2\42-ft-by-100-ft-tract-GB-Pilant-Survey\Civil 3D\Plat.dwg 10/22/2021 9:19 AM

FIELD NOTES

SITUATED in the City of Sherman, County of Grayson, State of Texas, being out of the G.B. Pilant Survey, Abstract No. 963, being all of the "called" 42 ft. by 100 ft. tract of land conveyed by General Warranty Deed from Umair A. Saleem and Qundeel Aslam to M&G Home Builders, LLC on August 5, 2020 and recorded in Instrument No. 2020-20354, Official Public Records, Grayson County, Texas and being better described as a 43 ft. by 100 ft. tract (Tract No. 2) of land conveyed by Trustee's Deed from Johnnie C. Caldwell to Curtis L. Seidlits Jr. on December 4, 1981, and recorded in Volume 1622, Page 450, Deed Records, Grayson County, Texas, and all of the 40 ft. by 100 ft. tract of land conveyed by General Warranty Deed from Michael P. Tollison and Kristi A. Tollison to M&G Home Builders on October 31, 2020 and recorded in Instrument No. 2020-30777, said Official Public Records (being better described in Volume 907, Page 258, said Deed Records) and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a 1/2 inch capped rebar found, stamped "RPLS 4488" in the East line of the Burlington Northern Santa Fe Railroad right-of-way, at the Southwest corner of both said M&G Home Builders 42 ft. 100 ft. tract and the herein described tract;

THENCE North 16 deg. 42 min. 00 sec. West, with the East line of said Burlington Northern Santa Fe Railroad right-of-way and the West line of both said M&G Home Builders 42 ft. by 100 ft. tract and 40 by 100 ft. tract, a distance of 83.00 ft. to a ½ inch capped rebar set, stamped "RPLS 4488" at the Southwest corner of the "called" 117 ft. by 100 ft. tract of land conveyed to Magdaleno Mateo Luciano and Ma Felix Pena Marcos conveyed in Instrument No. 2018-3073, said Official Public Records and the Northwest corner of both said M&G Home Builders 40 ft. by 100 ft. tract and the herein described tract;

THENCE North 73 deg. 18 min. 00 sec. East, with the apparent South line of said Luciano and Marcos tract and the North line of said M&G Home Builders 40 ft. by 100 ft. tract, a distance of 100.00 ft. to a 1 inch pipe found in the West right-of-way line of First Street, at the Southeast corner of said Luciano and Marcos tract and the Northeast corner of both said M&G Home Builders 40 ft. by 100 ft. tract and the herein described tract;

THENCE South 16 deg. 42 min. 00 sec. East, with the West line of said First Street and the East line of both said M&G Home Builders 40 ft. by 100 ft. tract and 42 ft. by 100 ft. tract, a distance of 83.00 ft. to a ½ inch capped rebar found, stamped "RPLS 4488" at the Southeast corner of both said M&G Home Builders 42 ft. by 100 ft. tract and the herein described tract;

THENCE South 73 deg. 18 min. 00 sec. West, with the South line of said M&G Home Builders 42 ft. by 100 ft. tract, a distance of 100.00 ft. to the **PLACE OF BEGINNING** and containing **0.191 ACRES and/or 8,300 SQUARE FEET** of land.

KNOW ALL MEN BY THESE PRESENTS:

THAT I, Billy F. Helvey, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments shown thereon were properly placed under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

Billy F. Helvey, R. P. L. S. No. 4488 Date:

STATE OF TEXAS · REGISTERED · BILLY F. HELVEY · 4488 · PROFESSIONAL LAND SURVEYOR

I, M&G Home Builders, sole owner of Mora on First Addition to the City of Sherman, Texas, do hereby dedicate the streets, easements, alleys, rights-of-way, parks, school sites and other public places shown hereon to the public use forever.

Martin Covarrubias

AVIGATION RELEASE

WHEREAS, M&G Home Builders, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as Preliminary Plat of Mora on First Addition, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed or navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER'S described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property; and OWNER does hereby fully remiss and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at Preliminary Plat of Mora on First Addition, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

Executed this _____ day of _____, 2021.

By:_____

By: Martin Covarrubias for M&G Home Builders, Owner

Before me the undersigned, a notary public in and for said County and State, on this day personally appeared Martina Covarrubias, 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 and in the capacity therein stated.

Given under my hand and seal of office this _____ day of _____, 2021.

Notary Public, Grayson County, Texas

Sherman
CLASSIC TOWN. BROAD HORIZON.

This, the Preliminary Plat of Mora on First Addition to the City of Sherman, Texas, is hereby approved this _____ day of _____, 2021, by the Planning and Zoning Commission of the City of Sherman, Texas.

Chairman Secretary

This, the Preliminary Plat of Mora on First Addition to the City of Sherman, Texas, is hereby approved this _____ day of _____, 2021, by the City Council of the City of Sherman, Texas.

ACCEPTED BY THE CITY COUNCIL OF SHERMAN, TEXAS: _____
MAYOR, CITY OF SHERMAN, TEXAS DATE

The undersigned, the City Clerk of the City of Sherman, Texas, does hereby certify that the foregoing Preliminary Plat of Mora on First Addition to the City of Sherman, Texas, was submitted to the City Council of Sherman, Texas, on the _____ day of _____, 2021, 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 hereinabove subscribed.

WITNESS MY HAND THIS _____ DAY OF _____, 2021, BY _____
CITY CLERK, CITY OF SHERMAN, TEXAS

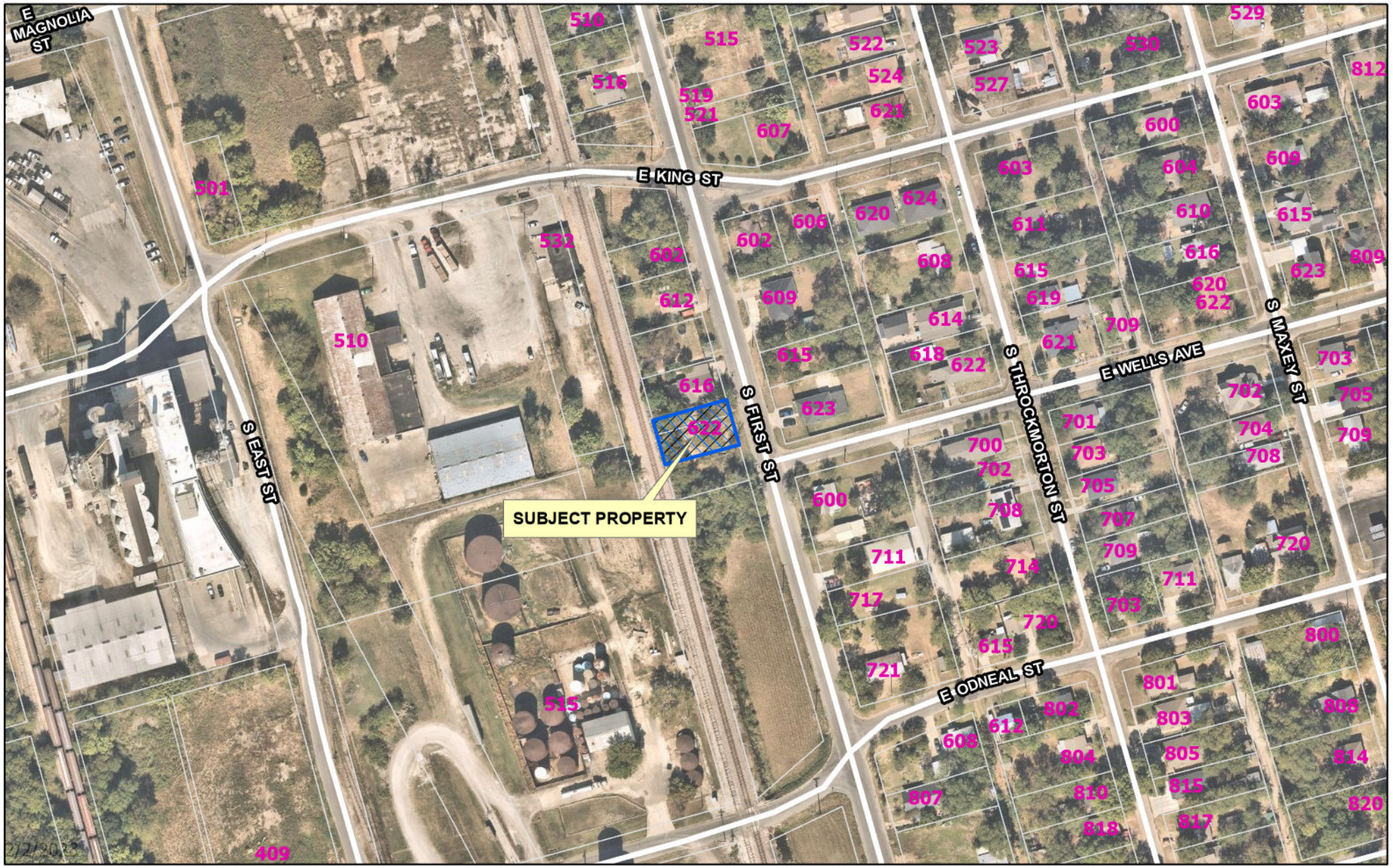
Preliminary Plat
Mora on First Addition
to
the City of Sherman
Grayson County, Texas
0.191 Acres
in the
G.B. Pilant Survey
Abstract No. 963

Job No. CGS351021

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owners:
M&G Home Builders
1218 N. Brents Avenue
Sherman, Texas 75090

Z:\Shared Projects\Land Projects R2\42-ft-by-100-ft-tract-GB-Pilant-Survey\Civil 3D\Plat.dwg 10/22/2021 9:19 AM



diagrone H:\PLANNING\Public Notification KT.aprx

2/2/2023

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN

620 & 622 S. FIRST ST

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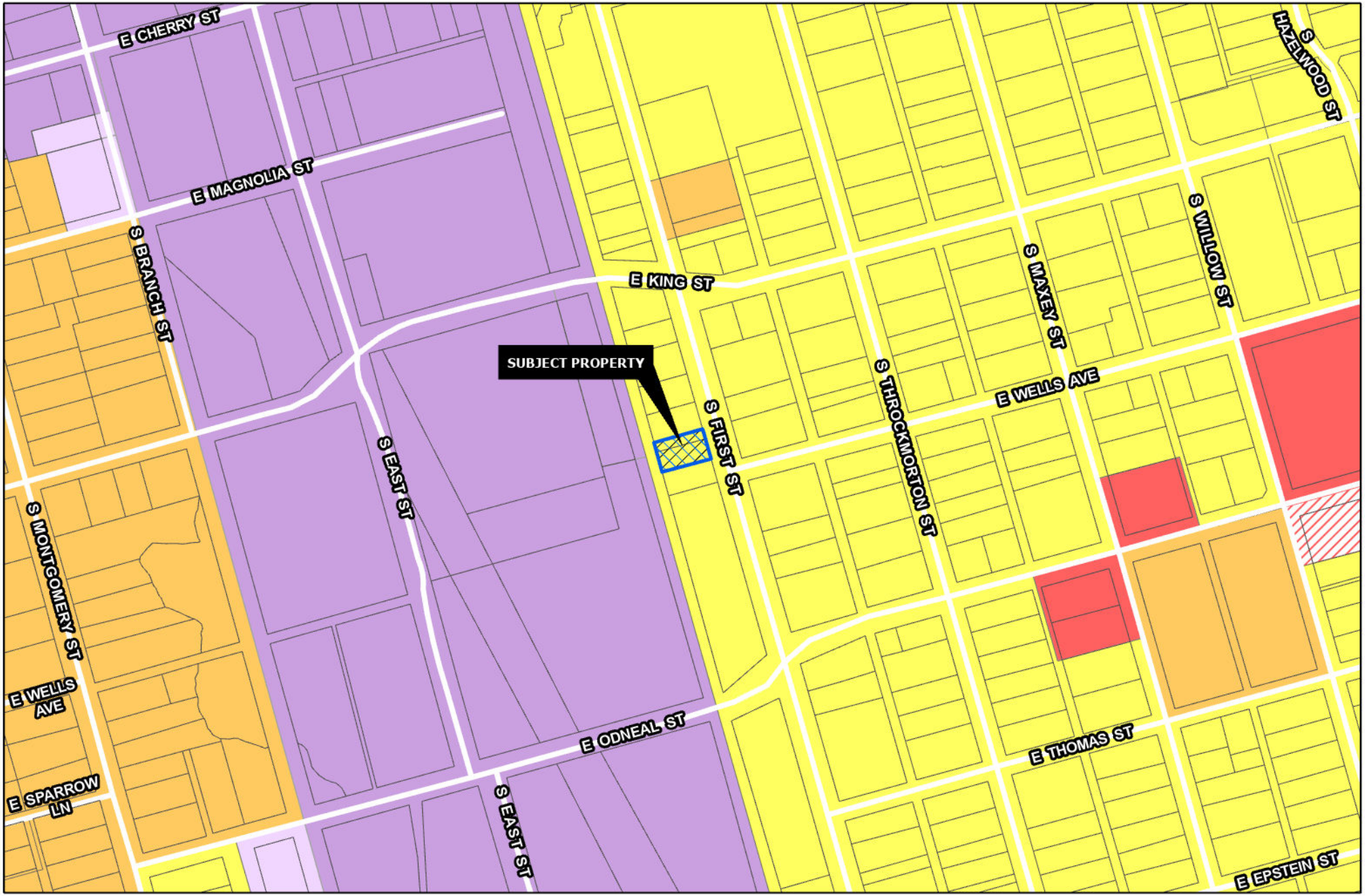

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- R-A Residential Agricultural
- R-E Estate Residential
- R-12 Single Family Residential
- R-6 Single Family Residential
- R-5 Single Family Residential
- R-4 Patio Home Residential
- R-2F Duplex Residential
- R-TH Townhome Residential
- MF-15 Multi-Family Residential
- MF-30 Multi-Family Residential
- MH Manufactured Housing
- C-N Neighborhood Commercial
- C-O Office
- C-1 Retail Business
- C-2 General Commercial
- M-1 Light Manufacturing
- M-1.5 Medium Manufacturing
- M-2 Heavy Manufacturing
- PD Planned Development
- Subject Locations
- Road Names All

CITY OF SHERMAN

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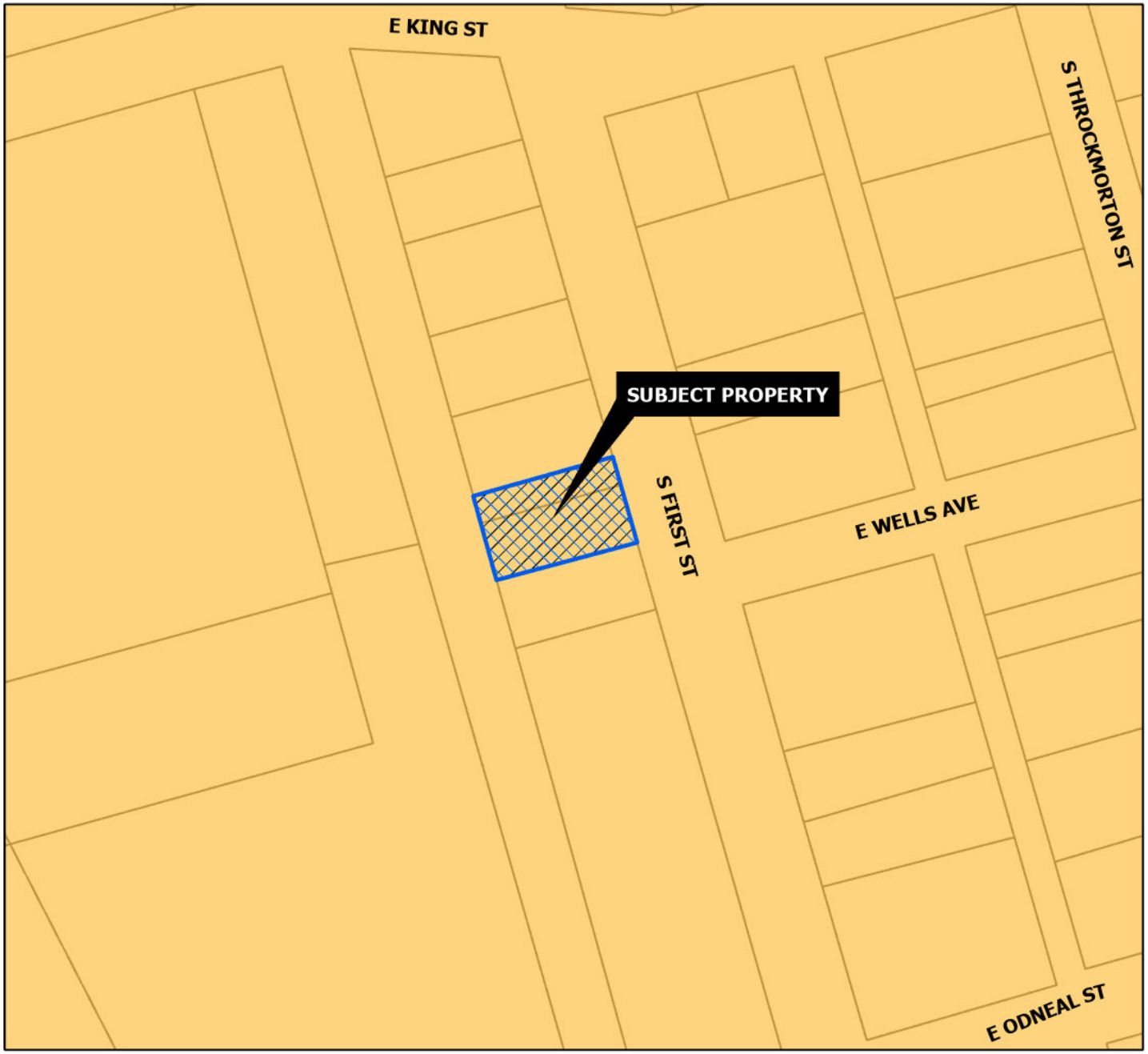
620 & 622 S. FIRST ST.

Date: 2/2/2023 11:07 AM

Sherman
NOTICE OF
PROPOSED ZONING
CHANGE
2/7/23



CORE NEIGHBORHOOD

Intent & Character

The Core Neighborhood category is intended to protect and enhance the existing residential areas of Sherman. This area is generally located in the center of the city, east and west of US-75. A majority of the Core Neighborhood category encompasses what is known as east Sherman. This category encourages infill development that maintains the existing character, while increasing the aesthetic appeal of the community. In certain areas, an increase in density can be appropriate through the development of single-family attached products, like townhomes or quad-plexes.

Appropriate Land Use Types

- Single-family detached
- Single-family attached
- Local/neighborhood commercial and office
- Parks and open space
- Schools and civic uses

Compatible Zoning Districts

- Single-Family Residential (R-5, R-4, R-2F, and R-TH)
- Multi-Family Residential (MF-15 and MF-30)
- Manufactured Housing
- Retail Business
- Neighborhood Commercial

Considerations

- Infill that increases density should match the character of the surrounding structures.
- Small-scale commercial uses are appropriate along larger streets and should be compatible with the surrounding residential development.

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- Agriculture/Rural
- Airport
- City Parkland
- Community Commercial
- Core Neighborhood
- Downtown
- Regional Commercial
- Suburban Neighborhood
- Technology Hub
- Subject Locations

CITY OF SHERMAN
FUTURE LAND USE MAP
620 & 622 S. FIRST ST.

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Date: 2/3/2023 2:17 PM

Project Narrative

Ref: 620 & 622 S. First Street, Sherman, Texas; 40 ft. by 100 ft. lot and 43 ft. by 100 ft. lot out of the GB Pilant Survey, A-963, City of Sherman, Texas

The purpose of this zone change is to build 2 new residential structures on 2 existing tracts of land. The current zoning of the subject property is R-1 and would like to change the zoning to R-4. I plan to build patio homes with an attached garage on each tract.

Kindest Regards,

Martin Covarrubias

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services

STAFF REVIEW LETTER

February 14, 2023

M & G Homebuilders
1218 N Brents Ave
Sherman, TX 75090

Helvey-Wagner Surveying, Inc
222 W. Main St.
Denison, TX 75020

Dear Applicants,

The request of a Public Hearing and Zone Change from R-6 (Single-Family Residential) District to an R-4 (Patio Home Residential) District located at 620 and 622 South First Street has been scheduled to be heard by the Planning and Zoning Commission on Tuesday, February 21, 2023, at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

City staff has reviewed your request and the following items need to be noted/addressed:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's Zoning Ordinance/Code of Ordinance Chapter 14.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267). *(Code of Ordinances Chapter 3.02(c))*
3. Impact fees will be required at the time of building permit application. *(Chapter 13, Article. 13.11)*
4. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.
5. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

Engineering

6. Platting of the property is required. Code of Ordinances Chapter 10, Section 10.02.021; Texas Local Government Code Title 1, Sec. 212.004
7. Additional Dedication of Right of Way on First Street may be required upon platting of subject property. Code of Ordinances Chapter 10, Exhibit A, Secs. 5(B)(5), (10); 5(C)(1); 6(B)(7)-(8), (14)-(15); 12(B)(1)(a); 12(B)(1)(k)(1)-(3); 12(B)(5)
8. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154

It is the policy of Planning and Zoning Commission and Board of Adjustment not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Development Services at 903-892-7229 prior to the meeting.

Respectfully,

Rob Rae
Acting Secretary, Planning and Zoning Board and Board of Adjustment

cc: Robby Hefton, City Manager
Clint Philpott, Asst. City Manager
Wayne Lee, P.E., Director of Engineering
Tom Pruitt, Utility Engineer
Billy Hartsfield, Fire Chief
Amber Doan, Engineering Coordinator
Christopher Armstrong, Asst. City Engineer
The Law Firm of Abernathy, Roeder, Boyd, & Hullett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 24.

Meeting Date: 02/21/2023

Prepared by: Lauren Marlow, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

620 AND 622 SOUTH FIRST STREET

The request of Martin Corarrubias, M & G Homebuilders (Owners) and Helvey-Wagner Surveying, Inc.(Surveyor) concerning the property at 620 and 622 South First Street, consisting of 0.191 acres in the G.B. Pilant Survey, Abstract No. 963, as follows:

Planning and Zoning Commission

Public Hearing and Zone Change from R-6 (Single-Family Residential) District to an R-4 (Patio Home Residential) District.

Background:

The property is located at 620 and 622 South First Street between East King Street and East Odneal Street. The owner is requesting a Zone Change from an R-6 (Single-Family Residential) District to an R-4 (Patio Home Residential) District.

Adjacent Zoning:

R-6 (Single-Family Residential) District
M-2 (Heavy Manufacturing) District

Origination:

Martin Corarrubias, M & G Homebuilders (Owners)
Helvey-Wagner Surveying, Inc.(Surveyor)

Master Plan Designation:

Core Neighborhood category is intended to protect and enhance the existing residential areas of Sherman. This area is generally located in the center of the city, east and west of US-75. A majority of the Core Neighborhood category encompasses what is known as east Sherman. This category encourages infill development that maintains the existing character, while increasing the aesthetic appeal of the community. In certain areas, an increase in density can be appropriate through the development of single-family attached products, like townhomes or quad-plexes.

Number of notices mailed:
17

Objections Received:
0

Development Review Meeting:
No

Attachments

Location Map
Zoning Map
FLUM
Zoning Sign Photo
Survey & Field Notes
Preliminary Plat
Narrative
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 6.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6577

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, to Rezone a Tract of Land Consisting of 48.292 acres in the J.B.McAnair Survey, Abstract No. 763, City of Sherman, Grayson County, Texas, Located in the 2900-3200 Blocks North Hickory Street, Heretofore Zoned R-6 (Single-Family Residential) District; Rezoning and Placing the Tract in the R-5 (Single-Family Residential) District Zoning Classification, (Jerome Hill, AJH Enterprises, Ltd, Owners; Bryan Weisgerber, Representative; and Underwood Drafting & Surveying, Inc., Surveyor); Providing for a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

Issue:

To consider the request of Jerome Hill, AJH Enterprises, Ltd (Owners), Bryan Weisgerber (Representative) and Underwood Drafting & Surveying, Inc. (Surveyor) concerning the property located in the 2900-3200 Blocks North Hickory Street, consisting of 48.292 acres in the J.B.McAnair Survey, Abstract No. 763, City of Sherman, Grayson County, Texas, heretofore zoned R-6 (Single-Family Residential) District; Rezoning and placing the tract in the R-5 (Single-Family Residential) District Zoning Classification

Background:

The property is located at 2900-3200 Blocks North Hickory Street between West US Highway 82 and Oxford Drive. The owner is requesting a Zone Change from a R-6 (Single-Family Residential) District to an R-5 (Single-Family Residential) District.

Origination:

Jerome Hill, AJH Enterprises, Ltd (Owners)
Bryan Weisgerber (Representative)
Underwood Drafting & Surveying, Inc.(Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission voted 7/0 to recommend to the City Council that the Zone Change be approved subject to the Staff Review Letter. There were two letters of opposition received for this item. **The proposed use is compatible with the City of Sherman Comprehensive Plan.**

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6577
Exhibit A - Rezoning Exhibit/Legal Desc.
Location Map
Zoning Map
Zoning Sign Photo
Future Land Use Map
Narrative
Zoning Exhibit
Opposition Letter
Opposition Letter
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6577

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 48.292 ACRES IN THE J.B.MCANAIR SURVEY, ABSTRACT NO. 763, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 2900-3200 BLOCKS NORTH HICKORY STREET, HERETOFORE ZONED R-6 (SINGLE-FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-5 (SINGLE-FAMILY RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, (JEROME HILL, AJH ENTERPRISES, LTD, OWNERS; BRYAN WEISGERBER, REPRESENTATIVE; AND UNDERWOOD DRAFTING & SURVEYING, INC., SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; 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 proposed rezoning case; and

WHEREAS, the City Council finds that rezoning the property as described in this Ordinance is in accordance with the Comprehensive Plan and 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 rezone the property as described in this Ordinance.

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

SECTION 1. That, from and after the effective date of this Ordinance, the property described in **Exhibit A - Survey and Legal Description**, attached hereto, located in the 2900-3200 Blocks North Hickory Street, and all streets, roads and alleyways contiguous and/or adjacent thereto, shall be rezoned and placed in the R-5 (single-Family Residential) District, and that Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, is hereby amended so as to hereafter include such property.

SECTION 2. That this Ordinance shall be entered upon the Official Zoning Map as provided in Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, Section 14.01.002.

SECTION 3. That no person shall acquire any vested interest in this Ordinance or in any other specific regulations contained herein. Any portion of this Ordinance may be repealed or amended by the City Council in the manner provided for by law.

SECTION 4. That it shall be unlawful for any person to make use of the Property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the General Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 5. That the Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 6. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 7. 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.

SECTION 8. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS.

INTRODUCED on this the 20th day of March 2023.

ADOPTED on this the 20th day of March 2023.

EFFECTIVE DATE on this the 20th day of March 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

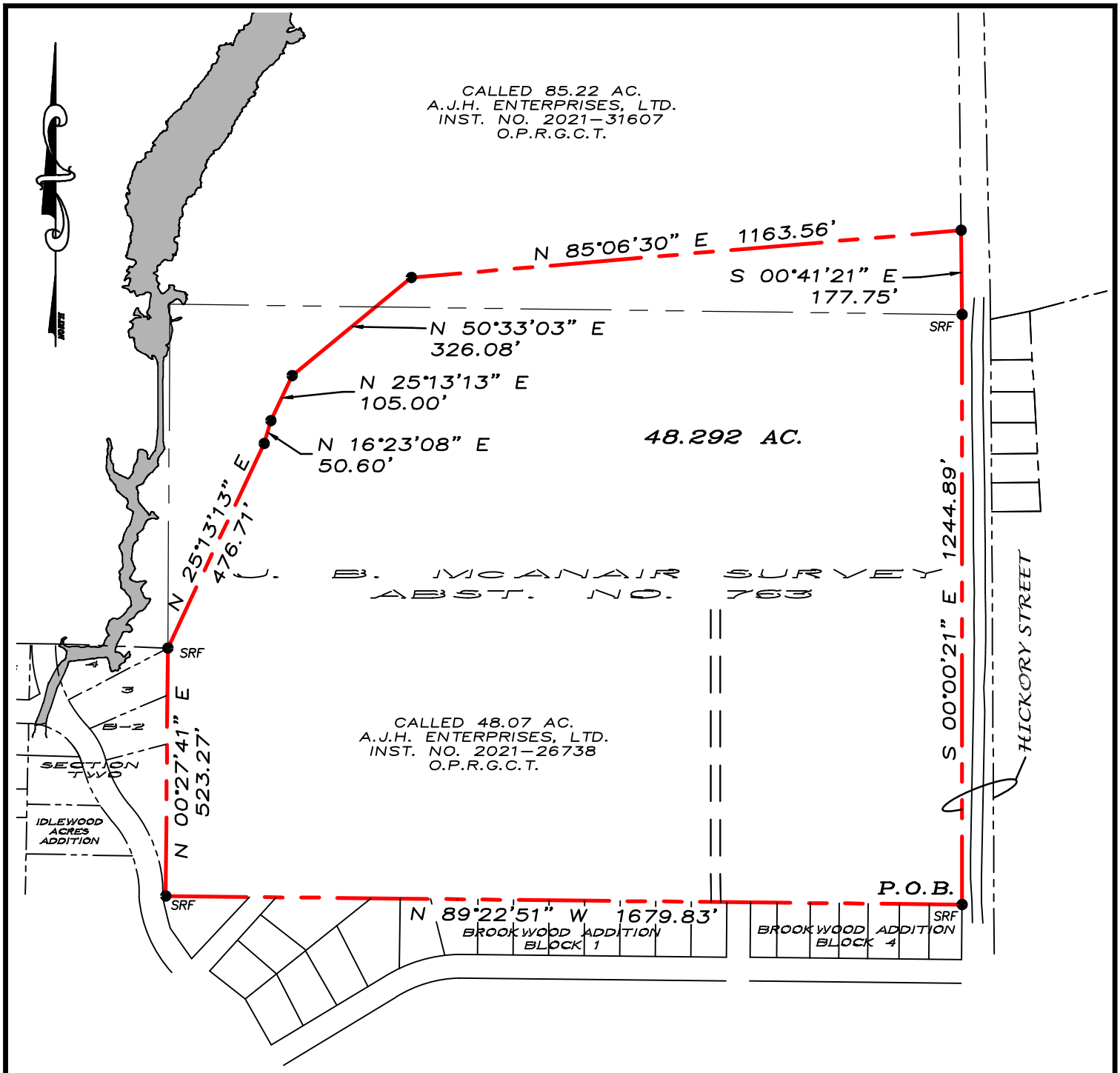
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT A



PAGE 1 OF 2

JOB NO. 22050582 RZ

STATE OF TEXAS
REGISTERED
DOUGLAS W. UNDERWOOD
4709
PROFESSIONAL
LAND SURVEYOR

DOUGLAS W. UNDERWOOD,
R.P.L.S. NO. 4709
FIRM NO. 10006300

J.B. MCANAIR SURVEY
ABSTRACT NO. 763

CITY OF SHERMAN
GRAYSON COUNTY, TX

UNDERWOOD
DRAFTING & SURVEYING, INC.
3404 INTERURBAN ROAD
DENISON, TEXAS 75023
(903) 465-2351 FAX: (903) 465-2352

DATE:	01/24/23
DRAWN BY:	BH
APPROVED BY:	DWU
SCALE:	1" = 300'

REZONING
AJH ENTERPRISES, LTD
PART OF 48.07 AC. & 85.22 AC.

LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, being a part of J.B. McAnair Survey, Abstract No. 763, and being a part of a called 85.22 acre tract of land described in the deed to A.J.H. Enterprises, LTD., recorded in Instrument No. 2021–31607, Official Public Records, Grayson County, Texas, and part of a called 48.07 acre tract of land described in the deed to A.J.H. Enterprises, LTD., recorded in Instrument No. 2021–26738, said Official Public Records, and being described by metes and bounds as follows:

Beginning at a 1/2" steel rod previously set for the southeast corner of said 48.07 acre tract, and on the westerly right–of–way line of Hickory Street;

Thence North 89°22'51" West, with the southerly line of said 48.07 acre tract, a distance of 1679.83 feet to a 1/2" steel rod previously set for the southwest corner of said 48.07 acre tract;

Thence North 00°27'41" East, with the westerly line of said 48.07 acre tract, a distance of 523.27 feet to a 1/2" steel rod previously set for the southern–most southeast corner of aforesaid 85.22 acre tract;

Thence North 25°13'13" East, crossing said 48.07 acre tract, a distance of 476.71 feet to a point;

Thence North 16°23'08" East, continuing across said 48.07 acre tract, a distance of 50.60 feet to a point;

Thence North 25°13'13" East, continuing across said 48.07 acre tract, a distance of 105.00 feet to a point;

Thence North 50°33'03" East, continuing across said 48.07 acre tract, and crossing aforesaid 85.22 acre tract, a distance of 326.08 feet to a point;

Thence North 85°06'30" East, continuing across said 85.22 acre tract, a distance of 1163.56 feet to a point, and on an easterly line of said 85.22 acre tract, and on the westerly right–of–way line of aforesaid Hickory Street;

Thence South 00°41'21" East, with an easterly line of said 85.22 acre tract, and with the westerly right–of–way line of said Hickory Street, a distance of 177.75 feet to a 1/2" steel rod previously set for the eastern–most southeast corner of said 85.22 acre tract, common to the northeast corner of aforesaid 48.07 acre tract;

Thence South 00°00'21" East, with the easterly line of said 48.07 acre tract, and with the westerly right–of–way line of said Hickory Street, a distance of 1244.89 feet to the Point of Beginning and containing 48.292 acres of land, more or less.

JOB NO. 22050582 RZ

STATE OF TEXAS
REGISTERED
DOUGLAS W. UNDERWOOD
4709
PROFESSIONAL
LAND SURVEYOR

DOUGLAS W. UNDERWOOD,
R.P.L.S. NO. 4709
FIRM NO. 10006300

J.B. MCANAIR SURVEY
ABSTRACT NO. 763

CITY OF SHERMAN
GRAYSON COUNTY, TX

UNDERWOOD
DRAFTING & SURVEYING, INC.
3404 INTERURBAN ROAD
DENISON, TEXAS 75023
(903) 465–2351 FAX: (903) 465–2352

DATE:	01/24/23
DRAWN BY:	BH
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AJH ENTERPRISES, LTD
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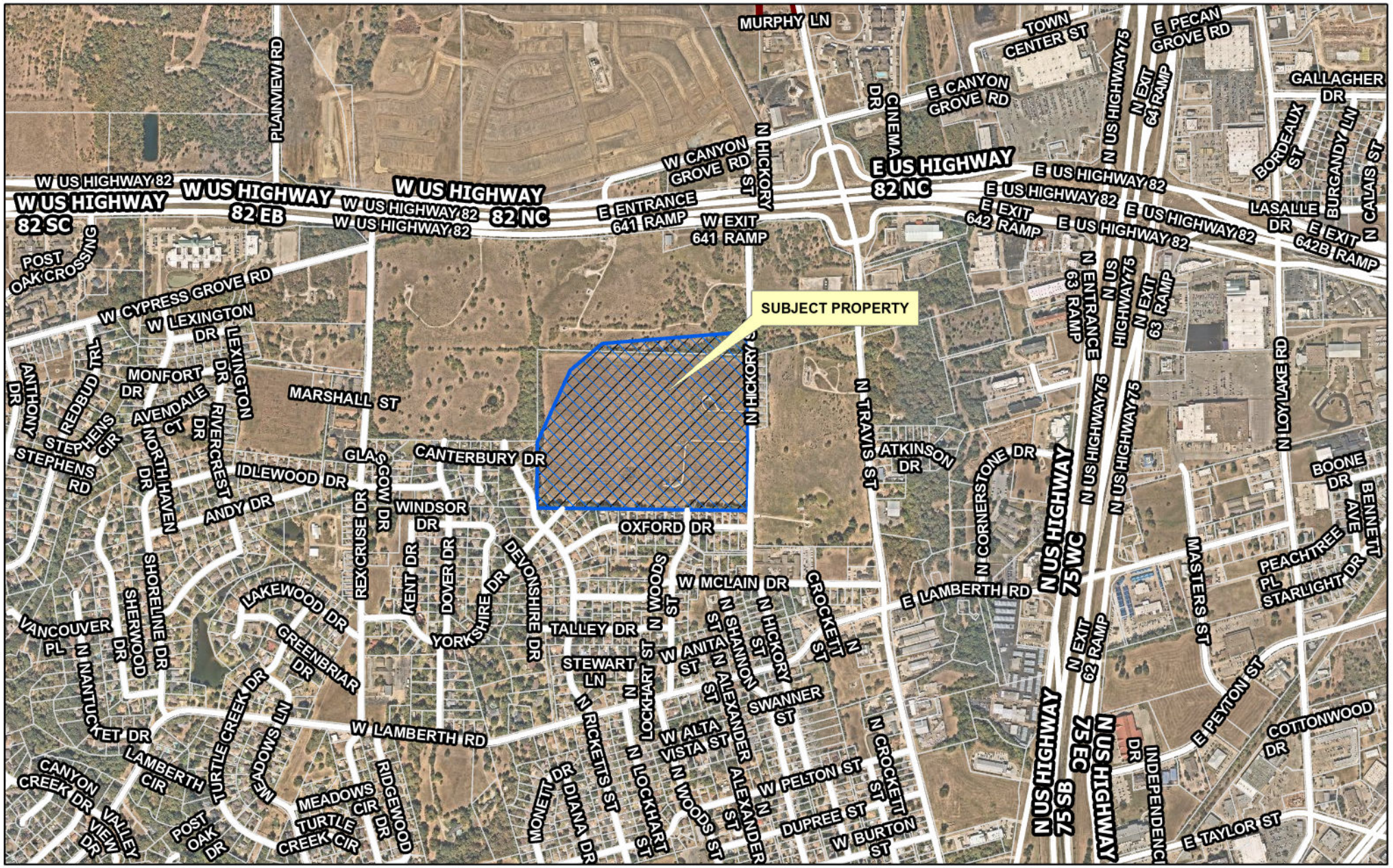

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Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
LOCATION MAP
2900-3200 BLKS N HICKORY ST

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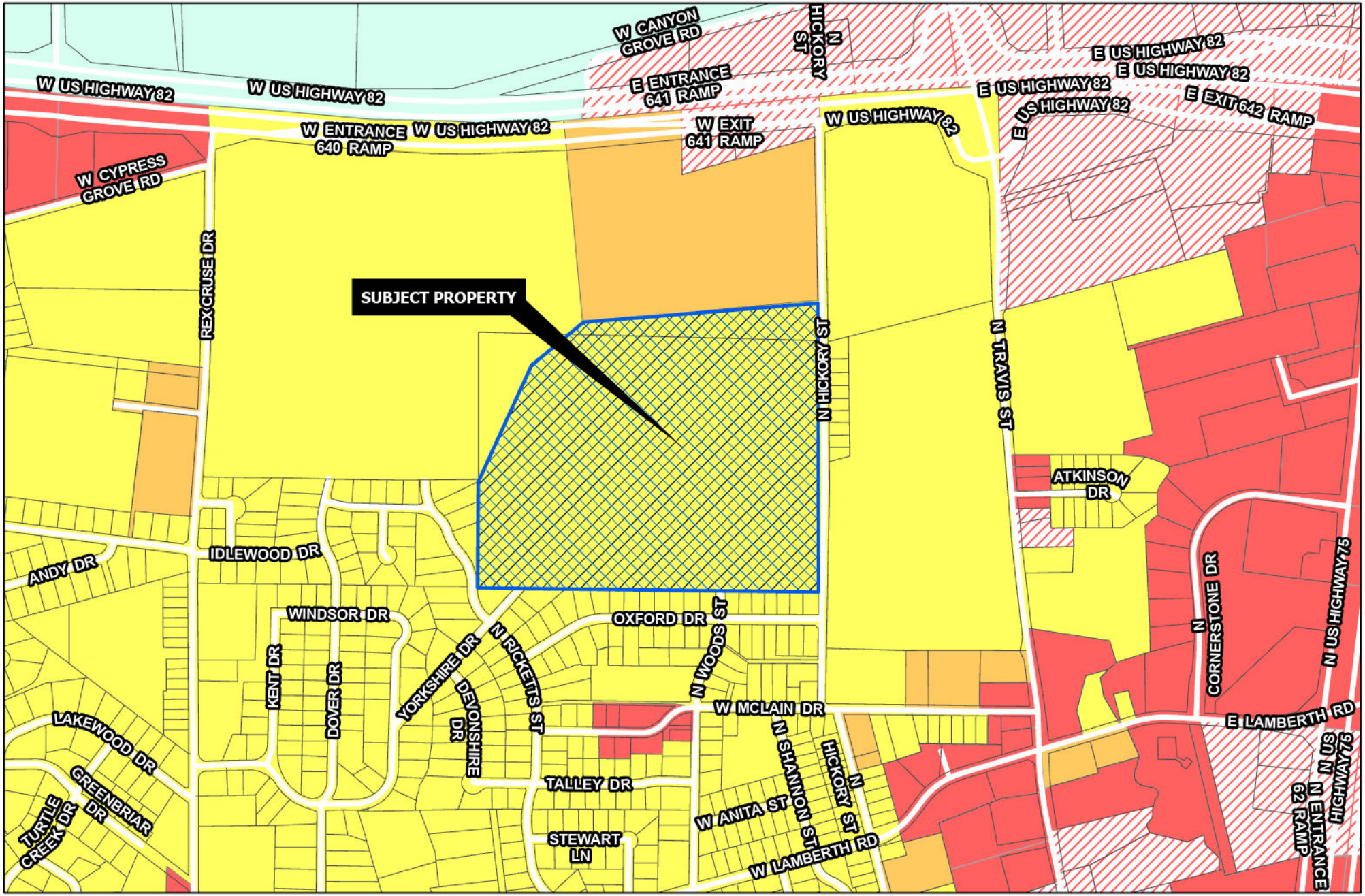

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- R-A Residential Agricultural
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- M-1.5 Medium Manufacturing
- M-2 Heavy Manufacturing
- PD Planned Development
- Subject Locations
- Road Names All

CITY OF SHERMAN

2900-3200 BLKS. N. HICKORY ST.

N W E S

Date: 2/2/2023 4:26 PM

07-Feb-2023 12:50
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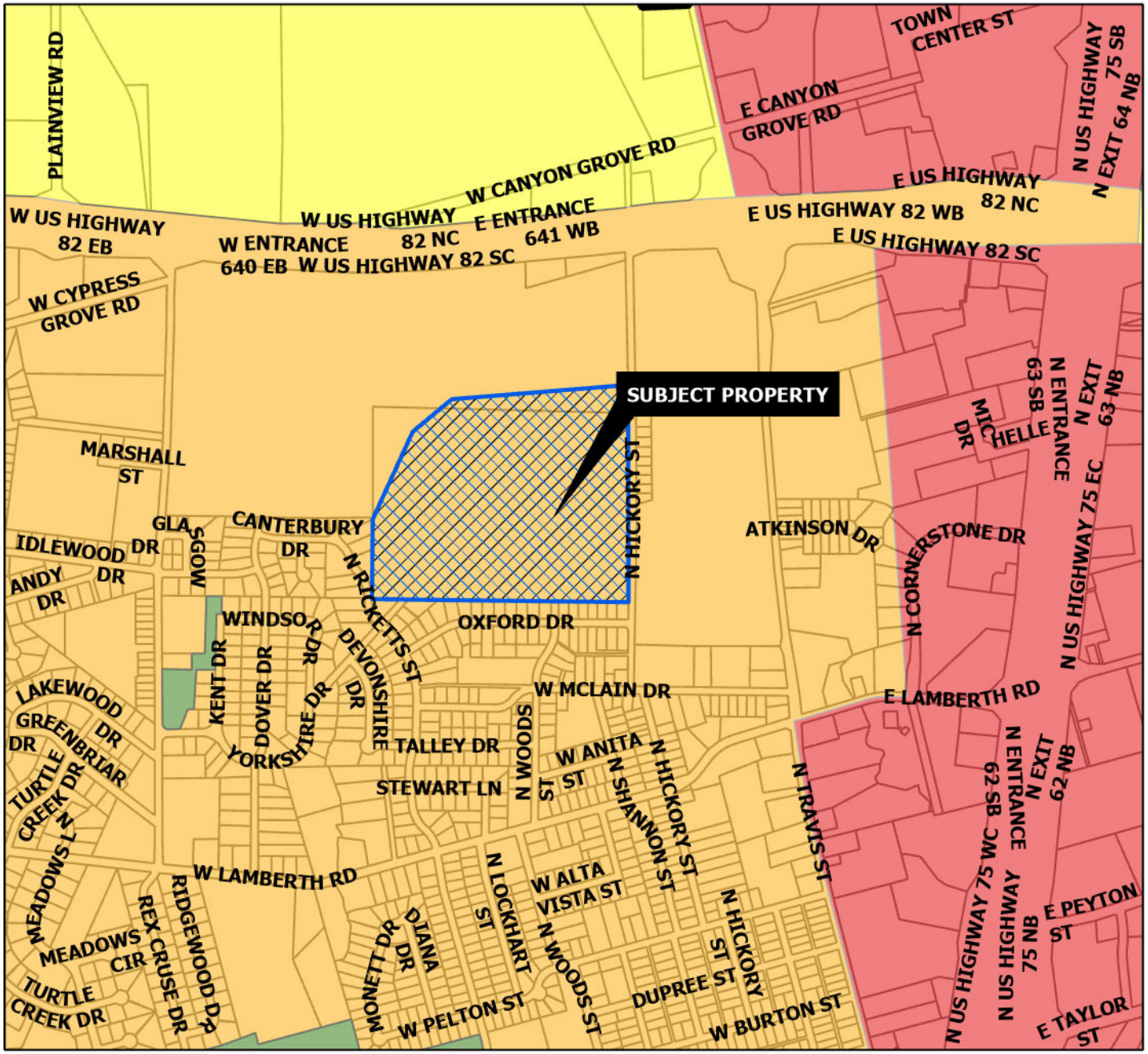
181° S
2826–3268 N Hickory St
M



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Appropriate Land Use Types

- Single-family detached
- Single-family attached
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- Parks and open space
- Schools and civic uses

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- Single-Family Residential (R-5, R-4, R-2F, and R-TH)
- Multi-Family Residential (MF-15 and MF-30)
- Manufactured Housing
- Retail Business
- Neighborhood Commercial

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CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- Agriculture/Rural
- Airport
- City Parkland
- Community Commercial
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- Downtown
- Regional Commercial
- Suburban Neighborhood
- Technology Hub
- Subject Locations

CITY OF SHERMAN
FUTURE LAND USE MAP
2900-3200 BLKS N. HICKORY ST.

N W E S

Date: 2/3/2023 2:31 PM

CROSS ENGINEERING CONSULTANTS

1720 W. Virginia St. • McKinney, Texas 75069
972.562.4409 • Fax 972.562.4471

January 25, 2023

City of Sherman
Planning Department
220 W. Mulberry
Sherman, Texas 75091

Attn: Mr. Rob Rae, Director of Development Services

Re: The Hills of Sherman Rezoning

Dear Mr. Rae:

My client, AJH Enterprises, LTD. has purchased approximately 133 acres along the south side of US 81, between Rex Cruse Drive and Hickory Street in Sherman. The owner's intent is to develop approximately 48 acres of the property as R-5 (single family zoning) district. The current property is zoned as R-6 and will require a rezone to R-5. The subject property had a preliminary plat (The Hills of Sherman) submitted last May. It is our goal to change direction from a patio home (PH) specific use permit and comply with the city's recently updated zoning district R-5. We would appreciate your assistance and support in this rezoning process. Project details are listed below:

- 48 acres
- Existing zoning is R-6
- Rezone to R-5

Thank you in advance for your consideration of this rezoning request. Please contact me if you have any questions or concerns.

Sincerely,

CROSS ENGINEERING CONSULTANTS, INC.

Bryan Weisgerber, P.E.
Project Manager

U.S. HIGHWAY NO. 82

CYPRESS GROVE RD.

REX CRUZE DRIVE

MARSHALL ST.

CANTERBURY DR.

HICKORY STREET

N. WOODS ST.

N. RICKETTS ST.

STREET A

STREET B

STREET C

STREET D

STREET E

STREET F

STREET G

STREET H

STREET I

STREET J

STREET K

DOVER DR.

YORKSHIRE DR.

EX. ZONING=R6

EX. ZONING=C-2

EX. ZONING=MF-30

EX. ZONING=R6
PROP. ZONING=R5

WELL SITE

PROPOSED DETENTION

DETENTION I

20' UTILITY ESMT.

(HIGH VOLTAGE ELEC. TRANSMISSION) 200' WIDE ESMT. FROM UNITED STATES OF AMERICA VOL. 450, PG. 549 D.R.G.C.T.

LONE STAR GAS COMPANY VOL. 806 PG. 132 D.R.G.C.T.

BLOCK A

BLOCK B

BLOCK C

BLOCK D

BLOCK E

BLOCK F

BLOCK H

BLOCK I

BLOCK J

BLOCK K

BLOCK L

0 120 240

GRAPHIC SCALE
1"=120'

LEGEND

AREA TO BE REZONED

SITE DATA

EXISTING ZONING: R6

PROPOSED ZONING: R5

Issue Dates:	Revision & Date:
1 01/25/23	1
2	2
3	3
4	4
5	5
6	6

CROSS ENGINEERING CONSULTANTS

1720 W. Virginia Street
McKinney, Texas 75069
972.562.4409
Texas P.E. Firm No. F-5935

Drawn By:	Checked By:	Scale:
C.E.C.I.	C.E.C.I.	1"=120'

THIS DOCUMENT IS RELEASED FOR THE PURPOSE OF INTERIM REVIEW UNDER THE AUTHORITY OF BRYAN J. WEISGERBER, P.E. NO. 126777 ON 01/25/23. IT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING, OR PERMIT PURPOSES.

ZONING EXHIBIT

THE HILLS OF SHERMAN

Azim Hill LLC

CITY OF SHERMAN, TEXAS

Sheet No.
ZE

Project No.
22032

THE HILLS OF SHERMAN

Turner, Kerri

From:	Sunday, February 12, 2023 4:11 PM
Sent:	Planning
To:	
Cc:	Donor Jo Etta Penn
Subject:	Letter to Sherman PZ
Attachments:	Letter to Sherman PZ.docx

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Donor D. Penn
2810 Yorkshire Dr.
Sherman, Texas 75092

February 12, 2023

Re: Submission for Public Hearing regarding request to change zoning from R-6 to R-5; Jerome Hill, AJH Enterprises, Bryan Weisgerber and Underwood Drafting & Surveying regarding 2900-3200 Blocks North Hickory Street, 48.292 acres

Planning & Zoning Via email planning@cityofsherman.com
P.O. Box 1106
Sherman, Texas 75091

Members of the Planning and Zoning Commission
Members of the Board of Adjustment

I write in opposition to re-zoning and construction that does not provide adequate protection from stormwater flooding. We have lived at 2810 Yorkshire Drive for more than 50 years. The city made mistakes in allowing recent development around our neighborhood without adequate stormwater planning that has caused flooding events to become much more frequent in the past few years.

The water flow from the acreage under consideration (as well as tracts that might follow) will reduce water absorption and thereby create additional runoff. The runoff will flow to the culvert under Yorkshire Drive between Devonshire Drive and Windsor Drive.

That culvert has limited capacity. Recent property development north and northeast of the intersection of North Ricketts Street and Yorkshire Drive has caused water to backup and overflow onto properties' back yards on Yorkshire Drive and Windsor Drive. It has also caused flooding into the garage of the house at 2810 Devonshire Drive.

Stormwater from the subject property needs to be either redirected to the stream bed that runs east of North Travis and flows south into larger culverts. The stormwater might also be captured and stored on the subject property with either a retention basis or a detention basin to moderate the flow rate downstream as it is redirected to the stream bed on the east side of North Travis.

The zoning change request will increase the development density and create higher water runoff rates and volumes if allowed as requested. The request must be denied as submitted and only considered once adequate stormwater runoff planning has occurred.

This letter is in response to your February 2 letter to me and reflects the comments I would make at the February 21 meeting if I were able to attend that meeting.

Thank you for your consideration.

/s/ Donor D. Penn

received
2-14-23 1:09pm KT

Karen Slater

2810 Devonshire Dr

Sherman, TX 75020

February 14, 2023

Re: submission for Public Hearing regarding request to change zoning from R-6 to R-5; Jerome Hill, AJH Enterprises, Bryan Weisgerber and Underwood Drafting & Surveying regarding 2900-3200 Blocks of North Hickory St, 48.292 acres

Planning& Zoning

PO Box 1106

Sherman, TX 75091

planning@cityofsherman.com

To Whom It May Concern:

Please consider this letter my formal opposition to the above request to change zoning. I live in the direct path of the storm water flow of the above mentioned property. I have attached a video of the current flow of a gentle rain occurring this very morning. The video is from my back yard's view of the current storm drain. As you can see, even a gentle rain causes quite a flow behind my home.

I have very serious flooding concerns associated with the proposed housing development. There does not seem to be adequate planning for the additional storm water problems that will be caused by this development.

The current drainage culvert behind my home is already inadequate. My driveway and garage flood on a regular basis. This proposal is unacceptable unless it includes major storm water planning. Please consider our beautiful, long-established neighborhood as you plan for growth in our area.

I appreciate your consideration.

/s/ Karen Slater

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services

STAFF REVIEW LETTER

February 14, 2023

AJH Enterprises, Ltd
Jerome Hill
151 Player Circle, Second Floor
Southlake, TX 76092

Bryan Weisgerber
1720 Virginia Street
McKinney, TX 75069

Underwood Drafting & Surveying, Inc.
3404 Interurban Road
Denison, TX 75023

Dear Applicants,

The request of a Public Hearing and Zone Change from R-6 (Single-Family Residential) District to an R-5 (Single-Family Residential) District located in the 2900-3200 Blocks North Hickory Street has been scheduled to be heard by the Planning and Zoning Commission on Tuesday, February 21, 2023, at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

City staff has reviewed your request and the following items need to be noted/addressed:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's Zoning Ordinance/Code of Ordinance Chapter 14.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267). *(Code of Ordinances Chapter 3.02(c))*
3. Impact fees will be required at the time of building permit application. *(Chapter 13, Article. 13.11)*
4. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.
5. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

Engineering

6. Platting of the property is required. Code of Ordinances Chapter 10, Section 10.02.021; Texas Local Government Code Title 1, Sec. 212.004
7. Civil Engineering plans shall be provided to the Engineering Department for review and approval. Plat to reflect changes upon Engineering review. Code of Ordinances Chapter 10, Exhibit A, Sec. 12, Code of Ordinances Chapter 10, Exhibit A, Sec. 15.

It is the policy of Planning and Zoning Commission and Board of Adjustment not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Development Services at 903-892-7229 prior to the meeting.

Respectfully,

Rob Rae
Acting Secretary, Planning and Zoning Board and Board of Adjustment

cc: Robby Hefton, City Manager
Clint Philpott, Asst. City Manager
Wayne Lee, P.E., Director of Engineering
Tom Pruitt, Utility Engineer
Billy Hartsfield, Fire Chief
Amber Doan, Engineering Coordinator
Christopher Armstrong, Asst. City Engineer
The Law Firm of Abernathy, Roeder, Boyd, & Hullett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 28.

Meeting Date: 02/21/2023

Prepared by: Lauren Marlow, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman	
David Downtain, Vice Chairman	Paul Manley, Commissioner
Shawn Davis, Commissioner	Glenn Whitaker, Commissioner
Leigh Ann Sims, Commissioner	Bryan Blagg, Commissioner

Requested Action/Proposed Use:

2900-3200 BLOCKS NORTH HICKORY STREET

The request of Jerome Hill, AJH Enterprises, Ltd (Owners), Bryan Weisgerber (Representative) and Underwood Drafting & Surveying, Inc.(Surveyor) concerning the property located in the 2900-3200 Blocks North Hickory Street, consisting of 48.292 acres in the J.B.McAnair Survey, Abstract No. 763, as follows:

Planning and Zoning Commission

Public Hearing and Zone Change from R-6 (Single-Family Residential) District to an R-5 (Single-Family Residential) District.

Background:

The property is located at 2900-3200 Blocks North Hickory Street between West US Highway 82 and Oxford Drive. The owner is requesting a Zone Change from a R-6 (Single-Family Residential) District to an R-5 (Single-Family Residential) District.

Adjacent Zoning:

MF-30 (Multi-Family Residential) District
R-6 (Single-Family Residential) District

Origination:

Jerome Hill, AJH Enterprises, Ltd (Owners)
Bryan Weisgerber (Representative)
Underwood Drafting & Surveying, Inc.(Surveyor)

Master Plan Designation:

Core Neighborhood category is intended to protect and enhance the existing residential areas of Sherman. This area is generally located in the center of the city, east and west of US-75. A majority of the Core Neighborhood category encompasses what is known as east Sherman. This category encourages infill development that maintains the existing character, while increasing the aesthetic appeal of the community. In certain areas, an increase in density can be appropriate through the development of single-family attached products, like townhomes or quad-plexes.

Number of notices mailed:

60

Objections Received:

2

Development Review Meeting:

Yes

Attachments

Location Map
Zoning Map
Zoning Sign Photo
FLUM
Survey
Narrative
Zoning Exhibit
Opposition Letter
Opposition Letter
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 7.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6578

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, and Granting a Specific Use Permit to Allow a Commercial Amusement Center, Indoor or Outdoor, in a C-2 (Retail Business) District Located at 4801 North FM 1417 (Heritage Parkway) consisting of 5.742 acres in the Alfred Hume Survey, Abstract No. 522, City of Sherman, Grayson County, Texas (Brian Previaty, Owner and Underwood Drafting & Surveying, Inc., Surveyor); Prescribing Conditions to the Specific Use Permit; Providing A Penalty Not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

Issue:

To consider a Specific Use Permit for a Commercial Amusement Center, Indoor or Outdoor, in a C-2 (Retail Business) District Located at 4801 North FM 1417 (Heritage Parkway) consisting of 5.742 acres in the Alfred Hume Survey, Abstract No. 522, City of Sherman, Grayson County, Texas (Brian Previaty, Owner and Underwood Drafting & Surveying, Inc., Surveyor)

Background:

The property is located at 4801 North FM 1417 (Heritage Parkway) near the intersection of Plainview Road and North Heritage Parkway. The owner is requesting a Specific Use Permit and Site Plan for a Commercial Amusement Center, Indoor or Outdoor.

The following has been approved for this location:

- 09/09/1986 - Specific Use Permit to allow a construction office, shop and yard in a C-2 (Retail Business) District

Origination:

Brian Previaty (Owner)
Underwood Drafting & Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission voted 7/0 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter.**The proposed use is compatible with the City of Sherman Comprehensive Plan.**

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6578
Exhibit A - Survey/Legal Desc.
Exhibit B - Site Plan
Location Map
Zoning Map
Zoning Sign Photo
Future Land Use Map
Narrative
Elevations/Photo
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6578

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14 AND GRANTING A SPECIFIC USE PERMIT TO ALLOW A COMMERCIAL AMUSEMENT CENTER, INDOOR OR OUTDOOR, IN A C-2 (RETAIL BUSINESS) DISTRICT LOCATED AT 4801 NORTH FM 1417 (HERITAGE PARKWAY) CONSISTING OF 5.742 ACRES IN THE ALFRED HUME SURVEY, ABSTRACT NO. 522, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS (BRIAN PREVIATY, OWNER AND UNDERWOOD DRAFTING & SURVEYING, INC., SURVEYOR); PRESCRIBING CONDITIONS TO THE SPECIFIC USE PERMIT; PROVIDING A PENALTY NOT TO EXCEED $2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; 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 effective date of this Ordinance, the property located at 4801 North FM 1417 (Heritage Parkway) consisting of 5.742 acres in the Alfred Hume Survey, Abstract No. 522, City of Sherman, Grayson County, Texas is/are granted a Specific Use Permit to allow a Commercial Amusement Center, Indoor or Outdoor, subject to the conditions described in this Ordinance and that Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14 is hereby amended so as to hereafter include property highlighted in green on **Exhibit A – Survey/Legal Description**.

SECTION 2. That this Specific Use Permit is granted on the following conditions:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's Zoning Ordinance/Code of Ordinance Chapter 14.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267). *(Code of Ordinances Chapter 3.02(c))*
3. The property must be properly maintained in a state of good repair and neat appearance.
4. The granting of a Specific Use Permit has no effect on the uses permitted as of right and does not waive the regulations of the underlying zoning district.
5. A Specific Use Permit is an amendment to the district regulations of the Zoning Ordinance that permits the establishment of a specific use within a zoning district in which such specific use may be established unless such use of land or structure is discontinued or abandoned for a period of thirty (30) consecutive days in which event such Specific Use Permit shall be void and such use may not thereafter be resumed unless a new Specific Use Permit is granted in accordance with this section. (*Chapter 14, Sec. 14.06.009 (1)(a)(3))*
6. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.
7. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

Additional Conditions:

8. The property shall be developed and used in accordance with all City Ordinances and the Site Plan shown in **Exhibit B.**
9. This Specific Use Permit shall only allow a Commercial Amusement Center, Indoors or Outdoors that involves court and racquet sports as identified by the applicant. Other commercial amusement center activities not specified in the application are not permitted.

SECTION 3. That this Ordinance shall be entered upon the official zoning map as provided in Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, Section 14.01.002.

SECTION 4. That after holding a properly noticed public hearing, the City Council may amend, change, or rescind the Specific Use Permit if any of the conditions set forth in Zoning Ordinance/Code of Ordinances Chapter 14, Section 14.06.009(1)(g), apply or exist.

SECTION 5. That the Specific Use Permit shall be effective from and after the effective date of this Ordinance. Upon termination of the Specific Use Permit, the property shall cease to be used as provided herein unless another Specific Use Permit or appropriate zoning has been obtained.

SECTION 6. That it shall be unlawful for any person to make use of the property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof,

shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 7. That the Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 8. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 9. 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.

SECTION 10. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS.

INTRODUCED on this the 20th day of March 2023.

ADOPTED on this the 20th day of March 2023.

EFFECTIVE DATE on this the 20th day of March 2023.

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT A

JOB NO. 15060395

6.762 AC
TRACT 3
WANDA K. LAWRENCE
VOL. 4602, PAGE 152
O.P.R.G.C.T.

REM. 89.065 AC
GREGORY P. McRAE
PHILLIP J. McRAE
VOL. 1647, PAGE 75
D.R.G.C.T.

ALFRED HUME SURVEY
ABSTRACT NO. 522

SET 1/2" STEEL ROD

N 88°39'32" E 627.44'

FOUND 1/2" STEEL ROD

N 01°18'27" E 120.05'

FOUND 1/2" STEEL ROD

S 58°15'20" E 75.99'

FOUND 3/8" STEEL ROD

N 03°34'18" W 296.81'

ONE-STORY METAL BUILDING 41.8' 30.0'

ASPHALT DRIVE

CONCRETE BLOCK BUILDING 10.2' 15.2'

TENNIS COURTS

METAL SHED 15.4' 8.9'

DUMP PAD

FRAME POOL PUMP HOUSE 6.8' 6.8'

BRICK RESTROOMS 10.6' 10.6'

CONCRETE

COVERED CONCRETE

POOL

CONCRETE

5.742 ACRES

CONCRETE SIDEWALKS

ASPHALT DRIVE

4.240 AC
BUSS INVESTMENTS, LLC
VOL. 4324, PAGE 836
O.P.R.G.C.T.

TWO STORY METAL COMMERCIAL BUILDING 128.0'

TENNIS COURTS

COVERED CONCRETE

LP

TENNIS COURTS

LP

375.31'

S 00°54'55" W

1.73 AC
GREGORY P. McRAE
PHILLIP J. McRAE
VOL. 2146, PAGE 145
R.P.R.G.C.T.

ASPHALT DRIVE
<— TO F.M. 1417

S 88°39'32" W 670.33'

P.O.B.
FOUND 1/2" STEEL ROD

SET 1/2" STEEL ROD

29.392 AC
TED HOLDINGS, LTD.
VOL. 3315, PAGE 380
O.P.R.G.C.T.

SCALE
1" = 40'

~ BASIS OF BEARINGS ~
GRID NORTH, NAD 83
TEXAS STATE PLANE COORDINATE SYSTEM
NORTH CENTRAL ZONE

This survey contains information that is proprietary to Underwood Drafting & Surveying, Inc. Its use or disclosure in whole or part without the express written permission of Underwood Drafting & Surveying, Inc. is prohibited.

This survey is also unpublished work protected under the copyright laws of the United States of America. If this work becomes published, the following notice shall apply:

Copyright ©2015
Underwood Drafting & Surveying, Inc.
All rights reserved.

SEE ATTACHED LEGAL DESCRIPTION

I, Douglas W. Underwood, Registered Professional Land Surveyor, hereby certify that a survey was made on the ground on the property legally described herein, and that the plat herewith is a true, correct and accurate representation of the property legally described hereinabove.

STATE OF TEXAS REGISTERED DOUGLAS W. UNDERWOOD 4709 PROFESSIONAL LAND SURVEYOR

Douglas W. Underwood
Registered Professional
Land Surveyor No. 4709
DATE OF SURVEY: 7/13/15

UNDERWOOD
DRAFTING & SURVEYING
3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

UNDERWOOD

DRAFTING & SURVEYING, INC.

LEGAL DESCRIPTION
JOB NO. 15060395

Situated *in the County of Grayson, State of Texas, being a part of the Alfred Hume Survey, Abstract No. 522, and being the called 5.763 acre tract of land conveyed from J.T Hall Inc. to George Bentley Dye and Leigh A. Dye by deed of record in Volume 5527, Page 550, Official Public Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows:*

Beginning *at a 1/2" steel rod found in the north line of a 29.392 acre tract of land conveyed to Ted Holdings, Ltd. by deed of record in Volume 3315, Page 380 of said Official Public Records, said rod maintaining the southwest corner of a 1.73 acre tract of land conveyed to Gregory P. McRae by deed of record in Volume 2146, page 145, Real Property Records, Grayson County, Texas, and the southeast corner of said 5.763 acre tract;*

Thence *South 88°39'32" West, along the north line of said 29.392 acre tract, a distance of 670.33 feet to a 1/2" steel rod set for the southeast corner of a 4.240 acre tract of land conveyed to Buss Investments, LLC by deed of record in Volume 4324, Page 836 of said Official Public Records and being the southwest corner of said 5.763 acre tract;*

Thence *North 03°34'18" West, along the East line of said 4.240 acre tract, a distance of 296.81 feet to a 1/2" steel rod found in the south line of a 6.762 acre tract of land conveyed to Wanda K Lawrence by deed of record in Volume 4602, Page 152 of said Official Public Records, said rod maintaining the northeast corner of said 4.240 acre tract and the westerly most northwest corner of said 5.763 acre tract;*

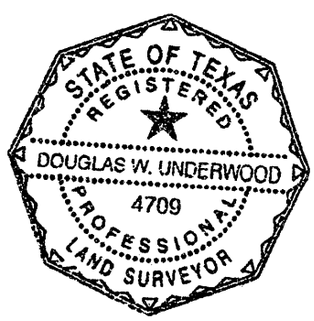
Thence *South 58°15'20" East, along the south line of said 6.762 acre tract, a distance of 75.99 feet to a 3/8" steel rod found maintaining the southeast corner of said 6.762 acre tract said rod being an inside ell corner of said 5.763 acre tract;*

Thence *North 01°18'27" East, along the east line of said 6.762 acre tract, a distance of 120.05 feet to a 1/2" steel rod set for the westerly most northwest corner of said 5.763 acre tract;*

Thence *North 88°39'32" East, along the north line of said 5.763 acre, a distance of 627.44 feet to a 1/2" steel rod found maintaining the northeast corner of said 5.763 acre tract;*

Thence *South 00°54'55" West, along the east line of said 5.763 acre tract passing the northwest corner of said 1.73 acre tract and continuing for a total distance of 375.31 feet to the* ***Point-of-Beginning*** *and containing* ***5.742 acres*** *of land.*

I, Douglas W. Underwood, Registered Professional Land Surveyor, hereby certify that a survey was made on the ground on the property legally described herein, and that the plat herewith is a true, correct and accurate representation of the property legally described hereinabove.



Douglas W. Underwood
Registered Professional
Land Surveyor No. 4709
Date of Survey: 7/13/15

3404 INTERURBAN ROAD • DENISON, TEXAS 75021 • 903-465-2151 • FAX 903-465-2152

EXHIBIT B

SCALE
1" = 30'

105 REGULAR SPACES
2 HANDICAP SPACES
TOTAL OF 107 PARKING SPACES

N 88°39'32" E
627.44'
375.31'
S 00°54'55" W
670.33'
P.O.B.
S 88°39'32" W
296.81'
N 03°34'18" W
S 58°15'20" E
15.99'
N 01°18'27" E
120.05'

PROPOSED PAVEMENT
CONCRETE BLOCK BUILDING
16.0 x 15.2'
TENNIS COURTS
ONE-STORY METAL BUILDING
41.9'
30.0'
EXISTING ASPHALT DRIVE
METAL SHED
15.4 x 9.9
MARKED GAS LINE
DUMP PAD
FRAME POOL PUMP HOUSE
4.1' x 3.9'
BRICK RESTROOMS
10.0 x 10.8'
COVERED CONCRETE
CONCRETE
POOL
CONCRETE
5.742 ACRES
ALFRED HUME SURVEY ABSTRACT NO. 522
CONCRETE SIDEWALKS
105 SPACES
2 HANDI SPACES
TWO STORY METAL COMMERCIAL BUILDING
130.3'
128.0'
TENNIS COURTS
COVERED CONCRETE
TENNIS COURTS
30' ACCESS EASEMENT
VOL. 1868, PG. 634
R.P.R.G.C.T.
30' WATERLINE EASEMENT
VOL. 2635, PG. 64.
O.P.R.G.C.T.
EXISTING ASPHALT DRIVE
10' TP&L ELECTRIC EASEMENT
VOL 1899, PG. 561
R.P.R.G.C.T.
NEW DUMPSTER LOCATION

SITE PLAN
5.742 ACRES IN THE
ALFRED HUME SURVEY
ABSTRACT NO 522
GRAYSON COUNTY, TEXAS

UNDERWOOD
DRAFTING & SURVEYING
3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

dlagrone H:\PLANNING\Public Notification KT.aprx

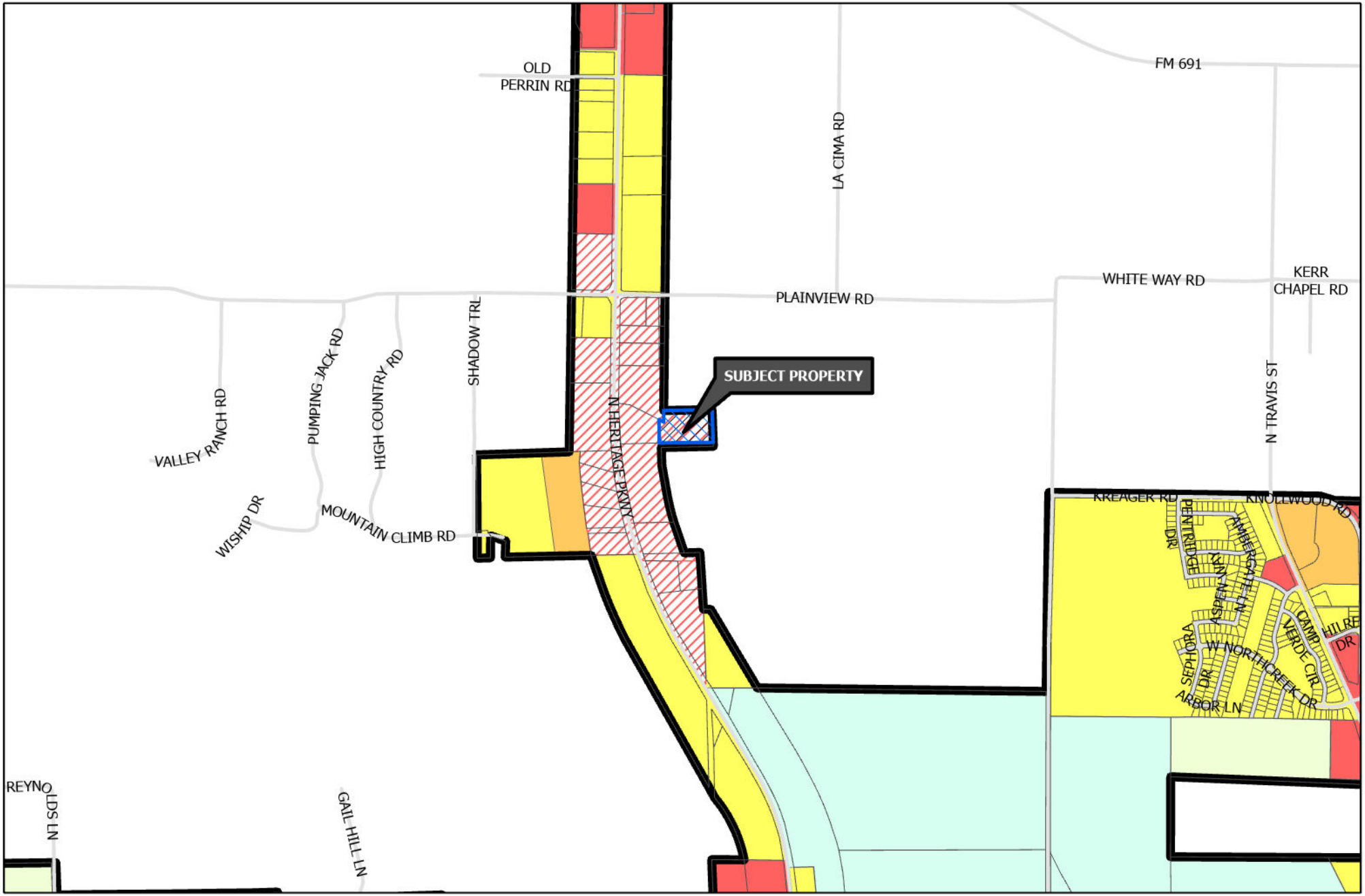
Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
LOCATION MAP
4801 N. FM 1417 (HERITAGE PKWY)

N
W E
S

Date: 2/9/2023 12:34 PM



Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- R-A Residential Agricultural
- R-E Estate Residential
- R-12 Single Family Residential
- R-6 Single Family Residential
- R-5 Single Family Residential
- R-4 Patio Home Residential
- R-2F Duplex Residential
- R-TH Townhome Residential
- MF-15 Multi-Family Residential
- MF-30 Multi-Family Residential
- MH Manufactured Housing
- C-N Neighborhood Commercial
- C-O Office
- C-1 Retail Business
- C-2 General Commercial
- M-1 Light Manufacturing
- M-1.5 Medium Manufacturing
- M-2 Heavy Manufacturing
- PD Planned Development
- Subject Locations

CITY OF SHERMAN
ZONING MAP
4801 N. FM 1417 (HERITAGE PKWY)

N
W E
S

Date: 2/9/2023 12:34 PM

OR LEASE

PROPERTY SIZE

5.76 ACRES

COMMERCIAL

TWO BUILDINGS

Sherman

CLASSIC TOWN. BROAD HORIZON.

NOTICE OF

SPECIFIC USE

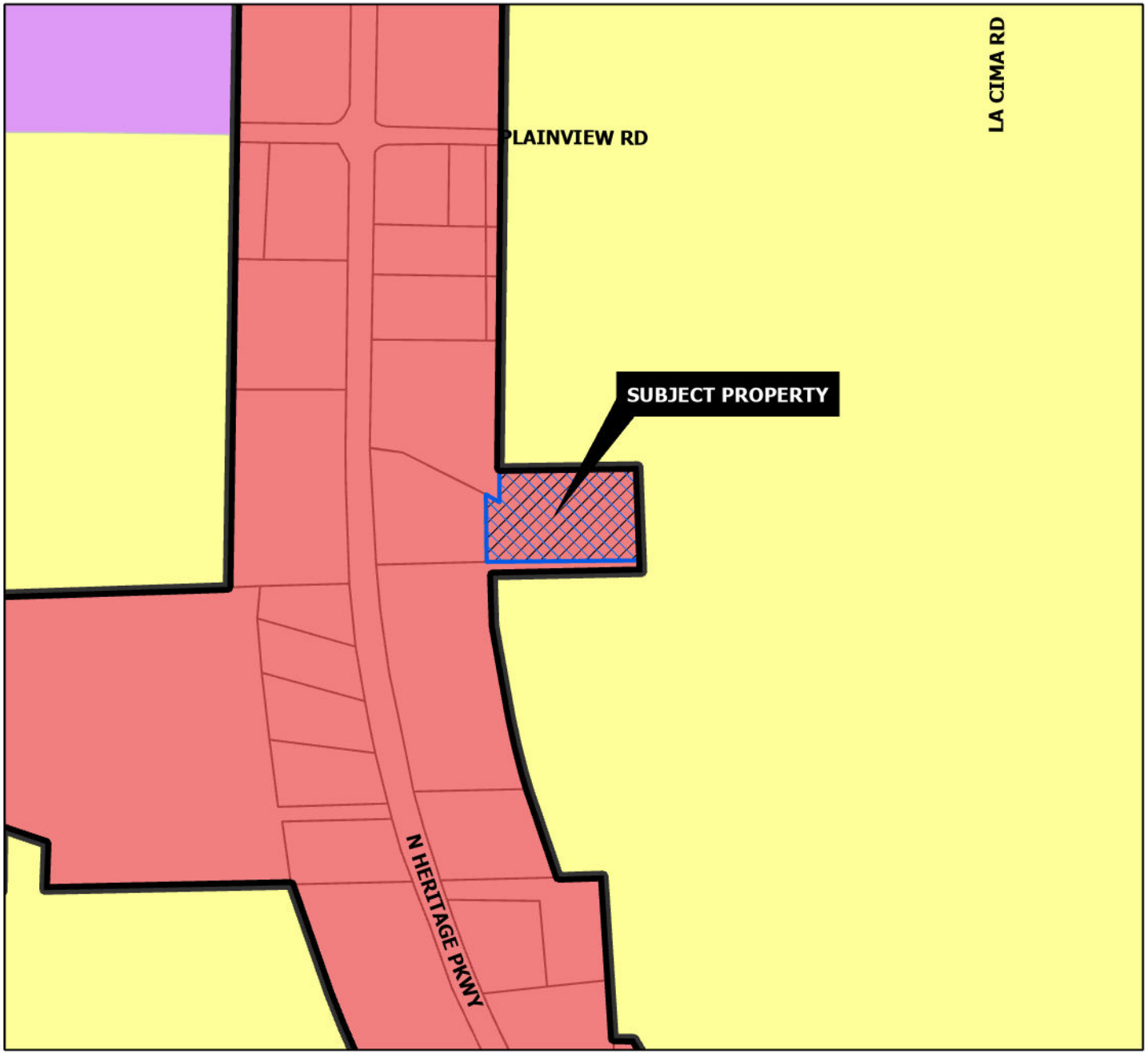
PERMIT REQUEST

PROJECT #: 23-000310

FOR INFORMATION CONTACT:
DEVELOPMENT SERVICES
903-892-7229

OFFICE / SHOWROOM / WAREHOUSE
FULFILLMENT / DISTRIBUTION CENTER

02/09/2023



REGIONAL COMMERCIAL

Intent & Character

The Regional Commercial category is intended to promote large-scale commercial development along US-75, while promoting community character through design. US-75 serves as the major gateway to and through the community; therefore, aesthetics and design should be promoted in this corridor. This category should allow large-scale commercial uses that serve the region and the community alike. A mix of uses and inter-connectivity between parcels should be encouraged.

Appropriate Land Use Types

- Retail and Restaurants
- Multi-Family Living
- Office Complex
- Medical
- Mixed Use
- Indoor Entertainment

Compatible Zoning Districts

- Retail Business
- General Commercial
- Office
- Multi-Family Residential (MF-15 and MF-30)
- Planned Development (for larger tracts)

Considerations

- Site design considerations should be given to parking, landscaping, and building articulation.
- Where possible, parking should be screened from view or well-landscaped with native, drought-tolerant plants.
- All buildings facades fronting a public street or within significant public view should have aesthetically-pleasing horizontal and vertical articulation.
- Signage should be multi-tenant, where possible, and should match the character of the primary structure.
- High density residential should be included in mixed use developments.
- High density residential is appropriate behind commercial areas, with inter-connectivity.
- If high density is stand alone, the surrounding uses and connectivity should be considered to avoid an "island."

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- Agriculture/Rural
- Airport
- City Parkland
- Community Commercial
- Core Neighborhood
- Downtown
- Regional Commercial
- Suburban Neighborhood
- Technology Hub
- Subject Locations

CITY OF SHERMAN
FUTURE LAND USE MAP
4801 N. FM 1417 (HERITAGE PKWY)

N
W E
S

Date: 2/3/2023 1:58 PM

FOUR SEASONS RACQUET CLUB AT SHERMAN, LLC

4801 N. FM 1417 SHERMAN, TX 75092

PROJECT NARRATIVE

The real property, located at 4801 N. FM 1417, Sherman, Texas, is approximately six acres. It is relatively secluded and many hundreds of feet from any nearby buildings or other businesses. It is self-contained and has its own ample parking.

For many years, it was the Four Seasons Tennis and Health Club in Sherman. The Club included seven lighted outdoor tennis courts, two indoor tennis courts, and a swimming pool. It was a facility that the City of Sherman was proud of. Hundreds of families raised their children while playing tennis at Sherman's tennis club.

For the last several years, the facility has been used for warehousing by a cosmetics company. The cosmetics company has left the business and listed the property for sale. On December 12, 2002, Brian Previaty purchased the property.

Mr. Previaty is a tennis enthusiast. His business partner is Mr. Scott Whiteman. Coach Whiteman is a graduate of the prestigious Bollettieri Tennis Academy in Bradenton, Florida. He is a well-known tennis instructor in North Texas. He has coached numerous high-level junior players and high school athletes who received college scholarships. For many years, he has dreamed of opening his own tennis academy, like the Bollettieri Academy.

Mr. Previaty and Coach Whiteman want to return 4801N. FM 1417, Sherman, Texas, to its former glory. Outside, they will restore the seven outdoor tennis courts and the swimming pool. Inside, they will revert the warehouse to two indoor courts that can be used for either tennis or pickleball.

It will be an investment of approximately $2,000,00.00 in the community. By re-establishing the tennis club, the community will have an asset that will pay dividends for decades.

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services

STAFF REVIEW LETTER

February 14, 2023

Brian Previaty
332 Hurricane Creek
Anna, TX 75409

Underwood Drafting & Surveying, Inc.
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request of a Public Hearing, Site Plan and Specific Use Permit under Section 14.06.009 to allow a Commercial Amusement Center, Indoor or Outdoor, in a C-2 (Retail Business) District located at 4801 North FM 1417 (Heritage Parkway)has been scheduled to be heard by the Planning and Zoning Commission on Tuesday, February 21, 2023, at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

City staff has reviewed your request and the following items need to be noted/addressed:

Zoning:

1. Compliance with applicable City ordinances, regulations, standards and rules and other laws, as they exist or may be amended, including but not limited to the City's Zoning Ordinance/Code of Ordinance Chapter 14.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267). *(Code of Ordinances Chapter 3.02(c))*
3. The property must be properly maintained in a state of good repair and neat appearance.
4. The granting of a Specific Use Permit has no effect on the uses permitted as of right and does not waive the regulations of the underlying zoning district.
5. A Specific Use Permit is an amendment to the district regulations of the Zoning Ordinance that permits the establishment of a specific use within a zoning district in which such specific use may be established unless such use of land or structure is discontinued or abandoned for a period of thirty (30) consecutive days in which event such Specific Use Permit shall be void and such use may not thereafter be resumed unless a new Specific Use Permit is granted in accordance with this section. (*Chapter 14, Sec. 14.06.009 (1)(a)(3))*
6. The approval of a Site Plan shall be effective for a period of two (2) years from the date of approval, at the end of which time the Site Plan shall expire unless the applicant demonstrates to the Director of Development Services that progress has been made toward completion of the project for which the Site Plan was approved.
7. Any changes made to the site plan prior to the final fulfillment of the conditions of the staff review letter must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

It is the policy of Planning and Zoning Commission and Board of Adjustment not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Development Services at 903-892-7229 prior to the meeting.

Respectfully,

Rob Rae
Acting Secretary, Planning and Zoning Board and Board of Adjustment

cc: Robby Hefton, City Manager
Clint Philpott, Asst. City Manager
Wayne Lee, P.E., Director of Engineering
Tom Pruitt, Utility Engineer
Billy Hartsfield, Fire Chief
Amber Doan, Engineering Coordinator
Christopher Armstrong, Asst. City Engineer
The Law Firm of Abernathy, Roeder, Boyd, & Hullett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 29.

Meeting Date: 02/21/2023

Prepared by: Lauren Marlow, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

4801 NORTH FM 1417 (HERITAGE PARKWAY)

The request of Brian Previaty (Owner) and Underwood Drafting & Surveying, Inc. (Surveyor) concerning the property located at 4801 North FM 1417 (Heritage Parkway) consisting of 5.742 acres in the Alfred Hume Survey, Abstract No. 522, as follows:

Planning and Zoning Commission

Public Hearing, Site Plan and Specific Use Permit under Section 14.06.009 to allow a Commercial Amusement Center, Indoor or Outdoor, in a C-2 (Retail Business) District.

Background:

The property is located at 4801 North FM 1417 (Heritage Parkway) near the intersection of Plainview Road and North Heritage Parkway. The owner is requesting a Specific Use Permit and Site Plan for a Commercial Amusement Center, Indoor or Outdoor.

Adjacent Zoning:

C-2 (General Commercial) District
Extra Territorial Jurisdiction (ETJ)

Origination:

Brian Previaty (Owner)
Underwood Drafting & Surveying, Inc. (Surveyor)

Master Plan Designation:

Regional Commercial category is intended to promote large-scale commercial development along US-75, while promoting community character through design. US-75 serves as the major gateway to and through the community; therefore, aesthetics and design should be promoted in this corridor. This category should allow large-scale commercial uses that serve the region and the community alike. A mix of uses and inter-connectivity between parcels should be encouraged.

Number of notices mailed:

4

Objections Received:

0

Development Review Meeting:

No

Attachments

Location Map
Zoning Map
Zoning Sign Photo
FLUM
Survey
Narrative
Site Plan
Elevations
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 8.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6579

Amending the Code of Ordinances of the City of Sherman, Texas, Chapter 14 (Zoning Ordinance), Sections 14.06.005 (Amendments to the Zoning Ordinance/District and Administrative Procedures), 14.06.006 (Variance Procedures), 14.06.007 (Special Exceptions), 14.06.008 (Temporary Use Permit (TUP) Application and Review), and 14.06.009 (Specific Use Permit (SUP) Application and Review); Prescribing Regulations Relating to Property Notification Signs to Provide Information to the Public Concerning Requests for Rezoning, Variances, Special Exceptions, Temporary Use Permits and Specific Use Permits; Providing a Penalty Clause with a Maximum Fine of $2,000, Savings/Repealing Clause, Severability Clause and an Effective Date; Providing for the Publication of the Caption Hereof

Issue:

To consider adopting regulations pertaining to Property Notification Signs for Amendments to the Zoning Ordinance/District and Administrative Procedures, Variance Procedures, Special Exceptions, Temporary Use Permit (TUP) Application and Review, and Specific Use Permit (SUP) Applications and Review to be codified at Articles 14.06.005-009 of the Code of Ordinances

Background:

Sherman's previous zoning ordinance that was updated in December of 2022 required that the applicant place a 4' by 8' sign for a Zone Change request, on property larger than one acre, 14 days prior to the public hearing with the Planning and Zoning Commission. The updated zoning ordinance does not include language regarding property notification signs for requests for zone changes, specific use permits, temporary use permits, variances or special exceptions, and/or residential replats. Staff requests that the zoning ordinance be amended to provide instructions for property notification signs for Planning and Zoning Commission, Board of Adjustment and City Council items that meet the State requirement for legal notices.

Development Services Staff would oversee the design of the sign and the applicant would be required to pay for the sign and post the sign in advance of the public hearing to address the zone change, specific use permit, temporary use permit, variance or special exception, and/or residential replat request.

Origination:

City of Sherman, Development Services

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission voted 7/0 to recommend to the City Council that the Zoning Ordinance Amendment for Zoning Sign Criteria be approved.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6579

ORDINANCE NO. 6579

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF SHERMAN, TEXAS, CHAPTER 14 (ZONING ORDINANCE), SECTIONS 14.06.005 (AMENDMENTS TO THE ZONING ORDINANCE/DISTRICT AND ADMINISTRATIVE PROCEDURES), 14.06.006 (VARIANCE PROCEDURES), 14.06.007 (SPECIAL EXCEPTIONS), 14.06.008 (TEMPORARY USE PERMIT (TUP) APPLICATION AND REVIEW), AND 14.06.009 (SPECIFIC USE PERMIT (SUP) APPLICATION AND REVIEW); PRESCRIBING REGULATIONS RELATING TO PROPERTY NOTIFICATION SIGNS TO PROVIDE INFORMATION TO THE PUBLIC CONCERNING REQUESTS FOR REZONING, VARIANCES, SPECIAL EXCEPTIONS, TEMPORARY USE PERMITS AND SPECIFIC USE PERMITS; PROVIDING A PENALTY CLAUSE WITH A MAXIMUM FINE OF $2,000, SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF; 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 of the City of Sherman, Texas ("City Council") finds that it is necessary to amend Chapter 14 (Zoning Ordinance) of the Code of Ordinances, City of Sherman, Texas ("Code of Ordinance") for the purpose of prescribing regulations relating to property notification signs to provide information to the public concerning requests for rezoning, variances, special exceptions, temporary use permits and specific use permits ("City" or "Sherman"); and

WHEREAS, Sherman has complied with all legal notices and public hearings as required by law; and

WHEREAS, the City Council finds that adopting this Ordinance promotes the health, safety and morals of Sherman and is in the best interest of the citizens of Sherman.

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

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

SECTION 2: Amendment to the Code of Ordinances, Chapter 14 (Zoning Ordinance). Sections 14.06.005 (Amendments to the Zoning Ordinance/District and Administrative Procedures), 14.06.006 (Variance Procedures), 14.06.007 (Special Exceptions), 14.06.008 (Temporary Use Permit (TUP) Application and Review), and 14.06.009 (Specific Use Permit (SUP) Application and Review) of the Code of Ordinances are amended as follows[1]:

"**ARTICLE 14.06 DEVELOPMENT PROCEDURES**

[1] Additions are underlined and italicized; deletions are evidenced by strikethrough.

…

Sec. 14.06.005 Amendments to the Zoning Ordinance/District and Administrative Procedures

…

(2) Zoning Amendments Process, Public Hearing and Notice.

(a) Zoning District Change.

1. Planning and Zoning Commission Public Hearing Required. Prior to making its report to the City Council, the Planning and Zoning Commission shall hold at least one public hearing on each application.
2. Written Notice of the Planning and Zoning Commission Public Hearing. Before the tenth (10^{th}) calendar day before the hearing date before the Planning and Zoning Commission, written notice of each public hearing before the Planning and Zoning Commission on a proposed change in a zoning classification shall be sent to each owner, as indicated by the most recently approved City Tax Roll, of property within two hundred (200) feet of the property in which the change in classification is proposed. This notice is served by deposit in the United States Postal Service.
3. Published Notice of the City Council Public Hearing. Notice of the City Council public hearing shall be given by publication in the official newspaper of the City, stating the time and place of such public hearing, a minimum of fifteen (15) calendar days prior to the date of the public hearing.
4. *Property Notification Signs. Upon the filing of an application to amend the zoning of a tract of land or property under this section, the applicant shall place property notification signs on such lot or tract of land to inform the public of the applicant's request. The property notification signs must be placed on the subject property no later than fourteen (14) days before the first public hearing scheduled to discuss the proposed amendment. The applicant is responsible for the cost, installation, maintenance and removal of the signs. The signs shall be maintained throughout the pendency of the applicant's request and shall be removed within three (3) days after the later of: a) City Council's adoption of the ordinance that rezones the property; b) the Planning and Zoning Commission's denial of the request, unless an appeal to the City Council is made; or c) the City Council's denial of the request or any appeal. The Director of Development Services is authorized to establish additional criteria for the required number, placement, size and content of the signs, all of which the applicant must satisfy. Failure to comply with the requirements in this subsection may result in the postponement of consideration of the applicant's request.*

…

Sec. 14.06.006 Variance Procedures

(1) Purpose and Applicability.

…

(f) Public Hearing Required.

1. The Board of Adjustment shall hold a public hearing for each variance application and shall provide the notice and public hearing required by this article.
2. At the public hearing, the Board of Adjustment shall consider public comments, the Director of Development Services recommendation, and other applicable information and shall approve, approve with conditions or deny the variance application.
3. Written Notice of the Board of Adjustment Public Hearing. Before the tenth (10^{th}) calendar day before the public hearing date, written notice of each public hearing before the Board of Adjustment on a variance request shall be sent to each owner, as indicated by the most recently approved City Tax Roll, of property within two hundred (200) feet of the property in which the change in classification is proposed. This notice is served by deposit in the United States Postal Service.
4. *Property Notification Signs. Upon the filing of an application for a variance under this section, the applicant shall place property notification signs on such lot or tract of land to inform the public of the applicant's request. The property notification signs must be placed on the subject property no later than fourteen (14) days before the first public hearing scheduled to discuss the proposed variance. The applicant is responsible for the cost, installation, maintenance and removal of the signs. The signs shall be maintained throughout the pendency of the applicant's request and shall be removed within three (3) days after the approval or denial of the request by the Board of Adjustment. The Director of Development Services is authorized to establish additional criteria for the required number, placement, size and content of the signs, all of which the applicant must satisfy. Failure to comply with the requirements in this subsection may result in the postponement of consideration of the applicant's request.*

…

Sec. 14.06.007 Special Exceptions

(1) Purpose and Applicability.

…

(e) Public Hearing Required.

1. The Board of Adjustment shall hold a public hearing for each Special Exception applicant and shall provide the notice and public hearing required by this article.
2. At the public hearing, the Board of Adjustment shall consider public comments, the Director of Development Services recommendation, and other applicable information and shall approve, approve with conditions, or deny the Special Exception application.
3. Written Notice of the Board of Adjustment Public Hearing. Before the

tenth (10^{th}) calendar day before the hearing date, written notice of each public hearing before the Board of Adjustment on a special exception request shall be sent to each owner, as indicated by the most recently approved City Tax Roll, of property within two hundred (200) feet of the property in which the change in classification is proposed. This notice is served by deposit in the United States Postal Service.

4. Property Notification Signs. Upon the filing of an application for a special exception under this section, the applicant shall place property notification signs on such lot or tract of land to inform the public of the applicant's request. The property notification signs must be placed on the subject property no later than fourteen (14) days before the first public hearing scheduled to discuss the proposed special exception. The applicant is responsible for the cost, installation, maintenance and removal of the signs. The signs shall be maintained throughout the pendency of the applicant's request and shall be removed within three (3) days after the approval or denial of the request by the Board of Adjustment. The Director of Development Services is authorized to establish additional criteria for the required number, placement, size and content of the signs, all of which the applicant must satisfy. Failure to comply with the requirements in this subsection may result in the postponement of consideration of the applicant's request.

…

Sec. 14.06.008 Temporary Use Permit (TUP) Application and Review

(1) Purpose and Applicability.

…

(f) Public Hearing Required.

1. The Planning and Zoning Commission shall hold a public hearing for each TUP application and shall provide the notice and public hearing required by this ordinance.
2. At the public hearing, the Planning and Zoning Commission shall consider public comments, the Director of Development Services recommendation, and other applicable information and shall approve, approve with conditions, or deny the TUP application.
3. Written Notice of the *Planning and Zoning Commission* Public Hearing. Before the tenth (10^{th}) calendar day before the public hearing date, written notice of each public hearing before the Planning and Zoning Commission on a TUP request shall be sent to each owner, as indicated by the most recently approved City Tax Roll, of property within two hundred (200) feet of the property in which the change in classification is proposed. This notice is served by deposit in the United States Postal Service.

4. Property Notification Signs. Upon the filing of an application for a TUP under this section, the applicant shall place property notification signs on such lot or tract of land to inform the public of the applicant's request. The property notification signs must be placed on the subject property no later than fourteen (14) days before the first public hearing

scheduled to discuss the proposed TUP. The applicant is responsible for the cost, installation, maintenance and removal of the signs. The signs shall be maintained throughout the pendency of the applicant's request and shall be removed within three (3) days after the approval or denial of the request by the Planning and Zoning Commission. The Director of Development Services is authorized to establish additional criteria for the required number, placement, size and content of the signs, all of which the applicant must satisfy. Failure to comply with the requirements in this subsection may result in the postponement of consideration of the applicant's request.

…

Sec. 14.06.009 Specific Use Permit (SUP) Application and Review

(1) Purpose and Applicability.

…

(e) Public Hearing Required.

1. The City Council and the Planning and Zoning Commission shall hold a public hearing for each SUP application and shall provide the notice and public hearing required by this section.
2. At the public hearing, the City Council and the Planning and Zoning Commission shall consider public comments, the Director of Development Services recommendation, and other applicable information and shall approve, approve with conditions or deny the SUP application.
3. Written Notice of the Public Hearing. Before the tenth (10^{th}) calendar day before the hearing date, written notice of each public hearing before the Planning and Zoning Commission on an SUP request shall be sent to each owner, as indicated by the most recently approved City Tax Roll, of property within two hundred (200) feet of the property in which the change in classification is proposed. This notice is served by deposit in the United States Postal Service.
4. *Property Notification Signs. Upon the filing of an application for an SUP under this section, the applicant shall place property notification signs on such lot or tract of land to inform the public of the applicant's request. The property notification signs must be placed on the subject property no later than fourteen (14) days before the first public hearing scheduled to discuss the proposed SUP. The applicant is responsible for the cost, installation, maintenance and removal of the signs. The signs shall be maintained throughout the pendency of the applicant's request and shall be removed within three (3) days after the later of: a) City Council's adoption of the ordinance that grants the SUP; b) the Planning and Zoning Commission's denial of the request, unless an appeal to the City Council is made; or c) the City Council's denial of the request or any appeal. The Director of Development Services is authorized to establish additional criteria for the required number, placement, size and content of the signs, all of which the applicant must satisfy. Failure to comply with the requirements in this subsection may*

result in the postponement of consideration of the applicant's request.

…"

SECTION 3: Penalty. Any person, firm, corporation or entity violating any provision of this Ordinance, as it exists or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS ($2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude Sherman from filing suit to enjoin the violation. Sherman retains all legal rights and remedies available to it pursuant to local, state and federal law.

SECTION 4: Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 5: Repealing/Savings. The Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other Ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 6: Open Meeting. 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.

SECTION 7: Effective Date; Publication. This Ordinance shall become effective from and after its adoption and publication as required by law. The City Clerk is directed to publish the caption of this Ordinance as required by law.

[*The remainder of this page intentionally left blank.*]

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this 20th day of March 2023.

DAVID PLYLER, MAYOR

ATTEST:

LINDA ASHBY, CITY CLERK

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

RYAN D. PITTMAN, CITY ATTORNEY

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 9.**

Meeting Date: 03/20/2023

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers 6572, 6573, 6574, 6575, 6576, 6577, 6578 & 6579

Issue:

E. 1. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6572**
Closing and Abandoning a Portion of Knollwood Road Right of Way in the City of Sherman, Grayson County, Texas, Being More Particularly Described in the Exhibit "A" Attached Hereto and Made a Part Hereof for all Purposes, said Property Shall be Reserved as an Easement for Public and Franchise Utilities for the Right of Ingress and Egress to Same for Purposes of Operation, Maintenance or Removal of such Utilities or until such Utilities shall be Abandoned or Relocated

E. 2. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6573**
Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, and Granting a Specific Use Permit to Allow a Mini-Warehouse on a Tract of Land Zoned C-2 (General Commercial) District Located at 2601 Hilltop Drive, consisting of 5.51 acres, Lot 2, Block 1, Cates First Addition, City of Sherman, Grayson County, Texas (Noah Starr, Owner; Gary Leese, Cannon Storage Systems, Inc., Representative; and Grant Engineering, Inc., Surveyor); Prescribing Conditions to the Specific Use Permit; Providing A Penalty Not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 3. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6574**
Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, to Rezone a Tract of Land Consisting of 0.359 acres, all of Lot 3, Lot 4 and the East half (E/2) of Lot 5, Block 11, Kerr's Nursery Addition, City of Sherman, Grayson County, Texas, Located at 415 East Orange Street, Heretofore Zoned C-2 (General Commercial) District; Rezoning and Placing the Tract in the R-6 (Single-Family Residential) District Zoning Classification, (Indalecio Torres, Owner; Julio Torres, Representative; and Copley Land Surveying, Surveyor); Providing for a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 4. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6575**
Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, Repealing Ordinance No. 6460, and Granting a Specific Use Permit to Allow a Smoke Shop on a Tract of Land Zoned C-1 (Retail Business) District/O-1 (75 & 82) Overlay District Located at 2916 North Highway 75, Suite 110, Lot 4 of Shafer Plaza, City of Sherman, Grayson County, Texas (Tava Properties, LLC, Owner; Infinity and Beyond, Tenant; and Nouman Muhammad, Representative); Prescribing Conditions to the Specific Use Permit; Providing A Penalty Not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 5. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6576**

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, to Rezone a Tract of Land Consisting of 0.191 acres in the G.B. Pilant Survey, Abstract No. 963, City of Sherman, Grayson County, Texas, Located at 620 and 622 South First Street, Heretofore Zoned R-6 (Single-Family Residential) District; Rezoning and Placing the Tract in the an R-4 (Patio Home Residential) District Zoning Classification, (Martin Corarrubias, M & G Homebuilders, Owners and Helvey-Wagner Surveying, Inc., Surveyor); Providing for a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 6. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6577**

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, to Rezone a Tract of Land Consisting of 48.292 acres in the J.B.McAnair Survey, Abstract No. 763, City of Sherman, Grayson County, Texas, Located in the 2900-3200 Blocks North Hickory Street, Heretofore Zoned R-6 (Single-Family Residential) District; Rezoning and Placing the Tract in the R-5 (Single-Family Residential) District Zoning Classification, (Jerome Hill, AJH Enterprises, Ltd, Owners; Bryan Weisgerber, Representative; and Underwood Drafting & Surveying, Inc., Surveyor); Providing for a Penalty not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 7. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6578**

Amending Sherman's Zoning Ordinance/Code of Ordinances Chapter 14, and Granting a Specific Use Permit to Allow a Commercial Amusement Center, Indoor or Outdoor, in a C-2 (Retail Business) District Located at 4801 North FM 1417 (Heritage Parkway) consisting of 5.742 acres in the Alfred Hume Survey, Abstract No. 522, City of Sherman, Grayson County, Texas (Brian Previaty, Owner and Underwood Drafting & Surveying, Inc., Surveyor); Prescribing Conditions to the Specific Use Permit; Providing A Penalty Not to Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

E. 8. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6579**

Amending the Code of Ordinances of the City of Sherman, Texas, Chapter 14 (Zoning Ordinance), Sections 14.06.005 (Amendments to the Zoning Ordinance/District and Administrative Procedures), 14.06.006 (Variance Procedures), 14.06.007 (Special Exceptions), 14.06.008 (Temporary Use Permit (TUP) Application and Review), and 14.06.009 (Specific Use Permit (SUP) Application and Review); Prescribing Regulations Relating to Property Notification Signs to Provide Information to the Public Concerning Requests for Rezoning, Variances, Special Exceptions, Temporary Use Permits and Specific Use Permits; Providing a Penalty Clause with a Maximum Fine of $2,000, Savings/Repealing Clause, Severability Clause and an Effective Date; Providing for the Publication of the Caption Hereof

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 1.**

Meeting Date: 03/20/2023

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7045***

Awarding a Bid to and Authorizing Execution of a Contract with Southwest CDJR, LLC for the Purchase of Multiple Fleet Vehicles for Multiple City Departments

Issue:

To consider awarding a bid to and authorizing execution of a contract for the purchase nine (9) fleet vehicles from Southwest CDJR, LLC of Cleburne, Texas, based upon a request for public bids for the multiple departments.

Background:

At the January 17, 2023 meeting, the City Council approved a request to advertise for public bids for the purchase of various vehicles. On February 24, 2023, one (1) bidder responded to the request for bids. City staff recommends awarding to the one responsive bid in the amount of $586,067.50, submitted by Southwest CDJR, LLC of Cleburne, Texas.

Origination:

Finance Department

Financial Consideration:

The total cost of these vehicles is $586,067.50.

Staff Recommendation:

It is recommended the City Council approved this request

Alternatives:

As may be directed by the City Council.

Attachments

Resolution No. 7045
Addendum #1 to ITB
Addendum #2 to ITB
Southwest CDJR Submittal
Exhibits C through E_Southwest CDJR
Invitation to Bid

RESOLUTION NO. 7045

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH SOUTHWEST CDJR, LLC FOR THE PURCHASE OF MULTIPLE FLEET VEHICLES FOR MULTIPLE CITY DEPARTMENTS; 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 Southwest CDJR, LLC of Cleburne, Texas, is hereby awarded the bid for the purchase of multiple fleet vehicles in the amount of Five Hundred Eighty-Six Thousand Sixty Seven Dollars and Fifty Cents ($586,067.50)**;** and that the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a contract with Southwest CDJR, LLC for the purchase of multiple fleet vehicles, in accordance with all contract documents attached hereto and made a part hereof for all purposes. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2022-2023 budget.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 20th day of March 2023.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Addendum #1

Invitation to Bid – Purchase of Multiple Staff and Service Trucks
-- Bid No. 2023-08

****Sealed Bid Opening Notice****

The City of Sherman will extend the deadline for sealed bid submittals to 2pm, Friday, February 24, 2023.

Sherman
CLASSIC TOWN. BROAD HORIZON.

Addendum #2

Invitation to Bid – Purchase of Multiple Staff and Service Trucks
-- Bid No. 2023-08

****Updated Specifications****

The transit van for the Facility Maintenance Department will no longer be included in this Invitation to Bid. All specifications for the other trucks in the remain unchanged.

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman (TX)

Public | Purchase

Tabulation Report ITB #2023-08 - INVITATION TO BID - PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS

Vendor: Southwest CDJR LLC

General Comments: This is our Bid from Southwest CDLR LLC. Gilchrist Automotive Group.
Sealed Bid #itb no. 2023-08
Vernon Scott 713-444-0378

General Attachments: CITY OF SHERMAN _ SEALED BID ON ITB NO. 2023-08 FROM SOUTHWEST CDJR _ GILCHRIST AUTOMOTIVE GROUP.pdf

Exhibit A
Invitation to Bid

Sherman
CLASSIC TOWN. BROAD HORIZON.

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

Invitation to Bid

For

PURCHASE OF MULTIPLE STAFF & SERVICE TRUCKS
ITB No. 2023-08

Publication Dates: **Sunday January 29, 2023**
Sunday February 5, 2023

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CITY OF SHERMAN, TEXAS

FINANCE DEPARTMENT

INVITATION TO BID - BID NO. 2023-08; PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS

The enclosed **INVITATION TO BID** (ITB) and accompanying **SPECIFICATIONS** are for your convenience in bidding the enclosed referenced **PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS** for the City of Sherman.

Questions may be addressed to the Finance Department at the address listed below. The bids will be opened at **2:00 p.m. on Monday, February 13, 2023,** at the following address:

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

Bids may be submitted by mail to the following address:

City of Sherman
Finance Dept. – ITB for PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS - No. 2023-08

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

OR

Electronically at www.publicpurchase.com

OR

By delivery at the Municipal Building address listed above.

NOTICE TO BIDDERS

Bids will be received by the City of Sherman, Sherman, Texas, at the Finance Department, Attention: Craig Long, Sherman Municipal Building, 405 N. Rusk, Sherman, Texas 75091 until the hour **2:00 PM on the 13th day of February, 2023,** at which time bids duly delivered and submitted will be considered for supplying the following:

BID NO. 2023-08 – PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS

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

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

Each bid delivered to the City shall be sealed and clearly marked "PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS 2023-08" on the exterior of the bid. Electronic submittals may only be made through Public Purchase at https://www.publicpurchase.com. No email or faxed bids will be accepted. Each bid shall be **manually signed and dated by a person having the authority to bind the firm in a contract. Bids that are not signed and dated will be rejected.**

Please note that all bids **must be received at the designated location or through Public Purchase by the deadline shown.** Bids received after the deadline will not be considered for the award of the contract, and shall be considered void and unacceptable. The Opening is scheduled for **2:00 p.m., Monday, February 13, 2023,** at which time the sealed bids will be opened.

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

The City of Sherman will receive sealed bids for: **PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS.**

Bidders should carefully examine all terms, conditions, specifications and related documents. Should a bidder find discrepancies in or omissions from the specifications or related documents, or should there be doubt as to their meaning, the City of Sherman Finance Department should be notified immediately for clarification prior to submitting the bid. In the event of any conflict

between the terms and conditions of these requirements and the specifications, the specifications shall govern. In the event of any conflict of interpretation of any part of this overall document, the City of Sherman's interpretation shall govern.

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

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

[Rest of Page Intentionally Left Blank]

CITY OF SHERMAN
GENERAL CONDITIONS

ADDENDA

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

ANNUAL CONTRACT FUNDING

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

ASSIGNMENT OF BID/CONTRACT

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

BID CONSIDERATION / TABULATION

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

BID SUBMISSION

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

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

BRAND NAMES

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

CHANGES OR ALTERATIONS

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

COMPLETING INFORMATION

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

CONTRACT CLAUSE

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

TERMINATION

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

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

DELIVERY

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

DELIVERY DATE

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

Whenever the Contractor encounters any difficulty which is delaying or threatens to delay timely performance (including actual or potential labor disputes), the Contractor shall immediately give notice thereof in writing to the City, stating all relevant information with respect thereto. Such notice shall not

in any way constitute a basis for an extension of the delivery or performance schedule or be construed as a waiver by the City of any rights or remedies to which it is entitled by law or pursuant to provisions herein. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery or performance schedule because of such delivery.

INDEMNIFICATION

In case any action in court is brought against the Owner, or any officer or agent of the Owner, for the failure, omission, or neglect of the vendor to perform any of the covenants, acts, matters, or things by this contract undertaken; or for injury or damage caused by the alleged negligence of the vendor or his subcontractors or his or their agents, or in connection with any claim based on lawful demands of subcontractors, workmen, materialmen, or suppliers the vendor shall indemnify and save harmless the Owner and his officers and agents, from all losses, damages, costs, expenses, judgments, or decrees arising out of such action.

INSURANCE

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

MISCELLANEOUS

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

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

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

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

PAYMENT TERMS & CONDITIONS

All bids shall specify terms and conditions of payment, which will be considered as part of, but not control, the award of bid. City review, inspection, and processing procedures ordinarily require thirty (30) days after receipt of invoice, materials or service. Bids which call for payment before 30 days from receipt of invoice, or cash discounts given on such payment, will be considered only if in the opinion of the City the review, inspection and processing procedures can be completed as to the specific purchases within the specified time. It is the intention of the city of Sherman to make payment on completed orders within thirty (30) days of receiving invoicing unless unusual circumstances arise. Invoices shall be fully documented as to labor, materials and equipment provided.

PROVISIONAL CLAUSES

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

REJECTION OF BIDS

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

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

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

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

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

REQUEST FOR NON-CONSIDERATION

Bids deposited with the City cannot be withdrawn prior to the time set for opening bids. Request for non-consideration of bids must be made in writing to the Finance Department and received by the City prior to the time set for opening bids. After other bids are opened and publicly read, the Proposal for

which non-consideration is properly requested may be returned unopened. The Proposal may not be withdrawn after the bids have been opened, and the Bidder, in submitting the same, warrants and guarantees that this bid has been carefully reviewed and checked and that it is in all things true and accurate and free of mistakes and that such bid will not and cannot be withdrawn because of any mistake committed by the Bidder.

SALES TAX

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

PROPOSAL DEFINITIONS:

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

I. PROPOSAL TERMS

A. The City of Sherman reserves the right to reject any and all proposals received as a result of this ITB. If a proposal is selected, it will be the most advantageous regarding price, quality of service, the independent contractor's qualifications and capabilities to provide the specified service, and other factors which the City of Sherman may consider. The City does not intend to award a contract fully on the basis of any response made to the proposal: the City reserves the right to consider proposals for modifications at any time before a contract would be awarded; and negotiations would be undertaken with the independent contractor whose proposal is deemed to best meet the City's specifications and needs.

B. Proposals must be signed by an official authorized to bind the independent contractor to its provisions for a period of at least ninety (90) days. Failure of the successful bidder to accept the obligation of the contract may result in the cancellation of any award.

C. In the event it becomes necessary to revise any part of the ITB, addenda will be provided. The deadline for submission of proposals may be adjusted to allow for revisions. To be considered, the entire proposal document, with any amendments, should be returned by the specified date, time and method identified on page 3 of this document.

D. Proposals should be prepared simply and economically providing a straightforward, concise description of the independent contractor's ability to meet the requirements

of the ITB. Proposals shall be written in ink or typewritten. No erasures are permitted. Mistakes may be crossed out and corrected and must be initialed in ink by the person signing the proposal.

E. The price quotations from the contractor stated in this proposal will not be subject to any price increase from the closing date of this ITB to the mutually agreed to date of contract.

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

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SPECIFICATIONS

Trucks for the Distribution Services Department:

- Three (3) new three-quarter-ton trucks; Used will not be accepted
  - 4x4 models only
  - Crew cab models only
  - Exterior color: white is preferred, but, not required for bid submittal
  - Vinyl seats (cloth not acceptable)
  - Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
  - Automatic transmission
  - Service body with opening boxes
  - Tow mirrors, 220 amp alt, spare tire, lift gate, ladder rack
  - Trailer brake controller
  - Power windows preferred, but, not required for bid submittal
  - Make must be Chevy, Ford, Dodge, or GMC

- One (1) new ¾ ton truck; Used will not be accepted
  - 4x4 model only
  - X Extended cab with short bed — Only available in a Crew Cab — which is how we Bid the Truck
  - V8 automatic transmission
  - Vinyl seats preferred
  - Exterior color: white is preferred, but, not required for bid submittal
  - Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
  - Power windows/locks (optional)
  - Ladder racks and spare tire
  - Make must be Chevy, Ford, Dodge, or GMC

Trucks for the Street Maintenance Department:

A Dump bed will only work with a 1½ Ton Truck — which is a Ram 5500 Cab/chassis 4/ DRW

This is how we bid this unit.

- One (1) new one-ton truck; Used will not be accepted
  - dual rear wheel
  - Crew cab models only
  - Two-wheel drive with gas motor
  - 3-yard dump bed body
  - Vinyl seats only
  - Exterior color: white is preferred, but, not required for bid submittal
  - Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
  - Make must be Chevy, Ford, Dodge, or GMC

- One (1) new one-ton truck; Used will not be accepted
  - Single rear wheel
  - Crew cab models only
  - Two-wheel drive with gas motor
  - Utility bed with lift gate
  - Vinyl seats only
  - Exterior color: white is preferred, but, not required for bid submittal
  - Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
  - Make must be Chevy, Ford, Dodge, or GMC

- One (1) new one-ton truck; Used will not be accepted
  - Single rear wheel
  - Crew cab models only
  - Two-wheel drive with gas motor
  - Utility bed with lift gate AND lumber rack
  - Vinyl seats only
  - Exterior color: white is preferred, but, not required for bid submittal

- Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
- Make must be Chevy, Ford, Dodge, or GMC

Truck for the Fleet Maintenance Department:

- One (1) new one-ton truck; Used will not be accepted
  - Extended cab * only Available in Crew Cab which is how we Bid the Truck
  - 8-foot bed
  - Two-wheel drive or four-wheel drive acceptable
  - Power windows and locks
  - Vinyl seats with front seating either bucket or 60/40 split
  - Gas engine preferred
  - High output alternator preferred
  - Tow package
  - Full size spare tire
  - Exterior color: white is preferred, but, not required for bid submittal
  - Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
  - Make must be Chevy, Ford, Dodge, or GMC

Truck for the Water Quality Department:

- One (1) new three-quarter-ton truck; Used will not be accepted
  - Crew cab
  - long bed
  - 4x4 preferred
  - V8 automatic
  - Vinyl seats
  - Gas engine preferred

Transit Van for the Facility Maintenance Department:

- One (1) new transit van; Used will not be accepted
  - Extended high roof general service van package
  - Steel shelving
  - Aluminum side access rotation ladder rack
  - Vinyl seats and vinyl/rubber flooring

BID FORM

Bidder accepts all of the terms and conditions set forth in the Advertisement for Bid and the Bid Specification Package. Additionally, bidders are not required to bid on all items. Please write "No Bid" on those you will not be submitting in your bid response.

****All individual truck prices must include all fees****

Distribution Services Department

New ¾ ton truck #1	Specs says Utility Bed, Liftgate, Lumber Rack	$ 70,125.50	INC. Document Fee Registriov Delivery Title License
New ¾ ton truck #2	"	$ 70,125.50	"
New ¾ ton truck #3	"	$ 70,125.50	"
New ½ ton truck #1	Specs say ¾ Ton Ext Cab a ¾ Ton only available in a Crew Cab so we bid as a Crew Cab.	$ 56,708.50	"

Street Maintenance Department

New 1-ton with 3-yard dump bed	Dump Bed only fits on a 5500 series Truck we Bid 5500 Ram	$ 78,178.50	Will only work with a 5500 Truck. INC. Document Fee Registriov, Title, License + Delivery
New 1-ton with utility bed & lift gate		$ 66,338.50	"
New 1-ton w/ utility bed, lift gate, & lumber rack		$ 67,633.50	"

Fleet Maintenance Department

New 1-ton truck	* ONE Ton only available in a Crew Cab — No Ext. Cab 2x4 SRW	$ 52,723.50	INC. Document Fee Registriov, Title, License + Delivery.

Water Quality Department

New ¾ ton truck	4x4 SRW	$ 54,108.50	INC. Document Fee Registriov, Title, Lic + Delivery

Facility Maintenance Department

New transit van		$ N/A

Signature of Bidder _____

Bidder (print name) Vernon Scott

BIDDERS CERTIFICATION:

I, the undersigned, by signing the following statement agree that I have read and understand all of the terms and conditions, specifications, and requirements contained on each page of this Invitation to Bid. I also understand that if this bid is accepted by the City of Sherman that all of the terms and conditions, specifications, and requirements submitted in my bid and any additions, changes, or deletions made during negotiations will be made a part of this bid under a binding contract between my company and the City of Sherman, Texas. I also certify that this bid is made without previous understanding, agreement, or connection with any person, firm, or corporation making a bid for the same materials, and is in all fair and without collusion or fraud:

OUR company is a (Check One):

✓ Corporation (The bid MUST be signed by an Officer of the company)
___ Partnership (The bid MUST be signed by a General Partner)
___ Joint Venture (The bid MUST be signed by an Officer of the company)
___ Sole Proprietor (The bid MUST be signed by the Owner)

Company Name: Southwest CDJR LLC

Address of Principal Place of Business:

2235 N. Main St.

Cleburne Tx. 76033

Mailing Address (if different):

SAME

Phone: 833-288-2894 — 713-444-0378 mobil

Fax: _____

Email: VScott@Gilchristautomotive.com

Authorized Representative: Vernon Scott

Signature: _____

Date: 2-22-23

Acknowledgement of Addenda (if any): #1 V.S. #2 V.S. #3 V.S.

SouthWest

PURCHASE ORDER

Purchaser (Govt. Agency)	
Agency Name	CITY OF SHERMAN
Street Address	405 N. RUSK STREET
City, State, Zip Code	SHERMAN TX 75091

Seller (Dealer)	
Dealership Name	SOUTHWEST CDJR
Street Address	2235 N Main St,
City State, Zip Code	Cleburne TX

Fleet Account No. (FAN)	DISTRIBUTION SERVICES DEPT - 00J2Z

INVITATION	ITB NO. 2023-08

QTY	VON(S) OR VIN	VEHICLE DESCRIPTION	UNIT PRICE	LINE TOTAL
3	DJ7L92	2023 2500 TRADESMAN CREW CAB 4X4 (169 in WB 8 ft 0 in Box) SRW, 2GA Customer Preferred Package 2GA, 6.4L V8 Heavy Duty HEMI MDS Engine, DFX 8-Spd Auto 8HP75-LCV Transmission, Paint/Seat/Trim: PW7 Bright White Clear Coat, APA Monotone Paint, HD Vinyl 40/20/40 Split Bench Seat, XHC Trailer Brake Control, GT3 Mirror Power Heat Fold Telescopic, DK3 Elec Shift-On-The-Fly Transfer Case, DSA Anti-Spin Differential Rear Axle	$53,680.00	$161,040.00
3	40-VO-98	ROYAL UTILITY BED W/BOXES, WITH LIFT GATE, CAB OVER LADDER RACK INSTALLED	$15,727.00	$47,181.00
1	DJ7L91	2023 2500 TRADESMAN CREW CAB 4X4 (149 in WB 6 ft 4 in Box) Customer Preferred Package 2GA, ESB 6.4L V8 Heavy Duty HEMI MDS Engine, DFX 8-Spd Auto 8HP75-LCV Transmission, Paint/Seat/Trim: PW7 Bright White Clear Coat, PA Monotone Paint *TX HD Vinyl 40/20/40 Split Bench Seat, DSA Anti-Spin Differential Rear Axle BAJ 220 Amp Alternator, GT3 Mirror Power Heat Fold Telescopic, DK3 Elec Shift-On-The-Fly Transfer Case	$52,500.00	$52,500.00
1		RANCHAND HEADACHE & LUMBER RACK	$3,490.00	$3,490.00
4		DRIVER DELIVERY FEE	$285.00	$1,140.00
4		DOCUMENT FEE	$150.00	$600.00
		TEXAS SALES TX %6.25	EXEMPT	
		TITLE, LICENSE, REGISTRATION	$283.50	$1,134.00
4		VIT TAX .20860	EXEMPT	
Attach list of additional VON's if necessary				
			TOTAL PURCHASE	$267,085.00

SouthWest

PURCHASE ORDER

Purchaser (Govt. Agency)	
Agency Name	CITY OF SHERMAN
Street Address	405 N. RUSK STREET
City, State, Zip Code	SHERMAN TX 75091

Seller (Dealer)	
Dealership Name	SOUTHWEST CDJR
Street Address	2235 N Main St,
City State, Zip Code	Cleburne TX

Fleet Account No. (FAN)	STREET MAINTENANCE DEPT - 00J2Z

INVITATION	ITB NO. 2023-08

QTY	VON(S) OR VIN	VEHICLE DESCRIPTION	UNIT PRICE	LINE TOTAL
1	DP5L94	2023 5500 CREW CAB CHASSIS 4X2 (197.4 in WB - CA of 84 in) 27A Customer Preferred Package 27A ESB 6.4L V8 Heavy Duty HEMI Engine,DF3 6-Spd Auto Aisin AS66RC HD Trans, Paint/Seat/Trim: PW7 Bright White Clear Coat,APA Monotone Paint TX HD Vinyl 40/20/40 Split Bench Seat X8 Black/Diesel GrayXF5 Dual Alternators Rated at 380 Amps, XCH 2 Additional Key Fobs,TBB Full Size Spare TireLBV Power Take Off Prep - Left SidE, GXM Remote Keyless Entry,4AJ, WPJ 19.5x6.0 Black Painted Steel Wheels, CGT Driver Air Bag Only,AZB Heavy Duty Front Suspension Group, AH5 Payload Upgrade Package, ADH Electrical Accessory GrouP	$57,510.00	$57,510.00
1	LEDWELL 3 YARD DUMP BED	LEDWELL - DUMP 3-4 YARD BOX Dump Body: Ledwell 3/4 Yard Box Dump Body Dump Dimension: 11'L X 88"W X 12"H X 18"TG Construction: 10 gauge steel body and cylinder housing Construction: Heavy duty front and rear corner pillars Construction: 10 Gauge Smoth Steel Floor Construction: 10 Gauge Steel Formed Sides Construction: Safety Support Struts Hoist Type: 9.7 ton scissor hoist Cab Shield Size: 10 Gauge Steel Cab Shield with grilled window Side Boards: 6" wooden side boards Tailgate: Heavy duty double acting tail gate w/ Spreader chains and reinforced keyhole slots Tailgate Latch: Manual mechanical tailgate latch Hitch Type: Pintle Hitch Ball type -- Capacity up to 8 ton Trailer Brake: Electric brake hook-up Light Plug Type: 7 Way /RV trailer light plug Tarp Type: Spring loaded crank type tarp cover	$19,950.00	$19,950.00
1	D23L92	2023 3500 TRADESMAN CREW CAB 4X2 (169 in WB 8 ft 0 in Box) 2GA Customer Preferred Package 2GA ESB 6.4L V8 Heavy Duty HEMI MDS Engine, DFX 8-Spd Auto 8HP75-LCV Transmission, PW7 Bright White Clear Coat, APA Monotone Paint, TX HD Vinyl 40/20/40 Split Bench Seat, X8 Black/Diesel Gray, Options: XXS Upfitter Electronic Module (VSIM),XF5 Dual Alternators Rated at 380 Amps, XBC Delete Pickup Box, TBE Add Full Size Spare, MDA Front License Plate Bracket, 4DH, 4AJ, GT3 Mirror Power Heat Fold Telescopic, A61 Tradesman Level 1 Equipment Group, LHL Auxiliary Switches - I/P Mounted	$51,290.00	$51.290.00

1	ROYAL UTILITY BED, BOXES, TOMMY LIFT GATE	40-VO-98 40"H ROYAL BODY w/OPEN TOP LIDS ROYAL'S SECURITY HARDWARE, ONE-KEY SOLUTION AUTOMOTIVE LOCK PKG, ALUMINUM LID COVERS, APPEARANCE PACKAGE, 8" RECESSED ROYAL BUMPER, LED LEGAL LIGHT PKG.REMOVABLE STORAGE BINS IN OPEN TOP COMPARTMENTS BOTH SIDES, 4 TIE DOWNS IN BED AREA.WEIGHT CERT. PAINTED WHITE AND INSTALLED.	$14,330.00	$14,330.00
1	D23L92	2023 3500 TRADESMAN CREW CAB 4X2 (169 in WB 8 ft 0 in Box) 2GA Customer Preferred Package 2GA ESB 6.4L V8 Heavy Duty HEMI MDS Engine, DFX 8-Spd Auto 8HP75-LCV Transmission, PW7 Bright White Clear Coat, APA Monotone Paint, TX HD Vinyl 40/20/40 Split Bench Seat, X8 Black/Diesel Gray, Options: XXS Upfitter Electronic Module (VSIM),XF5 Dual Alternators Rated at 380 Amps, XBC Delete Pickup Box, TBE Add Full Size Spare, MDA Front License Plate Bracket, 4DH, 4AJ, GT3 Mirror Power Heat Fold Telescopic, A61 Tradesman Level 1 Equipment Group, LHL Auxiliary Switches - I/P Mounted	$51,188.00	$51,188.00
1	40-VO-98	ROYAL UTILITY BED W/BOXES, WITH LIFT GATE, CAB OVER LADDER RACK INSTALLED	$15,727.00	$15,727.00
3		DRIVER DELIVERY FEE	$285.00	$855.00
3		DOCUMENT FEE	$150.00	$450.00
		TEXAS SALES TX %6.25	EXEMPT	
		TITLE, LICENSE, REGISTRATION	$283.50	$850.50
3		VIT TAX .20860	EXEMPT	
Attach list of additional VON's if necessary				
			TOTAL PURCHASE	$212,150.50

Authorized Representative	
Signature	
Date	
Printed Name	
Title	
Phone Number	
Email Address	

By signing this document, I confirm that I am the authorized purchasing representative for the government agency specified as the Purchaser in this document. I further understand and acknowledge that my signature on this document represents a contractual commitment to purchase the vehicle(s) indicated above, according to the price, terms and conditions specified in this document.

Authorized Dealership Sales Representative	
Signature	
Date	
Printed Name	VERNON SCOTT
Title	GOVT FLEET DIRECTOR
Phone Number	713-444-0378 M
Email Address	VSCOTT@GILCHRISTAUTOMOTIVE.COM

By signing this document, I confirm that I am the authorized sales representative for the party specified as Seller in this document. I further understand and acknowledge that my signature on this document represents a contractual commitment to order the vehicle(s) indicated above, according to the price, terms and conditions specified in this document.

SouthWest PURCHASE ORDER

Purchaser (Govt. Agency)	
Agency Name	CITY OF SHERMAN
Street Address	405 N. RUSK STREET
City, State, Zip Code	SHERMAN TX 75091

Seller (Dealer)	
Dealership Name	SOUTHWEST CDJR
Street Address	2235 N Main St,
City State, Zip Code	Cleburne TX

Fleet Account No. (FAN)	FLEET MAINTENANCE DEPT - 00J2Z

INVITATION	ITB NO. 2023-08

QTY	VON(S) OR VIN	VEHICLE DESCRIPTION	UNIT PRICE	LINE TOTAL
1	D23L92	2023 3500 TRADESMAN CREW CAB 4X2 (169 in WB 8 ft 0 in Box)2GA Customer Preferred Package 2GA,ESB 6.4L V8 Heavy Duty HEMI MDS Engine,DFX 8-Spd Auto 8HP75-LCV Transmission Paint/Seat/Trim: PW7 Bright White Clear Coat APA Monotone PainT *TX HD Vinyl 40/20/40 Split Bench SeaT -X8 Black/Diesel Gray JPE Power 2-Way Driver Lumbar Adjus XHC Trailer Brake Control BAJ 220 Amp AlternatoR MDA Front License Plate Bracket A61 Tradesman Level 1 Equipment Group 95 88	$52,005.00	$52,005.00
1		DRIVER DELIVERY FEE	$285.00	$285.00
1		DOCUMENT FEE	$150.00	$150.00
		TEXAS SALES TX %6.25	EXEMPT	
		TITLE, LICENSE, REGISTRATION	$283.50	$283.50
1		VIT TAX .20860	EXEMPT	
Attach list of additional VON's if necessary				
			TOTAL PURCHASE	$52,723.50

Authorized Representative

By signing this document, I confirm that I am the authorized purchasing representative for the government agency specified as the Purchaser in this document. I further understand and acknowledge that my signature on this document represents a contractual commitment to purchase the vehicle(s) indicated above, according to the price, terms and conditions specified in this document.

Authorized Dealership Sales Representative

By signing this document, I confirm that I am the authorized sales representative for the party specified as Seller in this document. I further understand and acknowledge that my signature on this document represents a contractual commitment to order the vehicle(s) indicated above, according to the price, terms and conditions specified in this document.

SouthWest

PURCHASE ORDER

Purchaser (Govt. Agency)	
Agency Name	CITY OF SHERMAN
Street Address	405 N. RUSK STREET
City, State, Zip Code	SHERMAN TX 75091

Seller (Dealer)	
Dealership Name	SOUTHWEST CDJR
Street Address	2235 N Main St,
City State, Zip Code	Cleburne TX

Fleet Account No. (FAN)	WATER QUALITY DEPT - 00J2Z

INVITATION	ITB NO. 2023-08

QTY	VON(S) OR VIN	VEHICLE DESCRIPTION	UNIT PRICE	LINE TOTAL
1	DJ7L92	2023 2500 TRADESMAN CREW CAB 4X4 (169 in WB 8 ft 0 in Box) (DJ7L92)	$53,390.00	$53,390.00
		2GA Customer Preferred Package 2GA ESB 6.4L V8 Heavy Duty HEMI MDS Engine DFX 8-Spd Auto 8HP75-LCV Transmission Paint/Seat/Trim: PW7 Bright White Clear Coat APA Monotone Paint *TX HD Vinyl 40/20/40 Split Bench Seat -X8 Black/Diesel Gray Options: 4ES Delivery Allowance Credit MAF Fleet Purchase Incentive YEP Manuf Statement of Origin DSA Anti-Spin Differential Rear Axle 4AJ Connected Services Delete Credit GT3 Mirror Power Heat Fold Telescopic DK3 Elec Shift-On-The-Fly Transfer Case AAP Special Service Vehicle Group		
1		DRIVER DELIVERY FEE	$285.00	$285.00
1		DOCUMENT FEE	$150.00	$150.00
		TEXAS SALES TX %6.25	EXEMPT	
		TITLE, LICENSE, REGISTRATION	$283.50	$283.50
1		VIT TAX .20860	EXEMPT	
Attach list of additional VON's if necessary				
			TOTAL PURCHASE	$54,108.50

By signing this document, I confirm that I am the authorized purchasing representative for the government agency specified as the Purchaser in this document. I further understand and acknowledge that my signature on this document represents a contractual commitment to purchase the vehicle(s) indicated above, according to the price, terms and conditions specified in this document.

By signing this document, I confirm that I am the authorized sales representative for the party specified as Seller in this document. I further understand and acknowledge that my signature on this document represents a contractual commitment to order the vehicle(s) indicated above, according to the price, terms and conditions specified in this document.

Authorized Representative	
Signature	
Date	
Printed Name	
Title	
Phone Number	
Email Address	

Authorized Dealership Sales Representative	
Signature	
Date	
Printed Name	VERNON SCOTT
Title	GOVT FLEET DIRECTOR
Phone Number	713-444-0378 M
Email Address	VSCOTT@GILCHRISTAUTOMOTIVE.COM

STELLANTIS
FLEET & BUSINESS SOLUTIONS

ADDITIONAL VON'S

QTY	VON	VEHICLE DESCRIPTION	UNIT PRICE	LINE TOTAL

Contractor References

Customer Name: SEE Attached References List

Address: And Company History.

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

Customer Name: _____

Address: _____

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

Customer Name: _____

Address: _____

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

References for the Gilchrist Automotive Group

Our group of dealerships are owned & operated by Charlie Gilchrist & Stephen Gilchrist. Our group Headquarters are located inside the Southwest Ford location in Weatherford Texas.

At this time, we have 20 Dealership Locations in Texas & Oklahoma featuring 16 different franchises.

Reference #1

Reeder Distributors Inc

5450 Wilbarger St., Fort Worth Texas 76119

President: Ned Reeder – 817-429-5957

Company is a Wholesale Distributor of Diesel Fuel and purchases trucks from Charlie Gilchrist and the Gilchrist Automotive Group.

Reference #2

Texas State Utilities

3112 Wichita Ct., Fort Worth Texas 76140

President: Justin Keller

Email: TSU1@COM, Phone: 817-665-9000

Company is providing street light maintenance and Underground Contracting for the City of Fort Worth. They purchase their Bucket & Work trucks from Charlie Gilchrist and the Gilchrist Automotive Group.

Reference #3

Ledwell & Son Enterprises Inc.

3000 Waco Street, Texarkana Texas 75501

President: Steve Ledwell Phone: 903-888-6531

Company is a Custom Dump Truck bed, Tank Builder and Commercial Trailer Manufacturer. They purchase their Cab & Chassis Medium Duty Work trucks from Charlie Gilchrist and the Gilchrist Automotive Group.

Reference #4

Reynolds Asphalt & Construction Inc.

617 E. College St. Lewisville Texas 75057

President: Gary Reynolds, Phone: 972-434-2004

Company is an Asphalt Paving & Construction Company. They purchase their Cab & Chassis Medium Duty Work trucks from Charlie Gilchrist and the Gilchrist Automotive Group.

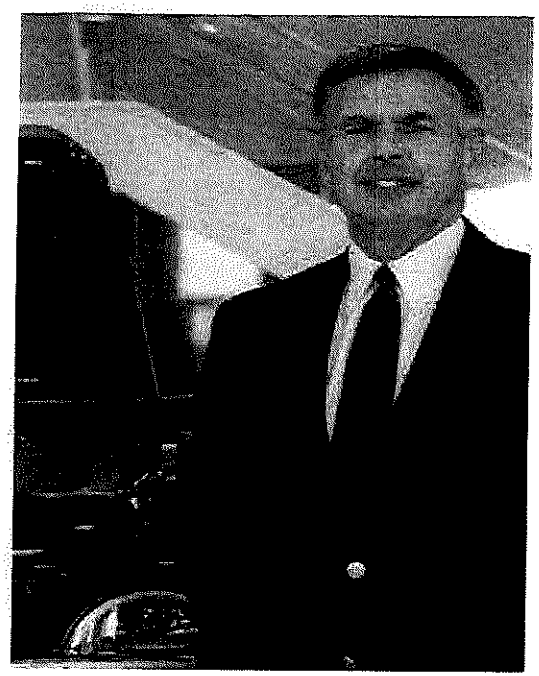
Reference #5

Lightfoot Mechanical – Plumbing, Electrical & HVAC

1026 Fort Worth Highway, Weatherford Texas 76086

Office Phone: 817-618-4595

This company specializes in Electrical, Plumbing and HVAC Contracting Business. They purchase their Van and Work trucks from Charlie Gilchrist and the Gilchrist Automotive Group.



CHARLIE GILCHRIST

Dealer Principal

GILCHRIST AUTOMOTIVE GROUP

3000 Fort Worth

Hwy. Weatherford TX 76087

https://www.gilchristautomotive.com

Charlie Gilchrist has over 30 years experience operating automotive dealerships. He graduated magna cum laude from the **University of Texas** and acquired his CPA license before beginning work in public accounting at Coopers and Lybrand. From there he became partners with Ken Nichols and ran Ford Heavy Truck Dealerships before getting in the retail car business with the purchase of **SouthWest Ford** in **Weatherford** and Nichol's Ford in South Fort Worth.

Charlie has served as **President of Ford's Dealer Council** and as **Chairman of Legislative Affairs and Chairman of Industry Relations for NADA.**

He is currently the **Vice Chairman and Chairman-Elect for the National Automobile Dealers Association**. He is also actively involved in the DFW New Car Dealers Association. He is married and has three dogs and three horses (and counting).

GILCHRIST AUTOMOTIVE HAS BEEN FAMILY OWNED AND OPERATED BY THE GILCHRIST FAMILY SINCE 1986.

GILCHRIST AUTOMOTIVE GROUP

3000 Fort Worth Hwy. Weatherford TX 76087

https://www.gilchristautomotive.com

GILCHRIST AUTOMOTIVE HAS BEEN FAMILY OWNED AND OPERATED BY THE GILCHRIST FAMILY SINCE 1986.

SOUTHWEST TOYOTA
LAWTON OKLAHOMA

LEGEND HONDA
LAWTON OKLAHOMA

LEGEND GMC
LAWTON OKLAHOMA

LEGEND BUICK
LAWTON OKLAHOMA

TRIPLE CROWN FORD
STEPHENVILLE TEXAS

TRIPLE CROWN LINCOLN
STEPHENVILLE TEXAS

SPUR CHEVROLET
GATESVILLE TEXAS

SPUR CHRYSLER DODGE
JEEP RAM
GATESVILLE TEXAS

PEGASUS CHRYSLER
DODGE JEEP RAM
ENNIS TEXAS

SOUTHWEST FORD
&
GILCHRIST AUTO GROUP
HEADQUARTERS
WEATHERFORD TEXAS

SOUTHWEST NISSAN
WEATHERFORD TEXAS

SOUTHWEST
VOLKSWAGEN
WEATHERFORD TEXAS

SOUTHWEST CHRYSLER
DODGE JEEP RAM
CLEBURNE TEXAS

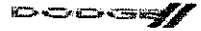
PLATINUM FORD
TERRELL TEXAS

PLATINUM CHRYSLER
DODGE JEEP RAM
TERRELL TEXAS

PLATINUM CADILLAC
TERRELL TEXAS

PLATINUM CHEVROLET
TERRELL TEXAS

PARKWAY CHEVROLET
SHERMAN TEXAS



Our Core Values

1. **Integrity**

   We always do what is right, not what is easy, cheap, popular or convenient-and we do so without excuse and regardless of the cost. If you lie, cheat or steal, you cannot work here.

2. **Urgency**

   We serve one another and guests quickly and find reasons to do things now rather than to delay, debate or procrastinate.

3. **Attention to Detail**

   We will become brilliant in the basics, and pay attention to getting the "little" things done right the first time.

4. **Teamwork**

   The good of the team comes before personal comfort or agenda of any individual team member. It means that we embrace lateral service and work together to accomplish our mission.

5. **Personal Growth**

   Associates are expected to work as hard on themselves as they do on the job. Getting better is not an option. You are should always be investing in yourself.

Exhibit C
City's Insurance Requirements

I. GENERAL INSURANCE REQUIREMENTS –

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

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

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

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

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

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

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

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

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

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

___ 11. Other Insurance Requirements (State Below):

Exhibit C
City's Insurance Requirements

I. GENERAL INSURANCE REQUIREMENTS –

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

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

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

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

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

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

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

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

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

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

___ 11. Other Insurance Requirements (State Below):

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 02/01/2023

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

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

PRODUCER 817-538-8324 817-203-2184 Cornhill Insurance Programs P.O. Box 895 Aledo, Texas 76008	CONTACT NAME: Larry Volmert PHONE (A/C, No, Ext): 817-538-8324 FAX (A/C, No): 817-203-2184 E-MAIL ADDRESS: certs@cornhillins.com
INSURED Southwest CDJR, LLC 2235 N Main St. Cleburne, TX 76033	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A: Midvale Indemnity Company — 27138 INSURER B: Texas Mutual Insurance Company INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	✔ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ✔ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC OTHER:	✔	✔	ADMP000208-01	09/01/2022	09/01/2023	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 100,000 $ 5,0000 $ 1,000,000 $ 3,000,000 $ NA
A	AUTOMOBILE LIABILITY ☐ ANY AUTO ✔ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY ✔ Garage	✔	✔	ADMP000208-01	09/01/2022	09/01/2023	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
A	☐ UMBRELLA LIAB ☐ OCCUR ✔ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☐ RETENTION $	✔	✔	ADMP000208-01	09/01/2022	09/01/2023	EACH OCCURRENCE AGGREGATE	$ 10,000,000 $ 10,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N ☐ (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		0002033737	01/01/2023	01/01/2024	☐ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000

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

CERTIFICATE HOLDER

Office Use Only

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

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Exhibit D

Affidavit of No Prohibited Interest

THE STATE OF Texas §

THE COUNTY OF Parker §

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

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

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

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

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

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

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

_____ Other:_____.

X None of the Above.

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

Signed this 22 day of February, 2023

V. Scott - Govt. Fleet

Signature of Official/Title

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

Sworn to and subscribed before me on this 22 day of February, 2023

_____

Notary Public in and for the State of _____

My commission expires: _____

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

FORM CIQ

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

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

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

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

OFFICE USE ONLY
Date Received

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

Southwest CDJR LLC.

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

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

N/A

Name of Officer

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

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

☐ Yes ☑ No

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

☐ Yes ☑ No

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

N/A

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

7

Signature of vendor doing business with the governmental entity

2-22-23

Date

Exhibit A
Invitation to Bid

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

Invitation to Bid

For

PURCHASE OF MULTIPLE STAFF & SERVICE TRUCKS
ITB No. 2023-08

Publication Dates: **Sunday January 29, 2023**
Sunday February 5, 2023

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CITY OF SHERMAN, TEXAS

FINANCE DEPARTMENT

INVITATION TO BID - BID NO. 2023-08; **PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS**

The enclosed **INVITATION TO BID** (ITB) and accompanying **SPECIFICATIONS** are for your convenience in bidding the enclosed referenced **PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS** for the City of Sherman.

Questions may be addressed to the Finance Department at the address listed below. The bids will be opened at **2:00 p.m. on Monday, February 13, 2023,** at the following address:

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

Bids may be submitted by mail to the following address:

City of Sherman
Finance Dept. – ITB for PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS - No. 2023-08

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

OR

Electronically at www.publicpurchase.com

OR

By delivery at the Municipal Building address listed above.

NOTICE TO BIDDERS

Bids will be received by the City of Sherman, Sherman, Texas, at the Finance Department, Attention: Craig Long, Sherman Municipal Building, 405 N. Rusk, Sherman, Texas 75091 until the hour **2:00 PM on the 13th day of February, 2023,** at which time bids duly delivered and submitted will be considered for supplying the following:

BID NO. 2023-08 – PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS

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

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

Each bid delivered to the City shall be sealed and clearly marked "PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS 2023-08" on the exterior of the bid. Electronic submittals may only be made through Public Purchase at https://www.publicpurchase.com. No email or faxed bids will be accepted. Each bid shall be **manually signed and dated by a person having the authority to bind the firm in a contract. Bids that are not signed and dated will be rejected.**

Please note that all bids **must be received at the designated location or through Public Purchase by the deadline shown**. Bids received after the deadline will not be considered for the award of the contract, and shall be considered void and unacceptable. The Opening is scheduled for **2:00 p.m., Monday, February 13, 2023,** at which time the sealed bids will be opened.

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

The City of Sherman will receive sealed bids for: **PURCHASE OF MULTIPLE STAFF AND SERVICE TRUCKS.**

Bidders should carefully examine all terms, conditions, specifications and related documents. Should a bidder find discrepancies in or omissions from the specifications or related documents, or should there be doubt as to their meaning, the City of Sherman Finance Department should be notified immediately for clarification prior to submitting the bid. In the event of any conflict

between the terms and conditions of these requirements and the specifications, the specifications shall govern. In the event of any conflict of interpretation of any part of this overall document, the City of Sherman's interpretation shall govern.

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

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

[Rest of Page Intentionally Left Blank]

CITY OF SHERMAN
GENERAL CONDITIONS

ADDENDA

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

ANNUAL CONTRACT FUNDING

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

ASSIGNMENT OF BID/CONTRACT

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

BID CONSIDERATION / TABULATION

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

BID SUBMISSION

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

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

BRAND NAMES

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

CHANGES OR ALTERATIONS

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

COMPLETING INFORMATION

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

CONTRACT CLAUSE

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

TERMINATION

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

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

DELIVERY

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

DELIVERY DATE

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

Whenever the Contractor encounters any difficulty which is delaying or threatens to delay timely performance (including actual or potential labor disputes), the Contractor shall immediately give notice thereof in writing to the City, stating all relevant information with respect thereto. Such notice shall not

in any way constitute a basis for an extension of the delivery or performance schedule or be construed as a waiver by the City of any rights or remedies to which it is entitled by law or pursuant to provisions herein. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery or performance schedule because of such delivery.

INDEMNIFICATION

In case any action in court is brought against the Owner, or any officer or agent of the Owner, for the failure, omission, or neglect of the vendor to perform any of the covenants, acts, matters, or things by this contract undertaken; or for injury or damage caused by the alleged negligence of the vendor or his subcontractors or his or their agents, or in connection with any claim based on lawful demands of subcontractors, workmen, materialmen, or suppliers the vendor shall indemnify and save harmless the Owner and his officers and agents, from all losses, damages, costs, expenses, judgments, or decrees arising out of such action.

INSURANCE

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

MISCELLANEOUS

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

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

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

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

PAYMENT TERMS & CONDITIONS

All bids shall specify terms and conditions of payment, which will be considered as part of, but not control, the award of bid. City review, inspection, and processing procedures ordinarily require thirty (30) days after receipt of invoice, materials or service. Bids which call for payment before 30 days from receipt of invoice, or cash discounts given on such payment, will be considered only if in the opinion of the City the review, inspection and processing procedures can be completed as to the specific purchases within the specified time. It is the intention of the city of Sherman to make payment on completed orders within thirty (30) days of receiving invoicing unless unusual circumstances arise. Invoices shall be fully documented as to labor, materials and equipment provided.

PROVISIONAL CLAUSES

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

REJECTION OF BIDS

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

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

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

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

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

REQUEST FOR NON-CONSIDERATION

Bids deposited with the City cannot be withdrawn prior to the time set for opening bids. Request for non-consideration of bids must be made in writing to the Finance Department and received by the City prior to the time set for opening bids. After other bids are opened and publicly read, the Proposal for

which non-consideration is properly requested may be returned unopened. The Proposal may not be withdrawn after the bids have been opened, and the Bidder, in submitting the same, warrants and guarantees that this bid has been carefully reviewed and checked and that it is in all things true and accurate and free of mistakes and that such bid will not and cannot be withdrawn because of any mistake committed by the Bidder.

SALES TAX

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

PROPOSAL DEFINITIONS:

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

I. PROPOSAL TERMS

A. The City of Sherman reserves the right to reject any and all proposals received as a result of this ITB. If a proposal is selected, it will be the most advantageous regarding price, quality of service, the independent contractor's qualifications and capabilities to provide the specified service, and other factors which the City of Sherman may consider. The City does not intend to award a contract fully on the basis of any response made to the proposal: the City reserves the right to consider proposals for modifications at any time before a contract would be awarded; and negotiations would be undertaken with the independent contractor whose proposal is deemed to best meet the City's specifications and needs.
B. Proposals must be signed by an official authorized to bind the independent contractor to its provisions for a period of at least ninety (90) days. Failure of the successful bidder to accept the obligation of the contract may result in the cancellation of any award.
C. In the event it becomes necessary to revise any part of the ITB, addenda will be provided. The deadline for submission of proposals may be adjusted to allow for revisions. To be considered, the entire proposal document, with any amendments, should be returned by the specified date, time and method identified on page 3 of this document.
D. Proposals should be prepared simply and economically providing a straightforward, concise description of the independent contractor's ability to meet the requirements

of the ITB. Proposals shall be written in ink or typewritten. No erasures are permitted. Mistakes may be crossed out and corrected and must be initialed in ink by the person signing the proposal.

E. The price quotations from the contractor stated in this proposal will not be subject to any price increase from the closing date of this ITB to the mutually agreed to date of contract.
F. The City of Sherman reserves the right to award a separate contract to separate vendors for each item/group or to award one contract for the entire ITB.

[REST OF THIS PAGE INTENTIONALLY LEFT BLANK]

SPECIFICATIONS

Trucks for the Distribution Services Department:

- Three (3) new three-quarter-ton trucks; Used will not be accepted
  - 4x4 models only
  - Crew cab models only
  - Exterior color: white is preferred, but, not required for bid submittal
  - Vinyl seats (cloth not acceptable)
  - Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
  - Automatic transmission
  - Service body with opening boxes
  - Tow mirrors, 220 amp alt, spare tire, lift gate, ladder rack
  - Trailer brake controller
  - Power windows preferred, but, not required for bid submittal
  - Make must be Chevy, Ford, Dodge, or GMC

- One (1) new ¾ ton truck; Used will not be accepted
  - 4x4 model only
  - Extended cab with short bed
  - V8 automatic transmission
  - Vinyl seats preferred
  - Exterior color: white is preferred, but, not required for bid submittal
  - Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
  - Power windows/locks (optional)
  - Ladder racks and spare tire
  - Make must be Chevy, Ford, Dodge, or GMC

Trucks for the Street Maintenance Department:

- One (1) new one-ton truck; Used will not be accepted
  - dual rear wheel
  - Crew cab models only
  - Two-wheel drive with gas motor
  - 3-yard dump bed body
  - Vinyl seats only
  - Exterior color: white is preferred, but, not required for bid submittal
  - Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
  - Make must be Chevy, Ford, Dodge, or GMC

- One (1) new one-ton truck; Used will not be accepted
  - Single rear wheel
  - Crew cab models only
  - Two-wheel drive with gas motor
  - Utility bed with lift gate
  - Vinyl seats only
  - Exterior color: white is preferred, but, not required for bid submittal
  - Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
  - Make must be Chevy, Ford, Dodge, or GMC

- One (1) new one-ton truck; Used will not be accepted
  - Single rear wheel
  - Crew cab models only
  - Two-wheel drive with gas motor
  - Utility bed with lift gate AND lumber rack
  - Vinyl seats only
  - Exterior color: white is preferred, but, not required for bid submittal

- Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
- Make must be Chevy, Ford, Dodge, or GMC

Truck for the Fleet Maintenance Department:

- One (1) new one-ton truck; Used will not be accepted
  - Extended cab
  - 8-foot bed
  - Two-wheel drive or four-wheel drive acceptable
  - Power windows and locks
  - Vinyl seats with front seating either bucket or 60/40 split
  - Gas engine preferred
  - High output alternator preferred
  - Tow package
  - Full size spare tire
  - Exterior color: white is preferred, but, not required for bid submittal
  - Interior flooring: Vinyl preferred; If carpet, rubber/vinyl floor liners required
  - Make must be Chevy, Ford, Dodge, or GMC

Truck for the Water Quality Department:

- One (1) new three-quarter-ton truck; Used will not be accepted
  - Crew cab
  - long bed
  - 4x4 preferred
  - V8 automatic
  - Vinyl seats
  - Gas engine preferred

Transit Van for the Facility Maintenance Department:

- One (1) new transit van; Used will not be accepted
  - Extended high roof general service van package
  - Steel shelving
  - Aluminum side access rotation ladder rack
  - Vinyl seats and vinyl/rubber flooring

BIDDERS CERTIFICATION:

I, the undersigned, by signing the following statement agree that I have read and understand all of the terms and conditions, specifications, and requirements contained on each page of this Invitation to Bid. I also understand that if this bid is accepted by the City of Sherman that all of the terms and conditions, specifications, and requirements submitted in my bid and any additions, changes, or deletions made during negotiations will be made a part of this bid under a binding contract between my company and the City of Sherman, Texas. I also certify that this bid is made without previous understanding, agreement, or connection with any person, firm, or corporation making a bid for the same materials, and is in all fair and without collusion or fraud:

OUR company is a (Check One):

___ Corporation (The bid MUST be signed by an Officer of the company)
___ Partnership (The bid MUST be signed by a General Partner)
___ Joint Venture (The bid MUST be signed by an Officer of the company)
___ Sole Proprietor (The bid MUST be signed by the Owner)

Company Name: _____

Address of Principal Place of Business:

_____

_____

Mailing Address (if different):

_____

_____

Phone: _____

Fax: _____

Email: _____

Authorized Representative: _____

Signature: _____

Date: _____

Acknowledgement of Addenda (if any): #1 ____ #2 ____ #3 ____

BID FORM

Bidder accepts all of the terms and conditions set forth in the Advertisement for Bid and the Bid Specification Package. Additionally, bidders are not required to bid on all items. Please write "No Bid" on those you will not be submitting in your bid response.

****All individual truck prices must include all fees****

Distribution Services Department

New ¾ ton truck #1	***$ _____***
New ¾ ton truck #2	***$ _____***
New ¾ ton truck #3	***$ _____***
New ½ ton truck #1	***$ _____***

Street Maintenance Department

New 1-ton with 3-yard dump bed	***$ _____***
New 1-ton with utility bed & lift gate	***$ _____***
New 1-ton w/ utility bed, lift gate, & lumber rack	***$ _____***

Fleet Maintenance Department

New 1-ton truck	***$ _____***

Water Quality Department

New ¾ ton truck	***$ _____***

Facility Maintenance Department

New transit van	***$ _____***

Signature of Bidder _____

Bidder (print name) _____

Contractor References

Customer Name: _____

Address: _____

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

Customer Name: _____

Address: _____

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

Customer Name: _____

Address: _____

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

Exhibit C
City's Insurance Requirements

I. GENERAL INSURANCE REQUIREMENTS –

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

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

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

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

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

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

Coverage Required		Limits
_X_	1. Worker's Compensation & Employer's Liability	▪ Statutory Limits of the State of Texas
_X_	2. General Liability	▪ Minimum $1,000,000.00 each occurrence; ▪ Minimum $2,000,000.00 in the aggregate.
___	3. XCU Coverage	▪ Minimum $1,000,000.00 each occurrence; ▪ Minimum $2,000,000.00 in the aggregate.
___	4. Professional Liability	▪ Minimum $1,000,000.00 each claim; ▪ Minimum $2,000,000.00 in the aggregate.
___	5. Umbrella Coverage or Excess Liability Coverage	▪ An amount of $ 2,000,000.00.

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

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

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

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

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

___ 11. Other Insurance Requirements (State Below):

Exhibit D

Affidavit of No Prohibited Interest

THE STATE OF _____ §

THE COUNTY OF _____ §

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

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

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

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

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

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

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

_____ Other:_____.

_____ None of the Above.

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

Signed this ___ day of _____, 202_.

_____
Signature of Official/Title

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

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

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

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

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

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

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

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

OFFICE USE ONLY

Date Received

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

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

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

_____

Name of Officer

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

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

☐ Yes ☐ No

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

☐ Yes ☐ No

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

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

7

_____ _____

Signature of vendor doing business with the governmental entity Date

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

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

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

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

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

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

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

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

***

(2) the vendor:

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

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

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

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

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

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

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

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

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

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

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

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

(1) the date that the vendor:

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

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

(2) the date the vendor becomes aware:

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

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

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

TEXAS ETHICS FORM 1295 & VERIFICATION FORM 2270

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

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

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

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

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

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

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

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

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

   Governmental Entity

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

   Contract ID Number: **2023-08**

   Description of Goods and Services to be provided: **Purchase of Multiple Staff & Services Trucks**

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

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

VERIFICATION REQUIRED BY TEXAS GOVERNMENT CODE CHAPTER 2270

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

1. Does not boycott Israel; and,

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

SIGNED BY: _____

Print Name & Title: _____

Firm Name: _____

Date Signed: _____

NOTARIZATION

THE STATE OF _____)
)
COUNTY OF _____)

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

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

_____
NOTARY PUBLIC IN AND
FOR THE STATE OF _____

The following definitions apply to Texas Government Code Section 2270.001:

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

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

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

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 2.**

Meeting Date: 03/20/2023

Prepared By: Shawn Hackworth, IT Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7046***

Awarding a Bid to and Authorizing Execution of a Contract with Voice Products, Inc. for the Purchase and Implementation of Call Recording Software and Hardware

Issue:

To consider awarding a bid to and authorizing execution of a contract to Voice Products, Inc., for the purchase and installation of call recording software and hardware.

Background:

At the July 18, 2022 meeting, City Council authorized a request to advertise for the solicitation of proposals for the purchase and implementation of software and hardware for a call recording system. This replacement of the current system, which is no longer supported and at the end of its useful life, is essential to police and 911 communications recordkeeping. A public request for competitive, sealed proposals resulted in three (3) submittals, which were opened on October 27, 2022. Voice Products, Inc. of Wichita, Kansas, receiving the highest valuation, based on specific criteria detailed in the Request for Proposals.

Origination:

Information Technology Services

Financial Consideration:

The proposed purchase is approximately, $166,654.00 for upfront costs and $29,148.00 in annually recurring costs.

Staff Recommendation:

Staff recommends that the City Council award the contract for the purchase and implementation of call recording software and hardware to Voice Products, Inc. of Wichita, Kansas.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 7046
Master Agreement
Exhibit A_Bid Request
Exhibit B_Voice Products Proposal
Bid Evaluation
Exhibit C_Service Agreement
Exhibit D_City Insurance Requirements
Exhibit E_Voice Products
Exhibit F_Conflict of Interest Questionnaire

RESOLUTION NO. 7046

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH VOICE PRODUCTS, INC, FOR THE PURCHASE AND IMPLEMENTATION OF CALL RECORDING SOFTWARE AND HARDWARE ; 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 Voice Products, Inc., a Kansas corporation, is hereby awarded the City of Sherman's contract for the purchase and implementation of call recording software and hardware, in accordance with all bid documentation attached hereto and incorporated herein for all purpose.

SECTION 2. That the City Manager is hereby authorized and directed, subject to all contract documents being completed and approved as to form and content by the City Attorney, to execute a contract with Voice Products, Inc. for the purchase and implementation of call recording software and hardware, in the same or substantially same form as the contract documents 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF SHERMAN, TX on this the 20th day of March 2023.

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

AGREEMENT FOR CALL RECORDING SOFTWARE SERVICES

The **City of Sherman, Texas**, a home-rule municipality ("City"), and **Voice Products, Inc.**, a Kansas corporation ("Contractor"), hereby enter into this Agreement for call recording software services ("Agreement"). City and Contractor are sometimes referred to collectively as the "parties" or individually as a "party."

WHEREAS, Sherman issued Request for Proposal No. ___, attached hereto as Exhibit A and incorporated herein for all purposes ("Request for Proposal"), seeking call recording software services; and

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

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

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

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

2. Term.
   The initial term of the Agreement shall be for a period of one (1) year, commencing on the Effective Date (hereinafter defined) of this Agreement. City shall have the option to extend this Agreement for two (2) additional terms of one (1) year each on the same terms and conditions of this Agreement by giving Contractor written notice of its intent to extend prior to the expiration of the then-current one (1) year term.

3. Compensation.
   In exchange for Contractor's performance of the Services in accordance with the Agreement Documents, City agrees to pay Contractor in accordance with the Pricing Proposal attached as Addendum B to the Master Software Services Agreement (Exhibit B). To the extent the terms of the Agreement Documents conflict with the Texas Prompt Payment Act, Chapter 2251 of the Texas Government Code, as amended ("Chapter 2251") or Subchapter I of Chapter 271 of the Texas Local Government Code, as amended

("Chapter 271"), the terms of Chapter 2251, Chapter 271 and the Agreement Documents shall control in that order.

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

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

4. Agreement Documents.

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

A. This Agreement;

B. The Request for Proposal, attached hereto as Exhibit A;

C. The Submittal, attached hereto as Exhibit B

D. Master Software Services Agreement, attached hereto as Exhibit C;

E. City's Insurance Requirements, attached hereto as Exhibit D;

F. Affidavit of No Prohibited Interested, attached hereto as Exhibit E; and

G. Conflict of Interest Questionnaire, attached hereto as Exhibit F.

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

obligations set forth in the Agreement Documents, City's interpretation and/or decision shall be final and binding.

5. Entire Agreement.

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

6. Required Insurance.

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

7. No Prohibited Interest; Vendor Disclosure.

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

8. Indemnity.

CONTRACTOR HEREBY RELEASES AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS CITY AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS "CITY" FOR PURPOSES OF THIS SECTION) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEY'S FEES AND EXPENSES INCURRED IN ENFORCING THIS SECTION), THAT IN WHOLE OR IN PART ARISE OUT OF OR ARE CONNECTED WITH GOODS AND/OR SERVICES PROVIDED BY CONTRACTOR, ITS OFFICERS,

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

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

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

9. Liability.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

If to City, to: City of Sherman
Attn: _____
220 W. Mulberry Street
Sherman, Texas 75090
Telephone: _____
Email: _____

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

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

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

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

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

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

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

30. Certifications Required by Texas Law.
In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including

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

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

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

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date: _____

ATTEST:

_____
Linda Ashby, City Clerk

APPROVED AS TO FORM:

_____
Ryan D. Pittman, City Attorney

VOICE PRODUCTS, INC,
a Kansas Corporation

By: Stuart G Peters
Printed Name: Stuart G Peters
Title: VP
Date: 3/10/2023

Exhibit A
Request for Proposal

Exhibit B
Submittal

Exhibit C
Master Software Services Agreement

Exhibit D
City's Insurance Requirements

I. GENERAL INSURANCE REQUIREMENTS –

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

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

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

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

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

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

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

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

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

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

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

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

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

___ 11. Other Insurance Requirements (State Below):

Exhibit E
Affidavit of No Prohibited Interest

THE STATE OF Kansas §

THE COUNTY OF Sedgwick §

I, Stuart G. Peters, an authorized agent of Contractor, make this affidavit and hereby under oath state the following:

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

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

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

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

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

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

_____ Other:_____.

X None of the Above.

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

Signed this 10 day of March, 2023.

Stuart G. Peters VP
Signature of Official/Title

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

Sworn to and subscribed before me on this 10 day of March, 2023

COLETTE K. DRYDEN
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. _____

_____
Notary Public in and for the State of Kansas
My commission expires: 5-6-24

Exhibit F

Conflict of Interest Questionnaire, Form CIQ

CONFLICT OF INTEREST QUESTIONNAIRE — FORM CIQ

For vendor doing business with local governmental entity

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

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

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

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

OFFICE USE ONLY

Date Received

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

Voice Products Inc.

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

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

Robby Hefton, City Manager
Name of Officer

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

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

☐ Yes ☑ No

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

☐ Yes ☑ No

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

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

7 Stuart A. Peters
Signature of vendor doing business with the governmental entity

3-10-2023
Date

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

Exhibit A

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

Request for Proposal
No. 2022 - 22

Call Recording Software

CITY OF SHERMAN
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REQUEST FOR PROPOSAL – NO 2022 - 22;

Call Recording Software

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CITY OF SHERMAN, TEXAS

FINANCE DEPARTMENT

REQUEST FOR PROPOSAL - BID NO. 2022-22 ; **Call Recording Software**

The enclosed **REQUEST FOR PROPOSAL** (RFP) and accompanying **SPECIFICATIONS** are for your convenience in bidding the enclosed referenced **Call Recording Software** for The City of Sherman.

Questions may be addressed to the Finance Department at the address listed below. The bids will be opened at **2:00 p.m. on Thursday, October 27, 2022,** at the following address:

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

Bids may be submitted by mail to the following address:

City of Sherman
Finance Dept. – RFP for Call Recording Software No. 2022-22
P.O. Box 1106
Sherman, TX 75091-1106

OR

Electronically at www.publicpurchase.com

OR

By delivery at the Municipal Building address listed above.

NOTICE TO BIDDERS

Bids will be received by The City of Sherman, Sherman, Texas, at the Finance Department, Attention: Craig Long, Sherman Municipal Building, 405 N. Rusk, Sherman, Texas 75091 until the hour **2:00 PM on the Thursday, October 27, 2022,** at which time bids duly delivered and submitted will be considered for supplying the following:

BID NO. 2022-22 Call Recording Software

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

Information concerning the bid specifications or bid process/procedures may be submitted in writing to Craig Long, Budget Analyst at craigl@cityofsherman.com or via phone at (903) 892-7215. Emails to Craig should also copy Shawn Hackworth, at shawnh@cityofsherman.com.

Until the final awarding by The City of Sherman, said City reserves the right to reject any and/or all bids, to waive technicalities, to re-advertise, to proceed otherwise when the best interests of said City will be realized hereby. Bids will be submitted sealed and plainly marked with the date and time of opening.

Publication Dates: September 28, 2022
October 9, 2022

Closing Date: October 27, 2022

CITY OF SHERMAN
GENERAL CONDITIONS

FUNDING: Funds for payment have been provided through The City of Sherman budget approved by The City Council for this fiscal year only. State of Texas statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. Therefore, anticipated orders or other obligations that may arise past the end of the current fiscal year shall be subject to budget approval.

LATE BIDS: Bids received in The City of Sherman Finance Department after submission deadline will be considered void and unacceptable. The City of Sherman is not responsible for lateness or non-delivery of mail, carrier, etc., and the date/time stamp in the Finance Department shall be the official time of receipt.

ALTERING BIDS: Bids cannot be altered or amended after submission deadline. Any interlineations, alteration, or erasure made before opening time must be initialed by the signer of the bid, guaranteeing authenticity.

WITHDRAWAL OF BID: A bid may not be withdrawn or canceled by the Contractor without the permission of The City for a period of ninety (90) days following the date designated for the receipt of bids, and Contractor so agrees upon submittal of their bid.

SALES TAX: The City of Sherman is exempt by law from payment of Texas State Sales Tax and Federal Excise Tax. Contractor shall include any sales taxes from concession sales of taxable items on City property in the total price of the sale, and shall be responsible to report and pay such taxes in a timely manner.

BID AWARD: The City of Sherman reserves the right to award in the best interest of The City. Purchase price will not be the only consideration in making the award. Contractors will be evaluated on the basis of purchase price, the reputation of the Contractor and of the Contractor's goods or services, the quality of the Contractor's goods or services, the Contractor's past relationship with The City of Sherman, the total long-term cost to The City of Sherman to acquire the Contractor's goods or services and any relevant criteria specifically listed within this request for bids. In addition, Contractors must not be in arrears in the payment of taxes or other liabilities due The City of Sherman at the time of bid submittal. The City of Sherman also reserves the right to not award.

CONTRACT: This bid, when properly accepted by The City of Sherman, shall constitute a Contract equally binding between the successful Contractor and The City. No different or additional terms will become a part of this Contract with the exception of Change Orders.

CHANGE ORDERS: No oral statement of any individual shall modify or otherwise change, or affect the terms, conditions or Specifications stated in the resulting Contract. All Change Orders to the Contract will be made in writing by The City's Finance Department.

DELIVERY: All delivery and freight charges (F.O.B. City of Sherman) are to be included in the bid price.

CONFLICT OF INTEREST: No public official shall have interest in this Contract, in accordance with Vernon's Texas Codes Annotated, Local Government Code Title 5. Subtitle C, Chapter 171.

DISCLOSURE OF CERTAIN RELATIONSHIPS Effective January 1, 2008 Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of The City of Sherman not later that the

7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code. A person commits an offence if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor. The forms required to comply with Chapter 176 are available at http://www.ethics.state.tx.us/forms.CIS.pdf.

ETHICS: The Contractor shall not offer or accept gifts of anything of value nor enter into any business arrangement with any employee, official or agent of The City of Sherman.

EXCEPTIONS/SUBSTITUTIONS: All bids meeting the intent of this Invitation for Bid will be considered for award. Contractors taking exception to the Specifications, or offering substitutions, shall state these exceptions in the section provided or by attachment as part of the bid. In the absence of such, a list shall indicate that the Contractor has not taken exceptions and shall hold the Contractor responsible to perform in strict accordance with the Specifications of the ITB. The City of Sherman reserves the right to accept any and all, or none, of the exception(s)/substitution(s) deemed to be in the best interest of The City.

ADDENDA: Any interpretations, corrections or changes to this Invitation for Bid and Specifications will be made by addenda. Sole issuing authority of addenda shall be vested in The City of Sherman Finance Department. Addenda will be available on The City's website and on the Public Purchase website. Contractors who received an email notification of the ITB availability on The City's website or who are registered with Public Purchase will receive notification when addenda are posted.

BID MUST COMPLY with all federal, state, county, and local laws concerning these types of service(s).

DESIGN, STRENGTH, QUALITY of materials must conform to the highest standards of manufacturing and engineering practice.
All items supplied against credit must be new and unused, unless otherwise specified, in first-class condition and of current manufacturer.

MINUMUM STANDARDS FOR RESPONSIBLE PROSPECTIVE CONTRACTORS: A prospective Contractor must affirmatively demonstrate Contractor's responsibility. A prospective Contractor must meet the following requirements:
1. Have adequate financial resources, or the ability to obtain such resources as required;
2. Be able to comply with the required or bid delivery schedule;
3. Have a satisfactory record of performance;
4. Have a satisfactory record of integrity and ethics;
5. Be otherwise qualified and eligible to receive an award.

The City may request representation and other information sufficient to determine Contractor's ability to meet these minimum standards listed above.

CONTRACTOR SHALL PROVIDE with this bid response, all documentation required by this Invitation for Bid. Failure to provide this information may result in rejection of bid.

SUCCESSFUL CONTRACTOR SHALL defend, indemnify and save harmless The City of Sherman and all its officers, agents and employees from all suits, actions, or other claims of any character, name and description brought for or on account of any injuries or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the successful Contractor, or of any agent, employee, subcontractor or Contractor in the execution of, or performance under, any Contract which may result from bid award. Successful Contractor indemnifies and will indemnify and save harmless The City from liability, claim or demand on their part, agents, servants, customers, and/or employees whether such liability, claim or demand arise from event or casualty happening or within the occupied premises themselves or happening upon or in any of the halls, elevators,

entrances, stairways or approaches of or to the facilities within which the occupied premises are located. Successful Contractor shall pay any judgment with costs which may be obtained against The City growing out of such injury or damages. In addition, **Contractor shall obtain and file with Owner City of Sherman a Standard Certificate of Insurance and applicable policy endorsement evidencing the required coverage and naming the owner City of Sherman as an additional insured on the required coverage**.

WAGES: Successful Contractor shall pay or cause to be paid, without cost or expense to The City of Sherman, all Social Security, Unemployment and Federal Income Withholding Taxes of all such employees and all such employees shall be paid wages and benefits as required by Federal and/or State Law.

TERMINATION OF CONTRACT: This Contract shall remain in effect until Contract expires including renewals, delivery and acceptance of products and/or performance of services ordered or terminated by either party with a thirty (30) day written notice prior to any cancellation. The successful Contractor must state therein the reasons for such cancellation. The City of Sherman reserves the right to award canceled Contract to next lowest and best Contractor as it deems to be in the best interest of The City of Sherman.

TERMINATION FOR DEFAULT: The City of Sherman reserves the right to enforce the performance of this Contract in any manner prescribed by law or deemed to be in the best interest of The City in the event of breach or default of this Contract. The City of Sherman reserves the right to terminate the Contract immediately in the event the successful Contractor fails to:

1. Meet schedules;
2. Defaults in the payment of any fees; or
3. Otherwise perform in accordance with the Specifications and Conditions in the Invitation to Bid.

Breach of Contract or default authorizes The City of Sherman to exercise any or all of the following rights:
1. The City may take possession of the assigned premises and any fees accrued or becoming due to date;
2. The City may take possession of all goods, fixtures and materials of successful Contractor therein and may foreclose its lien against such personal property, applying the proceeds toward fees due or thereafter becoming due.

Contractor, in submitting this bid, agrees that The City of Sherman shall not be liable to prosecution for damages in the event that The City declares the Contractor in default.

NOTICE: Any notice provided by this bid (or required by law) to be given to the successful Contractor by The City of Sherman shall conclusively deemed to have been given and received on the next day after such written notice has been deposited in the mail in The City of Sherman, Texas by Registered or Certified Mail with sufficient postage affixed thereto, addressed to the successful Contractor at the address so provided; provided this shall not prevent the giving of actual notice in any other manner.

PATENTS/COPYRIGHTS: The successful Contractor agrees to protect The City of Sherman from claims involving infringement of patents and/or copyrights.

CONTRACT ADMINISTRATOR: Under this Contract, The City of Sherman may appoint a Contract Administrator with designated responsibility to ensure compliance with Contract requirements, such as but not limited to, acceptance, inspection and delivery. The Contract Administrator will serve as liaison between The City of Sherman Finance Department and the successful Contractor.
PURCHASE ORDER: When applicable, a Purchase Order(s) shall be generated by The City of Sherman to the successful Contractor. The Purchase Order number must appear on all itemized

invoices and packing slips. The City of Sherman will not be held responsible for any orders placed/delivered without a valid current Purchase Order number.

PACKING SLIPS or other suitable shipping documents shall accompany each special order shipment and shall show: (a) name and address of successful Contractor, (b) name and address of receiving department and/or delivery location, (c) Purchase Order number, and (d) descriptive information as to the item(s) delivered, including product code, item number, quantity, number or containers, etc.

INVOICES shall show all information as stated above under the Packing Slips section, and mailed directly to The City of Sherman Finance Department, PO Box 1106, Sherman, Texas, 75091-1106. In addition, invoices shall list exact dollar and cent amounts; no rounding accepted.

PAYMENT will be made upon receipt and acceptance by The City of Sherman for any item(s) ordered and receipt of a valid invoice, in accordance with the State of Texas Prompt Payment Act, Article 601f V.T.C.S. Successful Contractor(s) required to pay subcontractors within 30 days.

ITEMS supplied under this Contract shall be subject to The City's approval. Items found defective or not meeting Specifications shall be picked up and replaced by the successful Contractor at the next service date at no expense to The City of Sherman. If item is not picked up within one (1) week after notification, the item will become a donation to The City for disposition.

SAMPLES: When requested, samples shall be furnished free of expense to The City of Sherman.

WARRANTY: Successful Contractor shall warrant that all items/services shall conform to the bid Specifications and/or all warranties as stated in the Uniform Commercial Code and be free from all defects in material, workmanship and title. A copy of the warranty for each item being bid must be enclosed. Failure to comply with the above requirements for literature and warranty information could cause bid to be rejected.

REMEDIES: The successful Contractor and The City of Sherman agree that both parties have all rights, duties and remedies available as stated in the Uniform Commercial Code.

VENUE: This Agreement will be governed and construed according to the laws of the State of Texas. This Agreement is performable in The City of Sherman.

ASSIGNMENT: The successful Contractor shall not sell, assign, transfer or convey this Contract, in whole or in part, without prior written consent of The City of Sherman.

SPECIFICATIONS and model numbers are for description only unless noted otherwise in detailed specification in this bid packet. Contractor may bid on description only. Contractor may bid on alternate model but must clearly indicate alternate model being bid. Contractor must enclose full descriptive literature on alternate item(s).

SILENCE OF SPECIFICATION: The apparent silence of these Specifications as to any detail or to the apparent omission of a detailed description concerning any point, shall be regarded as meaning that only the best commercial practices are to prevail. All interpretations of these Specifications shall be made on the basis of this statement.
Each insurance policy to be furnished by successful Contractor shall include, by endorsement to the policy, a statement that a notice shall be given to The City of Sherman by Certified Mail thirty (30) days prior to cancellation or upon any material change in coverage.

ANY QUESTIONS concerning this Invitation for Bid and Specifications should be directed to the Finance Department at 903-892-7215.

SPECIFICATIONS
CALL RECORDING SOFTWARE

BRIEF PROJECT SUMMARY

The City of Sherman is requesting proposals for Call Recording Software. The City is interested in obtaining a new Recorder system for communication that originates at the PSAPs. The system must be capable of recording all phone and radio audio and is preferred to record Computer Aided Dispatch (CAD) screens for compliance review. The System shall be an IP and analog recording and playback solution that supports multi-channel, simultaneous recording, and multi user playback.

CURRENT PROCESS

The City currently uses a Mitel 3300 PBX with MiVoice Call Recording system (formerly known as Oaisys). Five 911 Dispatch stations currently record analog communication per station. 6 Radio channels are recorded via analog connections. Approximately 120 Mitel PBX lines are recorded using Mitel SRC recording.

BENEFITS TO The City

Many key benefits expected to be delivered by the new software system are:

- The System must provide 99.999% uptime and the Vendor must have references that can speak to the Vendor's ability to provide stated level of reliability.
- The health of the System shall include services to monitor system status, channel activity or inactivity, and to respond immediately to any service impacting issue.
- The identified requirements focus on supporting a complete turnkey IP Logging Recorder that complies with APCO and NENA NG9-1-1 industry standards.
- Ideas regarding optimal design of a recording solution based upon The City's network and operational environments are welcome.

CITY REQUEST

The proposed System shall meet the general, functional, technical, and service requirements detailed as follows. Vendors shall respond to each requirement by responding with a narrative description providing enough detail to fully understand the system. Provide diagrams and screen shots where these will aid in understanding.

Requirements to be addressed in your proposal:

1. System Design and Architecture

The System must be designed to provide 99.999% uptime and the Vendor must have references that can speak to the Vendor's ability to provide stated level of reliability.

The health of the System shall include services to monitor system status, channel activity or inactivity, and to respond immediately to any service impacting issue.

a. Software Requirements. If any software license requirements are needed, the City requests costs for an enterprise licensing for the city.

b. Any and all software requirements must be disclosed by the Vendor. This would include operating system compatibility along with support applications and version requirements.

c. The Vendor will provide Specifications to the City regarding the hardware needed to successfully and efficiently implement and/or use the System. The hardware specifications must be broken down by location.

d. The System shall be designed to record in a 24/7/365 continuous operation with five 9's reliability and resiliency.

e. The system must provide a web based user interface for end user interactions including searching, retrieving, exporting, reporting, quality assurance, and auditing. The interface shall be compatible with Microsoft Edge browser. List any other web browsers supported along with their versions.

f. Specify if your web interface requires any browser add-ins such as Adobe Flash, Java, or Silverlight.

g. Specify the web application server being proposed (i.e. Microsoft IIS Server, Apache, etc.). List any others that are supported.

h. Specify the data base system and version being proposed (i.e. Microsoft SQL server, Oracle, MySQL, etc.) List any other supported.

i. Specify the software development environment/platform/language the system is written in (i.e. VB.Net, Java, Spring Services, etc.) and any standards used (i.e. WC3, HTML5, etc.)

j. If Vendor proposes a recording solution for multiple locations, the number of channels available for recording at each location.

k. The System shall have the ability to provide unattended and automatic archiving per user defined schedule.

l. The System shall have the ability to record and capture information from the existing and future equipment;

   l. 1. Onesolution CAD

   l. 2. Vesta 911 consoles

   l. 3. Mitel 3300 Phone System

   l. 4. Motorola MCC 7500E

m. The System is preferred to have the ability to screen capture within the CAD LAN and Vesta 911 screens. Please note in response if capable of capture of both system or if only one system may utilize screen capture.

n. .

o. The System must have the ability to record in a SIP (session Initiated Protocol) environment.

p. The System must have the ability to record in a Mitel SRC environment.

q. The system must provide fast and convenient incident / scenario reconstruction and export for sharing with multiple voice, screen, image, and data elements – directly within the same application interface.

r. It must be possible to configure the system to allow each call taker to access their own recordings only, while the supervisor shall have instant access to recordings for their departments. The System Administrators shall have access to recordings for all Departments.

s. The System shall allow the user to redact audio.

t. The System must be a turnkey, self-contained unit. This indicates that all services, recorder hardware, and/or other needed software will be located in a single machine provided by the Vendor or in multiple machines all supplied and maintained by the Vendor. Maintenance includes all windows updates, patches, antivirus software upgrades, and software updates by the Vendor.

u. If multiple recorders are linked over a network, any remote workstation with rights must be able to search across multiple recorders in one step, as if they were one recorder.

v. Describe recommended firewall/security techniques for interconnecting the various devices, systems, or networks together as required to record and retrieve voice and data.

v. 1. Specify which of these are included in the price of your proposed system.

w. The System must be fault tolerant with redundancy built-in, including RAID-configured hard drives, power supplies, fans, and CPU's Drives and power supply modules should be hot-swappable.

x. The System must have a physical non-volatile memory area, such as a hard disk where the data will reside before being sent to the archive system. No Systems that use volatile RAM resources for short-term storage will be accepted.

y. The System must allow for simultaneous recording on all channels, playback on multiple remote workstations, and multiple channel playback without loss of any data and without deterioration to the rest of the system processes.

z. The System must be equipped for expansion in such a way that if expansion or new capability is acquired this can be accomplished by installation of new port cards, circuit boards, software upgrades, etc.

aa. The System must be capable of accepting data, such as ANI/ALI, from an external data source and post the appropriate alphanumeric data to the appropriate recorded call.

bb. The System must be able to natively store records in standard audio format including, WAV, MP3, etc. There shall be no need for any additional steps to create the audio file for records distribution by conversion from a proprietary format.

cc. The System must synchronize its time and date via an interface to with customer provided NetClock.

dd. Search for recordings may be made through a single query or a series of queries to the call database via simple interface to allow for prompt retrieval of all call recordings that match the specified criteria. The search/playback application must support searching by any data field associated with the recording. Examples of available search criteria must include the following:

dd. 1. Date and Time

dd. 2. Customizable Channel Name or Number

dd. 3. Call Duration

dd. 4. Call Notations, Flags

dd. 5. Dual-toned, Multi-frequency (DTMF) Codes

dd. 6. Extension Number

dd. 7. Call Direction (incoming or outgoing)

dd. 8. ANI/ALI

dd. 9. Caller ID

dd. 10. Agency

dd. 11. Radio ID/Alias

dd. 12. CAD Event Number

dd. 13. CAD Event Type

dd. 14. Console Position

dd. 15. May also include voice analytics – key words or the lack of key words.

ee. Version upgrades, fixes, and maintenance to the System shall only be applied after tested in a production environment. The Vendor shall be responsible for systematically deploying upgrades, fixes, and maintenance to the System. If the recording solution is located in each PSAP, the Vendor shall only upgrade one PSAP at a time. Each fix, change, upgrade, must have the ability to roll back to previous operating conditions if problems arise.

ff. The System must have Administrator and Individual User access levels. The Administrator must have the ability to set up different user rights and privileges for each individual. The Vendor must describe how their System handles;

ff. 1. Authentication

ff. 2. Security of voice file transfer

ff. 3. Audit of who has accessed a recording

gg. The System shall provide multiple levels of security down to the channel level.

hh. The System shall allow authorized access of selected – recorded audio either at the recorder or by use of an optional remote workstation. Describe or provide a copy of the audit trail for a recording.

ii. The System shall support multiple playback channels simultaneously and also provide variable speed playback. Vendor shall describe its simultaneous channel playback capabilities. Playback shall not interrupt the recording of any channel.

jj. The System must support commonly used printers and fax machines allowing the user to print reports.

kk. The System shall have one or more of the following means of activating and deactivating the record function; (**Pricing for these features if not included in the Vendors standard proposal should be included as options. Failure to list pricing assumes the Vendors system is capable as proposed with no additional costs to The City.)**

kk. 1. Record continuously

kk. 2. Record during voice activity

kk. 3. Record while telephone line voltage indicates off-hook

kk. 4. Record via SIP packet capture

kk. 5. Record via analog input

kk. 6. Record via Motorola AIS (Version 7.14)

ll. The System must provide the following;

ll. 1. Boot-up system test and ongoing self-checking tests

ll. 2. An error log to keep track of alerts, error messages, and conditions

ll. 3. Channel inactivity alert that will notify the user if a particular channel is inactive for a user-defined period of time.

mm. Redundant Architecture. The System will be designed with redundancy. The Vendor must describe how their proposed solution is fully redundant with **no single point of failure or single point of audio retention.**

nn. Open Interface to Other Applications: The solution must have proven integration with many third party applications to include; CAD, Radio, and Phone Systems.

oo. The City would prefer a solution that includes the Vendor providing the following:

oo. 1. Physical onsite and remote support of the system

oo. 2. 3 years of Software upgrades to the system

oo. 3. 3 years of all hardware support and all hardware replacement for defects, failure, or needed upgrades to maintain superior performance of the System.

pp. Next Generation 9-1-1

pp. 1. The Vendor must provide a commitment to The City that they will provide software, equipment and/or services that meet, are capable of meeting, and /or that will meet NENA NG9-1-1 requirements and standards now available or as they become available in the future.

pp. 2. The Vendor shall describe their development status for Next Gen 9-1-1, what they have to offer, and if they are currently following NENA recommendations, requirements, and standards. Once a standard is adopted by NENA the Vendor must commit to complying with NENA standards within six (6) months after formal availability. The cost to comply with NENA's NG standards is solely the responsibility of the Vendor.

pp. 3. The Vendor shall describe the programs it is participating in to test their NG System with products from other Vendors.

qq. Open Source Reliance

qq. 1. The Vendor shall describe if the proposed solution utilizes open source software/products and detail what, if any, are utilized. The Vendor shall describe how product enhancement control is maintained independent of open source community advances. The Vendor shall describe any risk associated with utilization of open source software.

rr. The Proposer must provide a clearly documented, published product discontinuation (Sunset/End of Life) policy that clearly defines the following:

rr. 1. Available Versions

rr. 2. End of Sale Date

rr. 3. End of Software Development Date

rr. 4. End of Support Date

ss. Proposer must provide a functional block diagram detailing the proposed solution components and connectivity.

ss. 1. Include firewalls, servers, recording devices, clients, and network components.

2. ***Disaster Recovery/Backup and Security***

a. Disaster Recovery

a. 1. The system must perform a full, automatic, periodic backup of the call records database without interfering with playback, searching, or archiving. No system shutdown shall be required. The backup timeframe must be definable by the system administrator.

a. 2. The Vendor shall define any additional or special equipment or software needed to successfully back up and recover the proposed system.

a. 3. The Vendor will provide System Documentation (As Built Diagrams) describing the Systems operation (and/or architecture, operating system dependencies) and procedures used for performing a backup and recovery of the application and related database(s) for all possible failure scenarios.

b. Security

b.1 Security measures will be provided in accordance with the information technology industry's best practices. The major components of the security plan will include details concerning the security architecture which includes the Network, Platform, Physical, and Process.

b.1.1 The Vendor's Physical place of business that provides remote support to the System shall provide secure access such as door keys, locks, key cards, security cameras, audible and visual alarms, and system or device labels.

b.1.2 Process security includes Vendor security policy and procedural documentation that governs the creation, use, storage, and disposal of data, as well as the Systems and networks on which the data resides. Process will also include detailed information concerning secure access methods, as well as account and password requirements for obtaining data.

b.1.3. Attention will be given to the privacy of user account information, which will be strictly controlled by the access provider. The successful Vendor will not only provide the listed security best practices, but also provide for data confidentiality, data integrity, and data availability. These security items will need to be detailed in the Vendors Proposal.

b.1.4. Precautions will be provided by the Vendor to protect the Confidential Information in The City's System.

b.1.5. The Vendor will provide the name and date of any security certification received by Vendor from a third party.

b.1.6. The Vendor must identify how your solution will protect our System from network hackers and viruses that attempt to impede the normal operation of a system. The Vendor shall identify how their solution will sufficiently protect our System from attack.

b.1.7. All network interfaces connected to either a managed WAN or protected via a Virtual Private Network (VPN) through the public internet must include protection against security attacks.

b.1.8. The Vendor must identify your security protocols and interfaces. If additional hardware or software is required, this must be included in the core bid not priced as an option.

b.1.9. All PC based machines (servers and workstations) in the network shall have virus protection software installed and functioning. The Vendor shall provide for a mechanism to keep the virus protection up to date that is not dependent upon remote monitoring.

3. ***License Fees for Vendor's Software***

a. Vendor will provide its license fees ("License Fees") for licensing Vendor's Software as follows:

a. 1. A server based license.

a. 2. Seat licenses

a. 3. The City is always interested in a solution that provides "enterprise licensing". Please discuss this possibility with your response.

a. 4. Motorola IP licensing where applicable. (City will consider analog recording for Radio channels as a cost alternative to Motorola IP licensing/hardware cost.)

4. ***Acceptance Standards***

a. The City may inspect and test all Deliverables. If non-conformance to the Specifications as set forth herein occurs, The City and the Vendor will closely cooperate to identify and correct the cause(s) of the problem(s). The City has no obligation to accept non-conforming Deliverables.

b. The City shall notify Vendor within sixty (60) days after deployment of the last voice logger of any defect or error or failure of the System. If The City has not notified the Vendor of a defect in the voice logging unit, the System shall be deemed accepted. Issues that occur in one logging unit equate to non-conforming deliverables and item F(1) applies.

c. If The City rejects the Deliverables or any portion thereof, the Vendor will, at the Vendor's option, repair, adjust, or replaced the rejected Deliverables to the satisfaction of The City within five (5) days of notice of such rejection unless otherwise agreed to by the parties. If the Vendor is unable to correct such failure to the satisfaction of The City within the time allotted, The City may, in addition to any other rights The City may have in law or equity or pursuant to this Agreement, terminate the Agreement at no cost or obligation to The City. The Vendor shall pay for all damages and liabilities incurred by The City or its Members arising out of or relating to the Vendor's failure.

5. ***Warranty***

a. The Vendor shall provide the Services specified in Maintenance during the warranty period.
b. The warranty period shall start upon the first logger installation and will continue until System Acceptance.
c. The Vendor shall warrant that the System shall be free of Errors and Bugs.
d. The Vendor warrants that the System shall function properly under ordinary use and shall operate in conformance with the applicable Specifications and System Documentation from the first day of installation at the first PSAP until 90 days post acceptance of the final installation.
e. The Vendor shall warrant that no portion of the System shall contain any "back door", "time bomb", "Trojan horse", "worm", "drop dead device", "virus", or other computer components designed to (i) permit access or use of either the System or The City's computer systems by the Vendor or a third party not authorized by the Agreement, (ii) disable, damage, or erase The City's computer systems, or (iii) perform any other such actions.

6. ***Maintenance and Support for the System***

Due to the critical nature of emergency communications, the Vendor must propose a plan that addresses its ability to be prepared and able to provide service for the System 24 hours a day, 7 days a week, and 365 days a year. The Vendor shall offer a maintenance service plan that includes:

a. "Normal Maintenance" for problems that do not affect the overall performance of the System, but still require attention. The Vendor shall provide its response times under Normal Maintenance. Maximum response time is ***not to exceed two business days from the time the complaint is received***.
b. "Critical Maintenance" for problems that jeopardize or degrade any part of the System. The Vendors maximum physical on site response is ***2 hours, on a twenty – four (24) hour basis, to include weekends and holidays. For an outage event, remote support shall be addressing the issue within 10 minutes.***
c. The Vendor shall be responsible for providing The City and each PSAP site with methods of contacting the Vendor during business and after hours.

d. The vendor must provide us with the number of support technicians employed by the vendor in the north Texas area.

e. Service shall be performed with the System fully operational for 99.999% of the time. The System shall not be rendered inoperable for the purpose of routine maintenance, system software upgrades, or hardware additions.

f. The Vendor shall provide certified technicians to provide all service on the System. If service is provided by a third party vendor this needs to be clearly identified in the Vendor's response to this proposal. The physical location of the closest service technician and their back up to our area that is certified on the System must be identified.

g. The Vendor shall provide a solution that includes Active System monitoring 24 hours a day, 7 days a week, 365 days a year. The system must include built-in diagnostic software that will automatically monitor the status of the equipment and initiate audible and visual alarms in the event of any errors in system performance.

   g. 1. Alarming details must be settable by the system administrator and allow for at least four different options for routing the alarm message. One option must be email; others could include SNMP, page, network pop-up, audiovisual alarm at the recorder, etc.

   g. 2. The system must maintain a full audit trail of all alarms and provide a searchable error log to keep track of alerts and errors.

h. The Vendor shall provide pricing for software support for years 1, 2, and year 3. If there is a discount available for pre-payment of software supports please specify.

i. The Vendor shall be responsible to install all windows updates, service packs, anti-virus software on each logger quarterly or more frequently if required to confirm integrity of the logging system.

j. The Vendor shall be responsible for installing all logger software updates on the system as released and approved by The City.

k. The Vendor shall provide an interactive incident management system that allows The City to monitor progress on open tickets and track work performed toward resolution.

l. Any incidents or outages that result in loss of audio will require a formal written Root Cause Analysis (RCA) delivered to The City electronically not more than 72 hours from the start of the event.

m. All changes on the system require a detailed method of procedure or MOP to be provided to The City for review and authorization prior to work being performed.

7. ***System Build Out***

a. The Vendor will procure, receive, build out, and stage the entire system as outlined in the final, negotiated contract process prior to installation at the PSAP. Specifics about the Vendor's intended process for the build out must be included as part of the response to this RFP.

b. The equipment purchased in this RFP shall be delivered to its proper location and installed by the Vendor without additional cost or expense to The City and at the convenience and direction of The City. The City shall not be deemed to have accepted any component or piece of equipment until such time that the System has been installed and operating in accordance with the specifications contained herein.

c. All work shall comply with the applicable national, state, and local codes and regulations.

8. ***Training***

a. The Vendor shall provide a plan that details training requirements associated with the Implementation of the System. All training course content will be subject to review and approval by The City. Training would need to include training for over 60 call takers and must be accommodating to shift work.

a. 1. Vendor's provided training shall include:

- Administrator training
- User training

9. Project Planning

a. It is required that the Vendor assign project manager(s) who are familiar with 9-1-1 as well as the proposed system. It is a requirement that the proposal include the project manager's resume with references on similar projects. The Vendor is required to submit a task-oriented project plan detailing the system installation. The project plan must identify a start date, critical dependencies and typical timelines through delivery, installation, commissioning, training, and final acceptance.

10. ***References***

a. The Proposer must provide a comprehensive list of previous installations for the last 24 months. The City has the right to contact previous installations to discuss past performance of Vendor or their employees. The list shall include;

- Organization Name, address and phone number
- Contact name and email address
- Implementation dates
- Project description and versions of software installed.
- Public Safety users with similar sized systems are preferable.

11. ***Additional Options***

The following specifications are not required; however, they are desired and will be seen as adding value to the proposal. Proposers shall describe any proposed solution in detail and identify whether it is included in their proposal or if it is optional. Detailed line item pricing for it must be included in the proposal if it is optional.

a. Each recording server should be expandable to a minimum of 240 channels through the addition of voice resource boards and software licenses or 500 channels with VoIP at a minimum.
b. The system should allow search and playback from unlimited number of remote workstations on the LAN, as well as directly from the recording unit with no LAN access required.
c. There should be no limit to the number of fields for collection of custom information as attributes to recordings.
d. There should be no limit to the number of recorder channels that can be displayed and replayed synchronously, up to the recorder system capacity.
e. The system should offer a visualization tool to view call activity from a group of call takers.
f. The system should allow for activation of spoken time announcement, to be associated, saved, and exportable with specific recordings.
g. It should be possible to define the volume and extent of information provided in spoken time announcement (e.g. weekday, month, day, year, hours, minutes, seconds, AM/PM, duration.)
h. Licensing of remote workstations for access to the recorder should not be on a per-seat basis. Licensing based on concurrent access to the server is desired. Unlimited number of remote users should be allowed to "share" a concurrent license for a non-concurrent access to the server.
i. No software should need to be loaded onto the client PC's for workstation access.
j. The system should permit tagging calls or groups of calls from remote workstations on the LAN with color flags and alphanumeric information of unlimited extent.
k. It is desirable that screen capture is triggered on event creation and event updates.
    k. 1. Describe how your screen capture is triggered and if there is a user definable time for screen capture to continue following the initial trigger.
l. It should be possible for management to select reports and their format to be automatically presented on the homepage upon login, for quick at-glance view.
m. It should be possible to set the system up to automatically run and email reports on a daily, weekly, monthly or annual basis.
n. The Proposer should warrant that the proposed system will be supported for a minimum of ten (10) years from the date of the full acceptance of the proposed system.
o. Proposer should recommend spares for the system that The City should maintain on site in event of a failure. Provide a detailed line item pricing for the list of proposed spares.

12. **PRICING**

Cost for the System

a. Each proposal must provide appropriate detailed cost information, including line item detailed cost, subtotaled and totaled for all hardware, software and maintenance proposed. The cost for items identified as "Optional" must be provided on a separate price sheet marked as "Optional Items." Each proposal should be submitted in the most favorable terms with respect to costs and programmatic considerations and in a complete and understandable form.

b. Cash Flow

   b. 1. Vendor must provide a projected cash flow schedule for the project.

c. Cost for Service Plan/ Maintenance year 1, 2 and year 3.

   c. 1. The City seeks pricing information on the service and maintenance plan offered. A maintenance agreement should be included in your proposal that details your services.

d. Additional costs.

   d. 1. This document is to seek proposals to help The City make an informed decision. If you have provided additional information or equipment components throughout your response, provide financial information to support those items.

City provided:

- The City will provide a project manager as the main point of contact during this project

BIDDERS INFORMATION

Bidder's Name: _____

Bidder's Company _____

Bidder's Address _____

Bidder's City/State _____

Bidder's Phone/Fax #_____

Bidder's E-Mail _____

BID FORM

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

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

Signature of Bidder _____

Bidder (print name) _____

EVALUATION CRITERIA

Proposals will be evaluated based on the following criteria:

- Ability of the vendor to meet The City's requirements – 50%
- Cost of the project – 30%
- References for similar projects from vendor – 20%

City process after proposals are opened:

The City of Sherman will review proposals submitted, schedule potential or staff requested demos, and determine the best value vendor based on the evaluation criteria listed above. Once we have made a determination of the winning vendor, this must be approved by the Sherman City Council before any contract can be signed.

Upon review of proposals, The City of Sherman may request a demonstration meeting from one or more vendors.

Please submit one copy of your proposal marked as "Original".

Contractor References

Customer Name: _____

Address: _____

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

Customer Name: _____

Address: _____

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

Customer Name: _____

Address: _____

Contact: _____ Telephone #: _____

Scope of work performed: _____

Length of Service: _____

Exhibit C
City's Insurance Requirements

I. GENERAL INSURANCE REQUIREMENTS –

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

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

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

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

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

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

Coverage Required		Limits
X	1. Worker's Compensation & Employer's Liability	▪ Statutory Limits of the State of Texas
X	2. General Liability	▪ Minimum $1,000,000.00 each occurrence; ▪ Minimum $2,000,000.00 in the aggregate.
__	3. XCU Coverage	▪ Minimum $1,000,000.00 each occurrence; ▪ Minimum $2,000,000.00 in the aggregate.
___	4. Professional Liability	▪ Minimum $1,000,000.00 each claim; ▪ Minimum $2,000,000.00 in the aggregate.
__	5. Umbrella Coverage or Excess Liability Coverage	▪ An amount of $ 2,000,000.00.

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

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

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

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

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

___ 11. Other Insurance Requirements (State Below):

Exhibit D

Affidavit of No Prohibited Interest

THE STATE OF _____ §

THE COUNTY OF _____ §

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

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

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

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

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

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

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

_____ Other:_____.

_____ None of the Above.

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

Signed this ___ day of _____, 202_.

_____
Signature of Official/Title

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

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

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

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

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

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

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

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

OFFICE USE ONLY

Date Received

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

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

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

_____

Name of Officer

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

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

☐ Yes ☐ No

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

☐ Yes ☐ No

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

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

7

_____ _____

Signature of vendor doing business with the governmental entity Date

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

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

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

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

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

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

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

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

***

(2) the vendor:

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

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

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

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

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

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

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

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

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

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

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

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

(1) the date that the vendor:

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

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

(2) the date the vendor becomes aware:

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

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

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

TEXAS ETHICS FORM 1295 & VERIFICATION FORM 2270

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

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

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

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

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

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

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

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

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

   Governmental Entity

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

   Contract ID Number: **2022-22**

   Description of Goods and Services to be provided: **Call Recording Software**

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

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

rev. 1/26/2018

VERIFICATION REQUIRED BY TEXAS GOVERNMENT CODE CHAPTER 2270

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

1. Does not boycott Israel; and,

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

SIGNED BY: _____

Print Name & Title: _____

Firm Name: _____

Date Signed: _____

NOTARIZATION

THE STATE OF _____)
)
COUNTY OF _____)

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

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

_____
NOTARY PUBLIC IN AND
FOR THE STATE OF _____

The following definitions apply to Texas Government Code Section 2270.001:

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

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

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

Proposal Prepared for:

City of Sherman, TX

RFP#: 2022-22

Title: Call Recording Software

Closing Date: October 27, 2022 at 2pm CT

Original

Marisa Shideler
Solutions Engineer
800.466.1152
mshideler@voiceproducts.com

Brett Johnson
Regional Vice President of Sales
800.466.1152
bjohnson@voiceproducts.com

Stuart Peters
Vice President
800.466.1152
speters@voiceproducts.com

Record. Replay. Resolve.

NICE Premier Partner

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BIDDER'S INFORMATION

BIDDERS INFORMATION

Bidder's Name: Stuart G. Peters

Bidder's Company Voice Products Inc.

Bidder's Address 8555 E. 32nd St. N.

Bidder's City/State Wichita, KS 67226

Bidder's Phone/Fax # P 800.466.1152, F 316.263.1823

Bidder's E-Mail speters@voiceproducts.com

BID FORM

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

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

Signature of Bidder Stuart A Peters

Bidder (print name) Stuart G. Peters

EXECUTIVE SUMMARY

Founded in 1990 **Currently Celebrating 32 Years** **USA's Largest Recording Vendor**	**Inc Magazine** Fastest Growing Private Company List	**Employees** >50	**Factory Trained & Certified Technicians** >30
Support 90% of all NICE Service Calls	**Locations in North America** >30	**Customers Using Our Products** >4000	**Partnerships** Major Technology Vendors

Voice Products was founded in 1990 by Dean Tullis and Stuart Peters, as a Lanier Worldwide dictation/transcription and voice logging distributorship. Over the years, the company has expanded into three distinct divisions: public safety, healthcare solutions and call center recording. Voice Products has partnerships or reseller agreements with the following: NICE, AT&T, Avaya, Cisco, Dragon, Encore, Intrado, iRecord, Nuance, Philips, Encore, Motorola, Olympus, Salient, and VIQ. More than 4,000 customers in public safety and other industries entrust their recording needs to Voice Products. In addition, we have highly skilled and manufacturer-certified engineers capable of providing the service and support needed to run mission-critical 911 audio recording applications. Voice Products has more engineers employed directly than any other recording vendor in North America. As a result, Voice Products has no need to use subcontractors for these types of installations.

Voice Products is headquartered in Wichita, KS with nearly 60 employees in sales and support offices located strategically throughout the US, including Texas. We pride ourselves on our customer service and work hard to deliver the best possible customer experience in order to develop a long-term and beneficial partnership with our clients. Our phone is answered by a human operator 24 hours a day, 7 days a week and 90% of the time you can talk directly to an engineer when you call. Our mission at Voice Products is to always exceed customer expectations with an emphasis on total customer satisfaction.

Our growth stems from both our partnerships with internationally-recognized companies such as NICE Systems Ltd. and Dolbey Systems, and our acquisitions of the Wilber Walker Company in 1995, Executive Communications Corporation in 2009, Sound Recording in 2010, Vectra Solutions in 2015, Grabar Voice and Data in 2017, and most recently Tri-State Electronic Services in 2019. In addition, our growth and experience has earned us national and local recognition. We've been named as one of the Top 15 businesses in Kansas, earning the Wichita Business Journal's Best in Business Award for the last twelve years. Additionally, we have been recognized by INC Magazine as an INC 5000 Fastest Growing Companies in the U.S. for the second year in a row.

Voice Products is a contract holder for the Texas DIR state purchasing contract.

Texas Department of Information Resources
DIR-CPO-5060

SOLUTION SUMMARIES AND PRICING

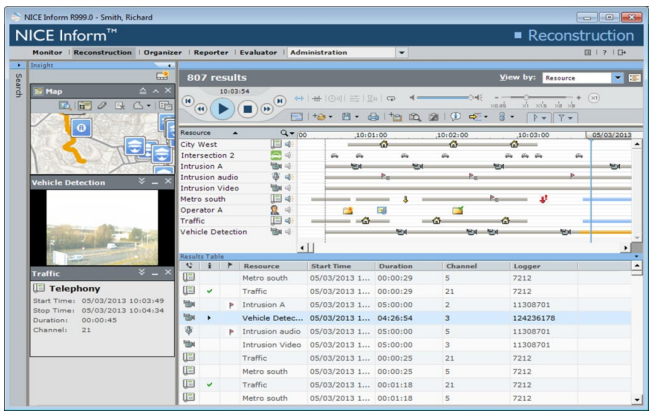
We based the following offerings on the City of Sherman's stated requirements and the Voice Products Inc. team's experience with projects of a similar size and scope.

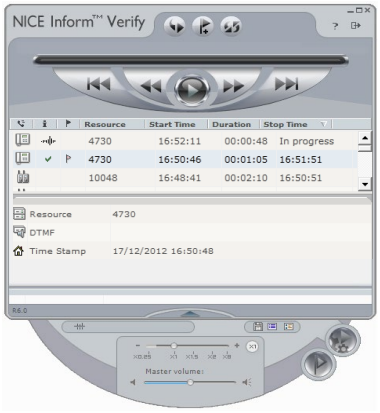
NICE Inform Recording (NIR) is the Next Generation Emergency Center Solution that enables organizations to generate accurate event reconstructions, ensuring the right information is in the right place, at the right time to handle investigative inquiries. We have four NIR configurations for the City of Sherman's review.

Stand-Alone NIR Professional

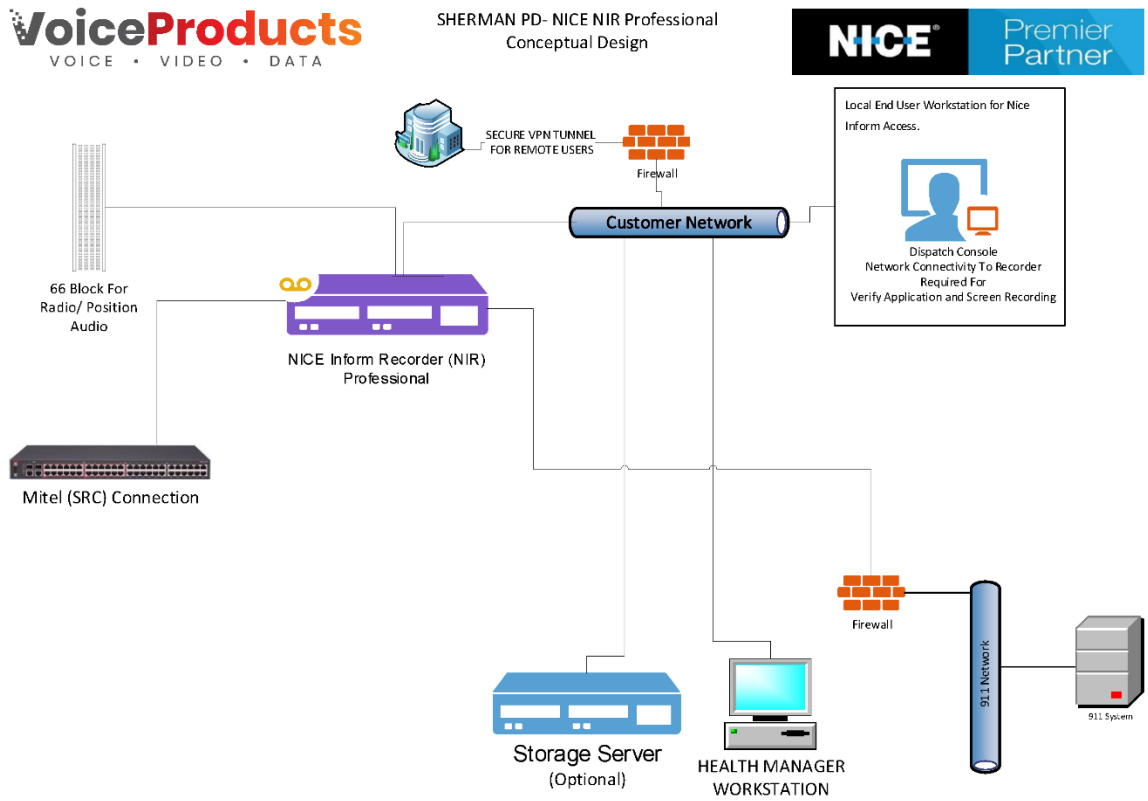
Key capabilities of the ***NICE Inform Recording*** package include:

- 133 Audio Recording Licenses = 13 for Analog and 120 for VoIP.
- 5 Text-to-911 Recording Licenses = NICE Media Vault allows you to Search and Review captured text Interactions with Inform Reconstruction.
- User Administration Software = User, Group and permission settings.
- System Status Software = Recorder Status, Media Management, Channel Overview, Monitor, Alarms & Audit Trail.
- ANI/ALI Tagging Software = associates ANI/ALI information from the 911 system to recordings.
- Audit Trail = Track who did what, when, and from where.
- Reconstruction = Long Term Search-and-Replay Software provides simultaneous multi-channel playback.
- Audio Redaction = This Allows users to "whiteout" any part of the saved audio that you cannot release due to privacy regulations without altering the original recording.
- Verify = Instant recall of recent audio interactions.
- Monitor = Listen in on active Interactions.
- Reporter = Calls per resource for a given period, channel utilization per hour, etc.





Conceptual Design



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Pricing

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NICE Premier Partner

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craigl@cityofsherman.com
October 27, 2022

Brett Johnson, Regional Vice President of Sales
Voice Products Inc. - Houston, TX
P 800.466.1152 | F 316.263.1823
bjohnson@voiceproducts.com
Quote# Q-41638

NICE Inform Recording with Professional Package
(NIR Stand Alone Single Site Recording System)

NICE Inform Recording Software/Hardware Solution				
NICE Part #	Qty	Description	Unit Price	Total
NPS-INF-PROF-1CH	133	Audio Recording Channel license with Inform Professional applications support - New	$325.00	$43,225.00
NPS-INF-TEXT-1CH	5	Inform Professional Text-to-911 (SMS) Recording End-Point License - New	$100.00	$500.00
NPS-MYSQL-STD	1	MySQL Server license (Standard Edition)	$220.00	$220.00
NPS-SQL2019-64-CAL- USR	10	MS SQL 2019 64 bit User/Device Client Access License	$200.00	$2,000.00
NPS-SQL2019-64-CAL- SVR	1	MS SQL 2019 64 bit Server Client Access License	$200.00	$200.00
NPS-TPS-ELTIMA-LIC	1	Splits a single serial feed into four separate virtual COM port interfaces.	$188.00	$188.00
NPS-INF-ADT-FULL	1	Analog / Digital / Trunk full length PCI-E interface board (NO CABLE included)	$1,800.00	$1,800.00
NPS-NR-MOXA-N-1	1	Moxa NPort 1port device server w/ (1)DB9M RS232 port & (1) 10/100 network port.	$324.00	$324.00
NPS-NR-SPLIT-SERIAL-CABLE	1	Split Serial Cable RS232 10 meter (used for CDR)	$160.00	$160.00
VP-HW-NIR120R1R	1	NICE Inform Recording Unified up to 120 channels Rack Mount RAID1	$10,135.00	$10,135.00
VP-HW-HM	1	Health Manager SNMP Workstation	$1,565.00	$1,565.00
25P-CBL	1	Cable and Connectors for Audio Board Package	$128.00	$128.00
VP-INST-NIR	1	Voice Products Inc. Installation Services: Includes Project Management	$11,700.00	$11,700.00
VP-TRN-NIR	1	Voice Products Inc. Training Services	$900.00	$900.00
PS-MAINT-NICE-IND-STD	1	One-time Software Assurance fee: One version upgrade during the first year if available.	$8,865.00	$8,865.00
		Subtotal		**$81,910.00**
		Stand-Alone NIR Professional Total		**$81,910.00**

Payment Terms:

1) Order placed with receipt of Purchase Order.

2) Balance due at completion of system delivery and installation.

Pricing quotation listed above reflects a total recording solution. Server hardware for NIR/Inform has been included in this quote. Delivery, Training and Remote Support Included; One Year Warranty Included; 110v AC should be located within six (6) feet of the NICE installation; Sales Tax not included. (All applicable sales tax will be billed in addition to quote). Agencies which are tax exempt should provide a copy of a tax exemption form with purchase order.

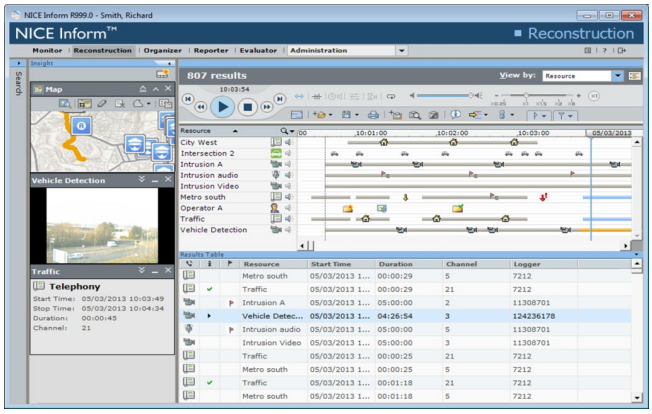
Optional Items

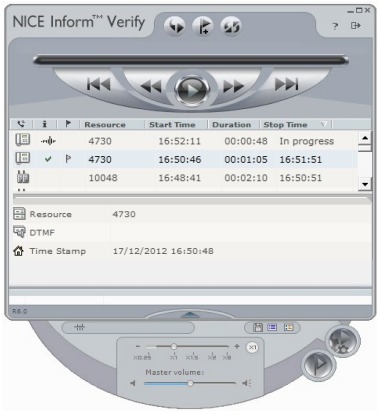
Optional Items				
NICE Part #	Qty	Description	Unit Price	Total
Quality Assurance				
VP-QA-133-1B	1	NICE Inform Recording Quality Assurance Pack and Software Screen Recording	$19,760.00	$19,760.00
		QA Option Total		**$19,760.00**
MySQL Enterprise				
VP-MYSQL-EP	1	MySQL Server license (Enterprise Edition)	$3,780.00	$3,780.00
		MYSQL Enterprise Option Total		**$3,780.00**
AQUA				
VP-AQUA-133-1B	1	NICE Inform Recording API for AQUA Integration	$4,060.00	$4,060.00
		AQUA Option Total		**$4,060.00**
Storage Server				
VP-HW-NIR192R5	1	NICE Inform Recording Unified up to 192 channels Rack Mount RAID5	$12,445.00	$12,445.00
		Storage Server Option Total		**$12,445.00**
		Stand-Alone NIR Professional with Optional Items Total		**$121,955.00**

2N NIR Professional

Key capabilities of the ***NICE Inform Recording*** package include:

- 133 Audio Recording Licenses = 13 for Analog and 120 for VoIP in a 2N configuration.
- 5 Text-to-911 Recording Licenses = NICE Media Vault allows you to Search and Review captured text Interactions with Inform Reconstruction.
- User Administration Software = User, Group and permission settings.
- System Status Software = Recorder Status, Media Management, Channel Overview, Monitor, Alarms & Audit Trail.
- ANI/ALI Tagging Software = associates ANI/ALI information from the 911 system to recordings.
- Audit Trail = Track who did what, when, and from where.
- Reconstruction = Long Term Search-and-Replay Software provides simultaneous multi-channel playback.
- Audio Redaction = This Allows users to “whiteout” any part of the saved audio that you cannot release due to privacy regulations without altering the original recording.
- Verify = Instant recall of recent audio interactions.
- Monitor = Listen in on active Interactions.
- Reporter = Calls per resource for a given period, channel utilization per hour, etc.





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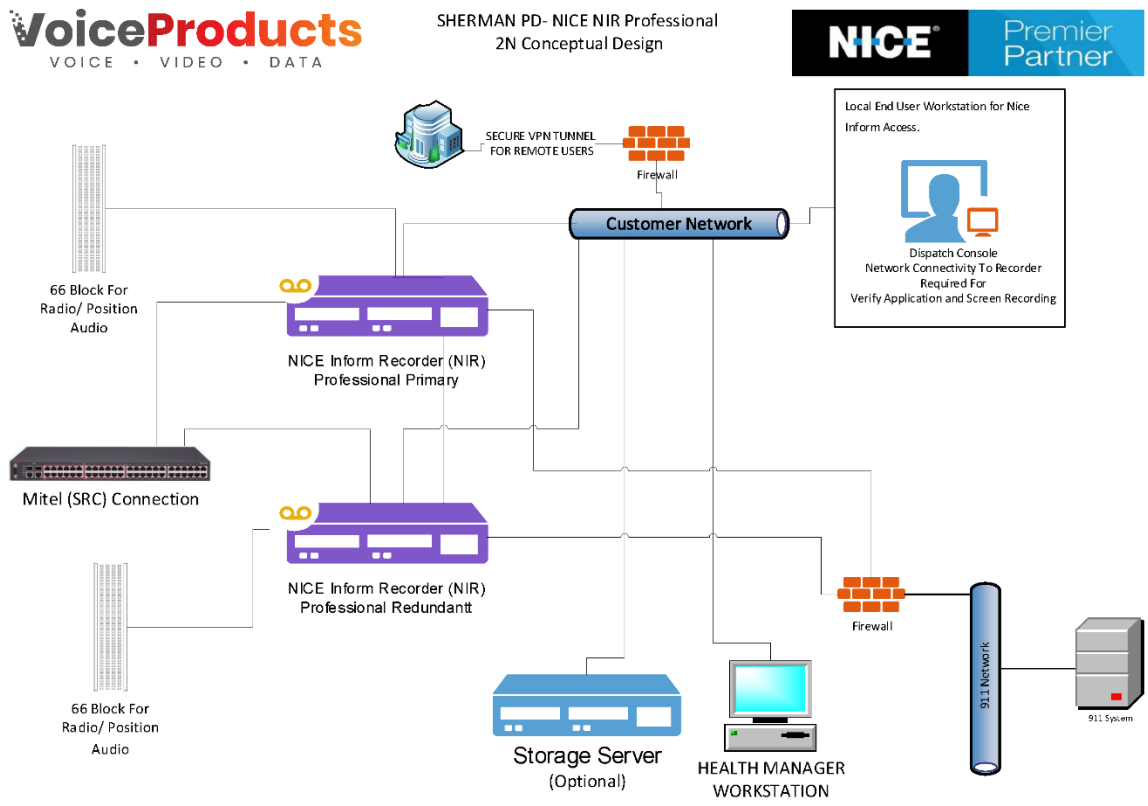

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Pricing

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October 27, 2022

Brett Johnson, Regional Vice President of Sales
Voice Products Inc. - Houston, TX
P 800.466.1152 | F 316.263.1823
bjohnson@voiceproducts.com
Quote# Q-41639

NICE Inform Recording with Professional Package
(NIR 2N Recording System)

NICE Inform Recording Software/Hardware Solution				
NICE Part #	Qty	Description	Unit Price	Total
NPS-INF-PROF-1CH	133	Audio Recording Channel license with Inform Professional applications support - New	$325.00	$43,225.00
NPS-INF-TEXT-1CH	5	Inform Professional Text-to-911 (SMS) Recording End-Point License - New	$100.00	$500.00
NPS-INF-PROF-RES-PPC	133	Parallel Audio Logging Channels. - New	$100.00	$13,300.00
NPS-INF-PROF-MO-RES-PPC	133	Resilient Inform Professional system modules - New	$25.00	$3,325.00
NPS-MYSQL-STD	1	MySQL Server license (Standard Edition)	$220.00	$220.00
NPS-SQL2019-64-CAL- USR	10	MS SQL 2019 64 bit User/Device Client Access License	$200.00	$2,000.00
NPS-SQL2019-64-CAL- SVR	1	MS SQL 2019 64 bit Server Client Access License	$200.00	$200.00
NPS-TPS-ELTIMA-LIC	1	Splits a single serial feed into four separate virtual COM port interfaces.	$188.00	$188.00
NPS-INF-ADT-FULL	2	Analog / Digital / Trunk full length PCI-E interface board (NO CABLE included)	$1,800.00	$3,600.00
NPS-NR-MOXA-N-1	1	Moxa NPort 1port device server w/(1)DB9M RS232 port & (1) 10/100 network port.	$324.00	$324.00
NPS-NR-SPLIT-SERIAL-CABLE	1	Split Serial Cable RS232 10 meter (used for CDR)	$160.00	$160.00
VP-HW-NIR120R1R	2	NICE Inform Recording Unified up to 120 channels Rack Mount RAID1	$10,135.00	$20,270.00
VP-HW-HM	1	Health Manager SNMP Workstation	$1,565.00	$1,565.00
25P-CBL	1	Cable and Connectors for Audio Board Package	$128.00	$128.00
VP-INST-NIR	1	Voice Products Inc. Installation Services: Includes Project Management	$22,575.00	$22,575.00
VP-TRN-NIR	1	Voice Products Inc. Training Services	$900.00	$900.00
PS-MAINT-NICE-IND-STD	1	One-time Software Assurance fee: One version upgrade during the first year if available.	$12,250.00	$12,250.00
		Subtotal		**$124,730.00**
		2N NIR Professional Total		**$124,730.00**

Payment Terms:

1) Order placed with receipt of Purchase Order.

2) Balance due at completion of system delivery and installation.

Pricing quotation listed above reflects a total recording solution. Server hardware for NIR/Inform has been included in this quote. Delivery, Training and Remote Support Included; One Year Warranty Included; 110v AC should be located within six (6) feet of the NICE installation; Sales Tax not included. (All applicable sales tax will be billed in addition to quote). Agencies which are tax exempt should provide a copy of a tax exemption form with purchase order.

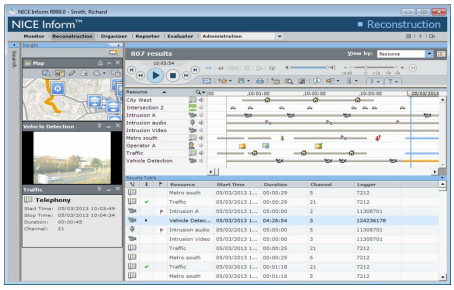
Optional Items

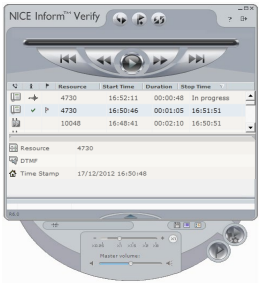
Optional Items				
NICE Part #	Qty	Description	Unit Price	Total
Quality Assurance				
VP-QA-266-1B	1	NICE Inform Recording Quality Assurance Pack and Software Screen Recording	$37,670.00	$37,670.00
		QA Option Total		**$37,670.00**
MySQL Enterprise				
VP-MYSQL-EP	2	MySQL Server license (Enterprise Edition)	$3,780.00	$7,560.00
		MYSQL Enterprise Option Total		**$7,560.00**
AQUA				
VP-AQUA-133-1B	1	NICE Inform Recording API for AQUA Integration	$4,060.00	$4,060.00
		AQUA Option Total		**$4,060.00**
Storage Server				
VP-HW-NIR192R5	1	NICE Inform Recording Unified up to 192 channels Rack Mount RAID5	$12,445.00	$12,445.00
		Storage Server Option Total		**$12,445.00**
		2N NIR Professional with Optional Items Total		**$186,465.00**

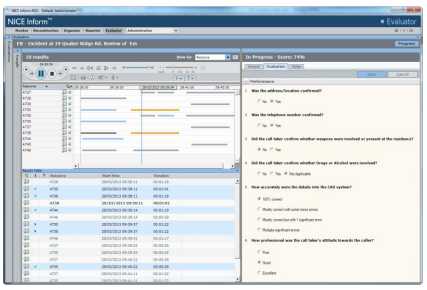
Stand-Alone NIR Elite

Key capabilities of the ***NICE Inform Recording*** package include:

- 133 Audio Recording Licenses = 13 for Analog and 120 for VoIP.
- Text-to-911 Recording Licenses = NICE Media Vault allows you to Search and Review captured text Interactions with Inform Reconstruction.
- User Administration Software = User, Group and permission settings.
- System Status Software = Recorder Status, Media Management, Channel Overview, Monitor, Alarms & Audit Trail.
- ANI/ALI Tagging Software = associates ANI/ALI information from the 911 system to recordings.
- CAD Integration = Allows users to search by CAD incident number or other imported data. Some integrations offer the ability to view will offer search by selected map area.)
- Audit Trail = Track who did what, when, and from where.
- Reconstruction = Long Term Search-and-Replay Software provides simultaneous multi-channel playback.
- Audio Redaction = This Allows users to “whiteout” any part of the saved audio that you cannot release due to privacy regulations without altering the original recording.
- Verify = Instant recall of recent audio interactions.
- Monitor = Listen in on active Interactions.
- Evidence and Compliance Pack = Audio, Text, and Multi-Media Data Aggregation and management of Incident Storage and Secure Access Management module. Enables secure distribution of audio, related material, and player software on Password-Secured removable media.
- Quality Assurance Pack = Enables you to evaluate performance and quickly impact the overall quality of service. Includes Licenses for Supervisors and named agents/dispatchers.
- Reporter = Calls per resource for a given period, channel utilization per hour, etc.
- With the Quality Assurance Pack as part of the system, several reports specific to completed evaluations will also be available.







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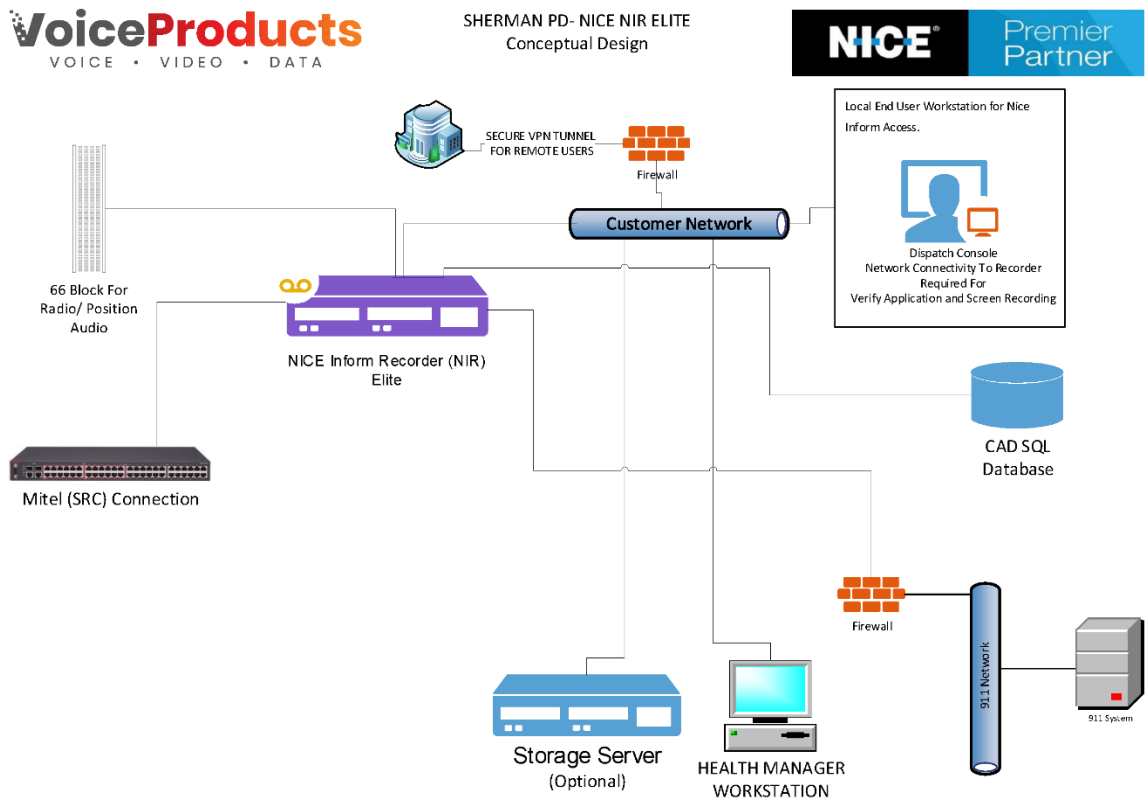

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Pricing

VoiceProducts

NICE Premier Partner

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craigl@cityofsherman.com
October 27, 2022

Brett Johnson, Regional Vice President of Sales
Voice Products Inc. - Houston, TX
P 800.466.1152 | F 316.263.1823
bjohnson@voiceproducts.com
Quote# Q-41659

NICE Inform Recording with Elite Package
(NIR Stand Alone Single Site Recording System)

NICE Inform Recording Software/Hardware Solution				
NICE Part #	Qty	Description	Unit Price	Total
NPS-INF-ELITE-PRI-1CH	133	Primary recording channel license with Inform Elite applications support - New	$750.00	$99,750.00
NPS-MYSQL-STD	1	MySQL Server license (Standard Edition)	$220.00	$220.00
NPS-SQL2019-64-CAL- USR	20	MS SQL 2019 64 bit User/Device Client Access License	$200.00	$4,000.00
NPS-SQL2019-64-CAL- SVR	1	MS SQL 2019 64 bit Server Client Access License	$200.00	$200.00
NPS-TPS-ELTIMA-LIC	1	Splits a single serial feed into four separate virtual COM port interfaces.	$188.00	$188.00
NPS-INF-ADT-FULL	1	Analog / Digital / Trunk full length PCI-E interface board (NO CABLE included)	$1,800.00	$1,800.00
NPS-NR-MOXA-N-1	1	Moxa NPort 1port device server w/ (1)DB9M RS232 port & (1) 10/100 network port.	$324.00	$324.00
NPS-NR-SPLIT-SERIAL-CABLE	1	Split Serial Cable RS232 10 meter (used for CDR)	$160.00	$160.00
VP-HW-NIR192R5	1	NICE Inform Recording Unified up to 192 channels Rack Mount RAID5	$12,445.00	$12,445.00
VP-HW-HM	1	Health Manager SNMP Workstation	$1,565.00	$1,565.00
25P-CBL	1	Cable and Connectors for Audio Board Package	$128.00	$128.00
VP-INST-NIR	1	Voice Products Inc. Installation Services: Includes Project Management	$15,075.00	$15,075.00
VP-TRN-NIR	1	Voice Products Inc. Training Services	$900.00	$900.00
PS-MAINT-NICE-IND-STD	1	One-time Software Assurance fee: One version upgrade during the first year if available.	$20,010.00	$20,010.00
		Subtotal		**$156,765.00**
		Stand-Alone NIR Elite Total		**$156,765.00**

Payment Terms:

1) Order placed with receipt of Purchase Order.

2) Balance due at completion of system delivery and installation.

Pricing quotation listed above reflects a total recording solution. Server hardware for NIR/Inform has been included in this quote. Delivery, Training and Remote Support Included; One Year Warranty Included; 110v AC should be located within six (6) feet of the NICE installation; Sales Tax not included. (All applicable sales tax will be billed in addition to quote). Agencies which are tax exempt should provide a copy of a tax exemption form with purchase order.

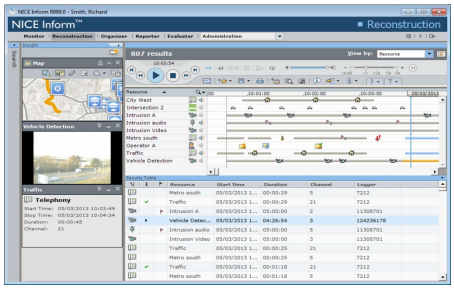
Optional Items

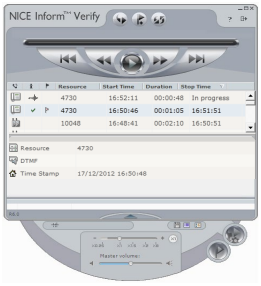
Optional Items				
NICE Part #	Qty	Description	Unit Price	Total
MySQL Enterprise				
VP-MYSQL-EP	1	MySQL Server license (Enterprise Edition)	$3,780.00	$3,780.00
		MYSQL Enterprise Option Total		**$3,780.00**
AQUA				
VP-AQUA-133-1B	1	NICE Inform Recording API for AQUA Integration	$4,060.00	$4,060.00
		AQUA Option Total		**$4,060.00**
Storage Server				
VP-HW-NIR192R5	1	NICE Inform Recording Unified up to 192 channels Rack Mount RAID5	$12,445.00	$12,445.00
		Storage Server Option Total		**$12,445.00**
		Stand-Alone NIR Elite with Optional Items Total		**$177,050.00**

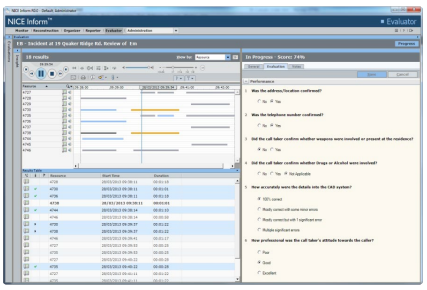
2N NIR Elite

Key capabilities of the ***NICE Inform Recording*** package include:

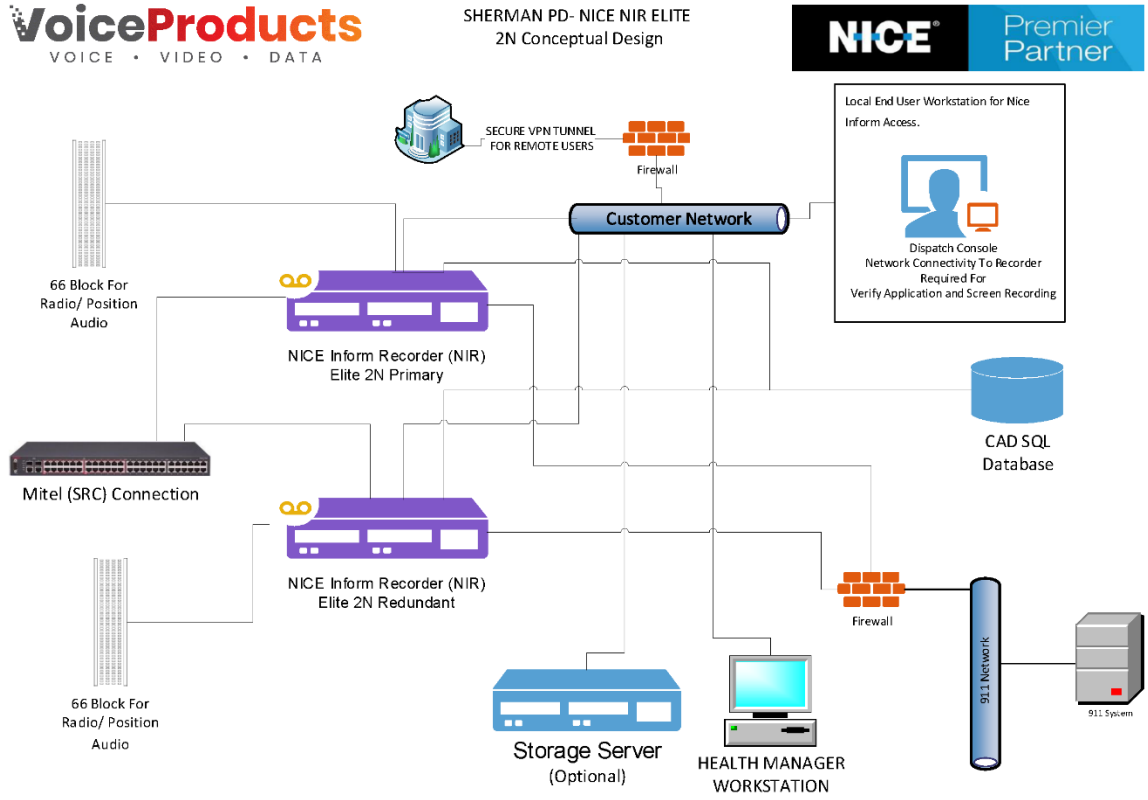
- 133 Audio Recording Licenses = 13 for Analog and 120 for VoIP.
- Text-to-911 Recording Licenses = NICE Media Vault allows you to Search and Review captured text Interactions with Inform Reconstruction.
- User Administration Software = User, Group and permission settings.
- System Status Software = Recorder Status, Media Management, Channel Overview, Monitor, Alarms & Audit Trail.
- ANI/ALI Tagging Software = associates ANI/ALI information from the 911 system to recordings.
- CAD Integration = Allows users to search by CAD incident number or other imported data. Some integrations offer the ability to view will offer search by selected map area.)
- Audit Trail = Track who did what, when, and from where.
- Reconstruction = Long Term Search-and-Replay Software provides simultaneous multi-channel playback.
- Audio Redaction = This Allows users to “whiteout” any part of the saved audio that you cannot release due to privacy regulations without altering the original recording.
- Verify = Instant recall of recent audio interactions.
- Monitor = Listen in on active Interactions.
- Evidence and Compliance Pack = Audio, Text, and Multi-Media Data Aggregation and management of Incident Storage and Secure Access Management module. Enables secure distribution of audio, related material, and player software on Password-Secured removable media.
- Quality Assurance Pack = Enables you to evaluate performance and quickly impact the overall quality of service. Includes Licenses for Supervisors and named agents/dispatchers.
- Reporter = Calls per resource for a given period, channel utilization per hour, etc.
- With the Quality Assurance Pack as part of the system, several reports specific to completed evaluations will also be available.







Conceptual Design



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Pricing

VoiceProducts

NICE Premier Partner

City of Sherman Finanace Dept.
PO Box 1106 | Sherman, TX 75091-1106
Craig Long, 903.892.7215
craigl@cityofsherman.com
October 27, 2022

Brett Johnson, Regional Vice President of Sales
Voice Products Inc. - Houston, TX
P 800.466.1152 | F 316.263.1823
bjohnson@voiceproducts.com
Quote# Q-41660

NICE Inform Recording with Elite Package
(NIR 2N Recording System)

NICE Inform Recording Software/Hardware Solution				
NICE Part #	Qty	Description	Unit Price	Total
NPS-INF-ELITE-PRI-1CH	133	Primary recording channel license with Inform Elite applications support - New	$750.00	$99,750.00
NPS-INF-ELITE-RES-1CH	133	Resilient recording channel license with Inform Elite applications support - New	$100.00	$13,300.00
NPS-MYSQL-STD	1	MySQL Server license (Standard Edition)	$220.00	$220.00
NPS-SQL2019-64-CAL- USR	20	MS SQL 2019 64 bit User/Device Client Access License	$200.00	$4,000.00
NPS-SQL2019-64-CAL- SVR	1	MS SQL 2019 64 bit Server Client Access License	$200.00	$200.00
NPS-TPS-ELTIMA-LIC	1	Splits a single serial feed into four separate virtual COM port interfaces.	$188.00	$188.00
NPS-INF-ADT-FULL	2	Analog / Digital / Trunk full length PCI-E interface board (NO CABLE included)	$1,800.00	$3,600.00
NPS-NR-MOXA-N-1	1	Moxa NPort 1port device server w/(1)DB9M RS232 port & (1) 10/100 network port.	$324.00	$324.00
NPS-NR-SPLIT-SERIAL-CABLE	1	Split Serial Cable RS232 10 meter (used for CDR)	$160.00	$160.00
VP-HW-NIR192R5	2	NICE Inform Recording Unified up to 192 channels Rack Mount RAID5	$12,445.00	$24,890.00
VP-HW-HM	1	Health Manager SNMP Workstation	$1,565.00	$1,565.00
25P-CBL	1	Cable and Connectors for Audio Board Package	$128.00	$128.00
VP-INST-NIR	1	Voice Products Inc. Installation Services: Includes Project Management	$40,200.00	$40,200.00
VP-TRN-NIR	1	Voice Products Inc. Training Services	$900.00	$900.00
PS-MAINT-NICE-IND-STD	1	One-time Software Assurance fee: One version upgrade during the first year if available.	$22,730.00	$22,730.00
		Subtotal		**$212,155.00**
		2N NIR Elite Total		**$212,155.00**

Payment Terms:

1) Order placed with receipt of Purchase Order.

2) Balance due at completion of system delivery and installation.

Pricing quotation listed above reflects a total recording solution. Server hardware for NIR/Inform has been included in this quote. Delivery, Training and Remote Support Included; One Year Warranty Included; 110v AC should be located within six (6) feet of the NICE installation; Sales Tax not included. (All applicable sales tax will be billed in addition to quote). Agencies which are tax exempt should provide a copy of a tax exemption form with purchase order.

Optional Items

Optional Items				
NICE Part #	Qty	Description	Unit Price	Total
MySQL Enterprise				
VP-MYSQL-EP	2	MySQL Server license (Enterprise Edition)	$3,780.00	$7,560.00
		MYSQL Enterprise Option Total		**$7,560.00**
AQUA				
VP-AQUA-133-1B	1	NICE Inform Recording API for AQUA Integration	$4,060.00	$4,060.00
		AQUA Option Total		**$4,060.00**
Storage Server				
VP-HW-NIR192R5	1	NICE Inform Recording Unified up to 192 channels Rack Mount RAID5	$12,445.00	$12,445.00
		Storage Server Option Total		**$12,445.00**
		2N NIR Elite with Optional Items Total		**$236,220.00**

Pricing Summary

	Stand-Alone NIR Professional (no CAD)	2N NIR Professional (no CAD)	Stand-Alone NIR Elite (with CAD)	2N NIR Elite (with CAD)
Base System	$81,910.00	$124,730.00	$156,765.00	$212,155.00
QA Option	$19,760.00	$37,670.00	Included	Included
MySQL Enterprise Option	$3,780.00	$7,560.00	$3,780.00	$7,560.00
AQUA Option	$4,060.00	$4,060.00	$4,060.00	$4,060.00
Storage Option	$12,445.00	$12,445.00	$12,445.00	$12,445.00
Total with All Options	**$121,955.00**	**$186,465.00**	**$177,050.00**	**$236,220.00**

Texas Department of Information Resources
DIR-CPO-5060

General Maintenance Agreement (GMA) Programs

Voice Products Inc. is committed to providing customers with outstanding service and support and therefore offers two levels of support to best suit your organization's needs:

Gold Support: This option is our Standard Support package that includes coverage from Monday through Friday, 8 AM to 5 PM local time, and excludes holidays.

Platinum Support: This option is our Extended Support package that includes coverage for 24 hours per day every day of the year.

Here are the GMA costs for each configuration proposed (excluding Optional Items).

Stand-Alone NIR Professional

GMA for NICE Inform Recording Software/Hardware Solution	Gold 8 – 5 M – F	Platinum 24/7	Software Upgrades
1 Year Warranty period will start upon delivery of order to customer site.	Included	$3,280.00	Included
Year Two (2)	$13,119.00	$16,399.00	$10,527.00
Year Three (3)	$13,119.00	$16,399.00	$10,527.00
Year Four (4)	$13,119.00	$16,399.00	$10,527.00
Year Five (5)	$13,119.00	$16,399.00	$10,527.00
5-Year Total	**$52,476.00**	**$68,876.00**	**$42,108.00**

2N NIR Professional

GMA for NICE Inform Recording Software/Hardware Solution	Gold 8 – 5 M – F	Platinum 24/7	Software Upgrades
1 Year Warranty period will start upon delivery of order to customer site.	Included	$5,028.00	Included
Year Two (2)	$20,114.00	$25,142.00	$14,547.00
Year Three (3)	$20,114.00	$25,142.00	$14,547.00
Year Four (4)	$20,114.00	$25,142.00	$14,547.00
Year Five (5)	$20,114.00	$25,142.00	$14,547.00
5-Year Total	**$80,456.00**	**$105,596.00**	**$58,188.00**

Stand-Alone NIR Elite

GMA for NICE Inform Recording Software/Hardware Solution	Gold 8 – 5 M – F	Platinum 24/7	Software Upgrades
1 Year Warranty period will start upon delivery of order to customer site.	Included	$6,307.00	Included
Year Two (2)	$25,229.00	$31,536.00	$23,763.00
Year Three (3)	$25,229.00	$31,536.00	$23,763.00
Year Four (4)	$25,229.00	$31,536.00	$23,763.00
Year Five (5)	$25,229.00	$31,536.00	$23,763.00
5-Year Total	**$100,916.00**	**$132,451.00**	**$95,052.00**

2N NIR Elite

GMA for NICE Inform Recording Software/Hardware Solution	Gold 8 – 5 M – F	Platinum 24/7	Software Upgrades
1 Year Warranty period will start upon delivery of order to customer site.	Included	$8,537.00	Included
Year Two (2)	$34,150.00	$42,687.00	$26,983.00
Year Three (3)	$34,150.00	$42,687.00	$26,983.00
Year Four (4)	$34,150.00	$42,687.00	$26,983.00
Year Five (5)	$34,150.00	$42,687.00	$26,983.00
5-Year Total	**$136,600.00**	**$179,285.00**	**$107,932.00**

**There is a 5% discount for Years 1 – 3 or Years 1 – 5 for pre-paid GMA.*

Sample Service Agreement

SERVICE CONTRACT

BETWEEN

City of Sherman, TX

and

VOICE PRODUCTS SERVICE, LLC

Regarding the Equipment installed at:

Address TBD

VOICE PRODUCTS SERVICE, LLC
8555 East 32nd Street North
Wichita, KS 67226
(316) 616-1111
FAX (316) 263-1823

SERVICE CONTRACT

This contract is between VOICE PRODUCTS SERVICE, LLC, 8555 East 32nd Street North, Wichita, KS 67226, which shall include the authorized representatives of VOICE PRODUCTS SERVICE, LLC and City of Sherman, TX, hereinafter referred to as the Customer. The terms "we", "us" and "our" in this contract refer to Voice Products Service, LLC, Voice Products, Inc. and the employees and representatives of those companies. This Contract covers the Equipment described in proposal number TBD and is attached to and is a part of this contract.

Voice Products Service, LLC is the obligor on this contract but will not perform any repair services. Instead Voice Products Service, LLC will pay for the repair services provided by Voice Products Inc. based upon the coverage terms in the contract.

WHEREBY IT IS AGREED AS FOLLOWS:

Conditions of Equipment at Commencement of Contract:

Voice Products, Inc. represents and warrants that the Equipment operates within the manufacturer's specification and has been comprehensively inspected by a qualified engineer, trained and skilled in the performance of the specific services invoiced, and delegated by the manufacturer. Furthermore, any coverage or rights of the Customer under any other warranties shall remain in effect, and shall not be mitigated by virtue of this Contract.

GENERAL INFORMATION

Normal Service Hours: Normal on-site service hours are 8:00 AM to 5:00 PM, local time of the Install Location, Monday through Friday, excluding the holidays listed below. Extended Service Hours are hours outside of the Normal Service Hours. Normal service hours are 8:00 AM to 5:00 PM central time.

Company Holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day

In the event that a holiday falls on a weekend, we reserve the right to designate a weekday as a holiday for employees.

How to Report a Problem: Customer will report technical problems with Equipment or software to the Voice Products Inc. Help Desk. **Trouble tickets may be opened via telephone contact by dialing (800) 466-1152 or (316) 616-1111.** If calling outside of normal service hours an on-call Product Support Engineer will be paged. If your preference is for Voice Products Inc. to wait until the next business day to address the issue, please indicate so when you call. Customer may also report problems by email to support@voiceproducts.com.

We kindly ask that you do not attempt to contact a Product Support Engineer directly.

Customer's Designated Contact should be prepared with the following information when reporting a problem:

1. Serial number of Equipment with problem being reported (if applicable)
2. Steps Customer has taken to troubleshoot and attempt to resolve before contacting Voice Products Inc.
3. Specific error message being received. (if applicable)
4. Specific agents not being recorded, with agent IDS, extensions, channels (if applicable)
5. Instructions on what to do if reboot is required (e.g., authorized to reboot or Product Support Engineer must get authorization before rebooting)
6. If calling about an existing ticket, provide the ticket number.

The Product Support Engineer will triage the initial symptoms reported. If necessary, the engineer will remote into the Customer's system to conduct remote diagnostics as well as continue to try and resolve the problem over the telephone. If an issue appears to be product software related, a ticket with the manufacturer may be opened.

The Technical Services Manager will determine if an on-site visit is required by a Product Support Engineer to resolve the problem. The Customer will designate at that time the Customer Contact from whom the Product Support Engineer will take direction and who will be the primary communication link while on-site. When on-site, the Product Support Engineer will communicate directly with the Customer Contact regarding arrival to and departure from premises, work requirements in sensitive locations, and needed Customer assistance.

Before departure the Product Support Engineer will request signature on a service statement, which reports to the Customer Contact the work that has been done and describes any outstanding issues.

Severity Levels and Escalation Path:

Severity Level 1 – "CRITICAL FAILURE" – Any failure of covered items which results in loss of substantial number of recording channels, affected users, or data (audio, screens or both), or if allowed to persist will result in such loss. The loss has been shown to be caused by a defect in covered items. (e.g. Hard drive down, unable to record on one or more systems), and NOT defects in 3rd party products or within the Customer environment.

Response category	Normal response times
Call Back Response Time	Sixty (60) minutes after receipt of call from Customer's authorized representative.
On-Site Response Time	Four (4) hours or less or Product Support Engineer on first available flight to site, once the need for on-site support has been determined.
Level of Service	Reasonable effort until the problem is resolved or a work around is provided. The resolution process is ongoing until the problem is solved. Critical failures are typically resolved within 24 hours.

Severity Level 2 – "LIMITED FUNCTIONALITY" – The majority of the users at a Customer's site are affected, but the problem does not affect the system functionality. The problem has a high visibility and although there may be a work around, performance may be degraded or functions limited. Problem may be due to a non-critical part failure or software malfunction. Level 2 problems frequently require manufacturer involvement, and occasionally require manufacturer R&D –level involvement, which may take longer to resolve. (e.g., evaluation form is unavailable, reporting is unavailable).

Response category	Normal response times
Call Back Response Time	Two (2) Hours after receipt of call from Customer's authorized representative.
On-Site Response Time	These problems are typically corrected via remote access to the system. If not able to resolve remotely within 18 hours, and if final diagnosis of problem reveals a need for on-site personnel, an on-site visit will be scheduled.
Level of Service	Reasonable effort until the problem is resolved or a work around is provided. The resolution process is ongoing until the problem is solved.

Severity Level 3 – "WORK IMPEDING OR INCONVENIENT" – A single user or small percentage of users are affected, or the problem has limited visibility.

Response category	Normal response times
Call Back Response Time	Within 24 hours after receipt of call from Customer's authorized representative.
On-Site Response Time	Typically resolved via remote system access
Level of Service	The resolution process is ongoing until the problem is solved.

Severity Level 4 – " WORK UNIMPEDED" – Request for technical correction when not service impacting. Users are not immediately affected.

Response category	Normal response times
Call Back Response Time	Within 48 hours after receipt of call from Customer's authorized representative.
On-Site Response Time	Typically resolved via remote system access
Level of Service	The resolution process is ongoing until the problem is solved.

Escalation Contact Table

Name	Title	email address	phone number
Ron McCrossen	Regional Voice and Video Logging Manager	rmccrossen@voiceproducts.com	(316) 616-1111 x 334
Stuart Peters	Vice-President and CFO	speters@voiceproducts.com	(316) 616-1111 x 211
Dean Tullis	President and CEO	dtullis@voiceproducts.com	(316) 616-1111 x 212

What Level of Support does my Service Contract Provide?
Annual support coverage will be in accordance with the Service Contract purchased.

Platinum
• Remote Diagnostics (24 hours/7 days a week including holidays) • On-site Hardware Support – Parts and Labor (24/7, excluding holidays) • On-site Software Support – Labor (24/7, excluding holidays) • Travel Expenses included for support visits.

1. Repair and Replacements

In the event of any equipment failure during the term of this contract, Voice Products Service, LLC will pay to repair or replace all defective components. Such repair or replacement shall be at no additional charge to the Customer except if caused by accident or negligence or improper use on the part of any person other than the staff of Voice Products Service, LLC or Voice Products Inc., or if caused by unsuitable electricity supply. All defective component parts so replaced shall become the property of Voice Products Service, LLC. All repair parts shall be new or warranted as new.

2. Limits of Liability

Except as herein expressly stated, we shall not be liable for consequential loss, damage, or injury arising from any stoppage, breakdown, or failure of the Equipment, save where caused by the negligence of or breach of this Contract by us or our failure to exercise reasonable skill and care in carrying out any work pertinent to this Contract, but we shall use our best endeavors to remedy any stoppage as promptly as we are able and likewise shall use our best endeavors to keep the Equipment in good working order. If, however, personal injury or damage to property is caused by our negligence then we shall accept liability. For any single claim, the limit of liability under this contract is the lessor of the cost of (1) authorized repairs or (2) replacement with a new or refurbished product of like kind and quality that is of comparable performance. The total liability under this contract is the current market value of the equipment, as determined by us, not to exceed the original purchase price of your equipment, including taxes. Technological advances may result in a replacement product with a lower selling price than the original product.

3. Property of VOICE PRODUCTS, INC.

Service materials, tools, documentation, diagnostics, test equipment and software, etc. provided by us shall remain the exclusive property of Voice Products, Inc.

4. Customers Responsibilities

A. Keep and operate the Equipment in a proper and prudent manner and at the same location within the United States, readily accessible to our personnel.

B. Promptly notify us at the above address of any change in location of the Equipment.

C. Make all payments due hereunder to Voice Products Service, LLC at the address above stated within 30 days of the date on which such payments are expressed to be payable hereunder.

D. Promptly notify us of faults, service issues or defects in the Equipment.

E. Provide an adequate and suitable electricity supply in accordance with advice given by Voice Products, Inc. to the Customer in the sales proposal.

F. Do such maintenance as is required for normal day-to-day operation. Maintenance is specified in the manual provided with the Equipment.

G. Use only those materials and supplies (including lubricants) approved by VOICE PRODUCTS, Inc. or approved by the manufacturer.

H. Provide our service personnel full and reasonable access to the equipment Location(s) for the purpose of performing service.

I. Provide a safe working environment for our service personnel.

J. Provide us with reasonable access to and use of any machines, attachments and/or communications facilities (at no charge) which are necessary to facilitate service.

K. Maintain and control proper site environmental conditions and perform any routine maintenance procedures (such as cleaning of Audio Drives and air filters) as prescribed in manufacturer's operations manual pertaining to the Equipment. With the exception of the routine procedures referenced in this section, Customer shall not perform, or cause to be performed any alterations to the System without our prior approval.

L. Provide remote access for our remote troubleshooting and help desk support.

M. Perform system administration (e.g., performing moves, adds and changes, defining user status and system permissions, changing and labeling audio tapes); completed system administration training for on-site administrators is mandatory.

N. Contact us prior to installation of other third party software (such as anti-virus software) to confirm compatibility with the Customer's system.

O. Contact us before making changes or modifications to System logins and passwords.

P. Contact us before making changes to systems that integrate with your System (e.g., switch upgrades, CTI servers, network or firewall changes) to determine if there are implications to your system.

Q. Ensure Customer's designated contact(s) is (are) fully trained on proper administration, use and functionality of the system.

R. Use best efforts to conduct problem triage before reporting problems.

S. Provide regular and frequent communication to VOICE PRODUCTS to assure proper understanding of Customer issues and provide feedback to VOICE PRODUCTS with confirmation that an issue has been resolved.

T. Customer is responsible for protection of the system from virus/malware infection. Any service hours attributable to a system infection will be billed at Voice Products Inc.'s prevailing hourly rate, subject to availability of Voice Products Inc.'s service personnel.

5. <u>Our Responsibilities</u>

Voice Products Service, LLC in cooperation with Voice Products Inc. will provide the following:

A. Maintain a technical support center with a twenty-four-hour help desk, seven (7) days a week, 365 days a year that allows Customer to report that the system has malfunctioned or is inoperative.

B. Once the Customer has placed a service request, and prior to any on-site work, we will work with the Customer to remotely troubleshoot and resolve the issue with the Customer. For technical issues that cannot, in our judgment, be resolved remotely, we will dispatch an authorized representative to provide on-site technical support.

C. Using all responsible diligence to correct verifiable and reproducible errors to the software when reported to us in accordance with our standard reporting procedures. Upon verifying

that an error is present, we shall work along with the manufacturer in such a manner which is necessary toward correction of the error.

D. Furnishing parts and software changes including manufacturer software patches or service packs are necessary to maintain the Equipment in good working condition; also including replacement of hardware components upon determination by us that hardware failure has occurred. Customer shall return the failed hardware component to Voice Products Inc. within fifteen (15) days of receipt of the replacement component or return the defective unit to a Voice Products Inc. Engineer who may be on-site.

E. Dispatching service personnel on-site to the Equipment Location(s) when necessary as determined by us. If Customer requests the performance of services that are outside of or in addition to the scope of services covered under the Service Contract purchased, such services may be furnished by Voice Products Inc. on a time and materials basis at Voice Products Inc.'s prevailing hourly rates, subject to availability of Voice Products Inc.'s service personnel.

F. Limited Warranty. VOICE PRODUCTS shall perform its support services in a professional manner in accordance with accepted industry practice. Our obligations to furnish repairs, parts and materials or correct any errors shall be limited to the terms of this Service Contract and the manufacturer's limited warranty provided at the time of install. Our obligation to provide support services for the software shall be in accordance with the terms set forth in this SERVICE CONTRACT, such that the software will perform in substantial conformance with the manufacturer's published specifications as amended from time to time. The limited warranty set forth by the manufacturer at the time of purchase shall not be superseded by this SERVICE CONTRACT.

G. In the event Customer requests service for a technical issue that proves not to be caused by a problem or defect in software or hardware covered on the contract, the Customer shall pay to Voice Products Inc. the appropriate charges for labor and travel.**6. Duration**

This contract may be terminated at any time upon 90 days of prior written notice by either party to the other. The contract effective dates are documented in Appendix 1. Customer will have the option to renew this agreement from year to year as long as system components are serviceable.

7. Rates and Charges

A. The yearly charge described in Appendix 1, appended hereto, will become payable to VOICE PRODUCTS SERVICE, LLC at its address stated above on the first day of each contract year (as defined in Clause 6 above).

B. In consideration of the Service to be provided herein, Customer will pay VOICE PRODUCTS SERVICE, LLC or the contracting business partner its Service Contract fees based on the Service Contract purchased. VOICE PRODUCTS SERVICE, LLC reserves the right to change the fees and service contract upon the expiration of the then-current Service support term, provided that, no such change will be effective until thirty (30) days after VOICE PRODUCTS SERVICE, LLC has given Customer notice of such change.

C. Additional Equipment: Additional Equipment and software acquired by Customer from VOICE PRODUCTS during the term of this policy will be automatically added to list of covered hardware and software following the installation of Equipment and/or software.

Allowing for a 90-day warranty period on new Equipment and software, VOICE PRODUCTS SERVICE, LLC will issue an invoice on a coterminous basis for the prorated support fee.

D. Manufacturer Hardware/Software Obsolescence: In the event there is a failure of any of the installed hardware or software components that are no longer manufactured by or supported by the manufacturer, VOICE PRODUCTS SERVICE, LLC will compute the remaining amount of the Support purchased which covers the Equipment, software or part in question and to apply said amount as a discount toward the purchase of a new service contract.

8. Variation of Charges

If the Equipment is added to or altered, then VOICE PRODUCTS may make appropriate variations in the charges payable under Clause 6 above. Any such variations shall be subject to Customer's approval, which shall not be unreasonably withheld.

9. Alterations

The Customer shall not, in any circumstances, alter or add to the Equipment without our consent (which shall not be unreasonably withheld).

10. Defaults

If the Customer shall fail to make payment, as defined in Clause 4c, or if either party shall be in continual or material breach of its obligations hereunder, the other party may forthwith, by written notice, terminate this Contract without prejudice to pre-existing rights.

11. Force Majeure

Neither party hereto shall be under any liability for failure or delay in performing their respective obligations hereunder which are attributable to causes beyond the relevant party's reasonable control, each party acting reasonably and using its best efforts, based on good faith, to perform such obligations.

12. Confidentiality

VOICE PRODUCTS shall not disclose any information about the Customer, its business, or its customers to any third party without the prior consent of the Customer. For the purpose of this clause, customer shall include any partner of or body associated with the Customer, and/or any affiliate or subsidiary of the user. The foregoing obligation of confidentiality shall survive any termination of this Contract.

13. Excluded From Coverage

Service to be provided under this Service Contract does not include services for repair of damage, replacement of parts, correction of errors or defects, or increase of service time attributable to the following reasons:

A. Any problems resulting from the misuse, improper use, abuse, alteration, or damage of the System.

B. Any problems caused by modifications in any versions of the software not made or authorized in writing (in advance) by VOICE PRODUCTS, INC. or the manufacturer.

C. Any problems resulting from the combination of the System with such other programming, Equipment or materials not supplied by VOICE PRODUCTS INC. or to the extent such combination has not been approved in writing by VOICE PRODUCTS INC. or the manufacturer.

D. Any problems resulting from the Customer or operation of the system for purposes for which it was not designed.

E. Problems resulting from unusual physical or electrical stress (such as power, UPS or air conditioning failure), accident, neglect or acts of nature. Electrical work external to and not connected with any covered Products.
F. Moves, adds and changes requested by Customer. These functions should be performed by the Customer's System Administrator.
G. Software version upgrades which provide substantially modified functionality to the original installed system such that it is considered by the manufacturer to be a new product or new version release; such product or new version release upgrades may be subject to an additional charge, based on the products purchased.
H. Relocation of Equipment. Upon request of Customer, VOICE PRODUCTS, INC. will provide a price quotation for relocating the Equipment to a new site. In the event the Equipment is moved or relocated by other than VOICE PRODUCTS, INC. personnel, VOICE PRODUCTS, INC. shall have the right to evaluate the Equipment and its new site and environmental conditions as a condition for continuing maintenance on the Equipment, and to bill Customer at its then prevailing rates for such inspection and any labor, materials and adjustments which, in VOICE PRODUCTS, INC.'s opinion, are necessary to restore the Equipment to good operating condition.
I. Requirements for VOICE PRODUCTS, INC. to go on-site to resolve an issue because remote access was not provided by Customer. If, in our judgment, the work could have been completed remotely, Customer will be charged time and material rates for this work.

APPENDIX 1

SCHEDULE OF SERVICE TIMES AND CHARGES
AUTHORIZED SIGNATURES

Level of Service Purchased:
PLATINUM
(as defined in General Information)

General SERVICE CONTRACT Software and Hardware	
One Year (1) GMA	**$**

Duration:

Month	Day	Year	to	Month	Day	Year
January				January		

_____
Signature

_____
Print Name

_____
Title

_____
Date

Receipt of payment by VOICE PRODUCTS SERVICE, LLC from the Customer constitutes acceptance of terms of the service contract by the Customer.

VOICE PRODUCTS SERVICE, LLC
8555 East 32nd Street North
Wichita, KS 67226
(316) 616-1111
FAX (316)-263-1823

SPECIFICATIONS

1. *System Design and Architecture*

The System must be designed to provide 99.999% uptime and the Vendor must have references that can speak to the Vendor's ability to provide stated level of reliability. Understood and comply.

The health of the System shall include services to monitor system status, channel activity or inactivity, and to respond immediately to any service impacting issue. Understood and comply.

a. Software Requirements. If any software license requirements are needed, the City requests costs for an enterprise licensing for the city. Understood. Software licensing for the proposed solution is based on the number of audio channels to be recorded. The MySQL Server licensing typically provided is the Standard Edition since it's required to be installed on the same system as the software licensing and can't be installed on a separate, centralized server.

b. Any and all software requirements must be disclosed by the Vendor. This would include operating system compatibility along with support applications and version requirements. Comply. Please see below.

Virtualization

	VMWare ESXi/Vsphere			**Microsoft HyperV**			**Comments**
	(+ = Supported, - = Not Supported, # = Not applicable, R = Required, U = Upgrades only, O = Optional)						
	Supported versions: 5.x, 6.x			*Supported versions: 2008, 2012*			
	All components should be installed on separate Virtual Machines where possible						
	If combining components, requirements should be added together						
	CPU *(GHz)*	vCPU *(count)*	RAM *(GB)*	CPU *(GHz)*	vCPU *(count)*	RAM *(GB)*	Comments
NICE Inform	8	4	32	8	4	8	
NICE Recording	8	4	32	-	-	-	Microsoft HyperV virtualization is not supported by the NICE Recording platform. **NOTE: Assumes max 200 channels.**

Software

	OS	**SQL**
	(+ = Supported, - = Not Supported, # = Not applicable, R = Required, U = Upgrades only, O = Optional)	*(+ = Supported, - = Not Supported, # = Not applicable, R = Required, U = Upgrades only, O = Optional)*
	All Operating System versions are Standard/Enterprise edition unless otherwise indicated	*All versions are Standard/Enterprise unless otherwise indicated*
	All OS versions for the NICE Inform server must be English	*All SQL versions should be patched to the latest Service Pack, unless otherwise stated*
	All OS versions should be patched to the latest Service Pack, unless otherwise stated	*All SQL versions must match the host OS architecture (I.e. 64bit SQL only supported on 64bit OS)*
	All software is 64bit unless otherwise stated	*All software is 64bit unless otherwise stated*
	Windows Server 2019	SQL Server 2019
NICE Inform	+	+
NICE Inform Recorder	+	+

	Other *(+ = Supported, - = Not Supported, # = Not applicable, R = Required, U = Upgrades only, O = Optional)*											
	Microsoft .NET 3.5 SP1 (English)	Microsoft .NET 4.0 (English)	Microsoft .NET 4.5 (English)	Microsoft IE 8.0 or higher	Microsoft Windows Installer v4.5	IIS Services - Common files - Manage	SNMP Service	ASP.NET	Enable network COM+ access	WMI services	ESRI ArcGIS Runtime Engine 10.0 SP4
NICE Inform	O	R	O	R	O	R	R	R	O	O	#
NICE Inform Recorder	R	R	O	R	O	R	R	R	O	O	#

c. The Vendor will provide Specifications to the City regarding the hardware needed to successfully and efficiently implement and/or use the System. The hardware specifications must be broken down by location. Comply. All Hardware will be located at the Police Department. See network diagrams for equipment layout.

d. The System shall be designed to record in a 24/7/365 continuous operation with five 9's reliability and resiliency. Comply. Voice Products has proposed four configurations in the Solution Summaries and Pricing section for the City of Sherman's recording needs. The two 2N configurations provide higher levels of resiliency than the stand-alone configurations.

e. The system must provide a web based user interface for end user interactions including searching, retrieving, exporting, reporting, quality assurance, and auditing. The interface shall be compatible with Microsoft Edge browser. List any other web browsers supported along with their versions. Comply. The proposed solution includes a web-based interface for search and replay, exporting recordings, reporting, quality assurance and auditing. This interface is compatible with Microsoft Edge.

f. Specify if your web interface requires any browser add-ins such as Adobe Flash, Java, or Silverlight. The web interface requires no browser add-ins.

g. Specify the web application server being proposed (i.e. Microsoft IIS Server, Apache, etc.). List any others that are supported. The web application server being proposed is Microsoft IIS.

h. Specify the data base system and version being proposed (i.e. Microsoft SQL server, Oracle, MySQL, etc.) List any other supported. Inform R10 uses SQL Server 2019, and NIR recorder uses MySQL 5.7 and is transitioning to MySQL 8.0 in 2023.

i. Specify the software development environment/platform/language the system is written in (i.e. VB.Net, Java, Spring Services, etc.) and any standards used (i.e. WC3, HTML5, etc.). The proposed solution, NICE, uses a variety of development environments including Visual Studio with C#, C++, and some Delhi. Third-party products include Net 3.5, .Net 4.0, .NET 4.8, Log4Net, and others.

j. If Vendor proposes a recording solution for multiple locations, the number of channels available for recording at each location. While the proposed solution records channels for multiple locations, all hardware will be installed at only the main location.

k. The System shall have the ability to provide unattended and automatic archiving per user defined schedule. Comply. The proposed system allows unattended and automatic archiving per user defined schedule with the following options: whether archiving occurs immediately or

after a period, whether audio is deleted from the recorder immediately or after a period and whether call data is deleted from the recorder immediately or after a period.

l. The System shall have the ability to record and capture information from the existing and future equipment;

l.1. Onesolution CAD Comply.

l.2 Vesta 911 consoles Comply. The proposed system integrates with Vesta to record audio and screen interactions, as well as SMS Text-to-911 communications and associated call metadata (SIP), including ANI/ALI feeds.

l.3 Mitel 3300 Phone System Comply.

l.4 Motorola MCC 7500E Comply with future equipment. The proposed system has the ability to connect to the Motorola MCC7500E for search and replay purposes. Additional discovery, licensing, configuration and hardware will need to be need to added to the system.

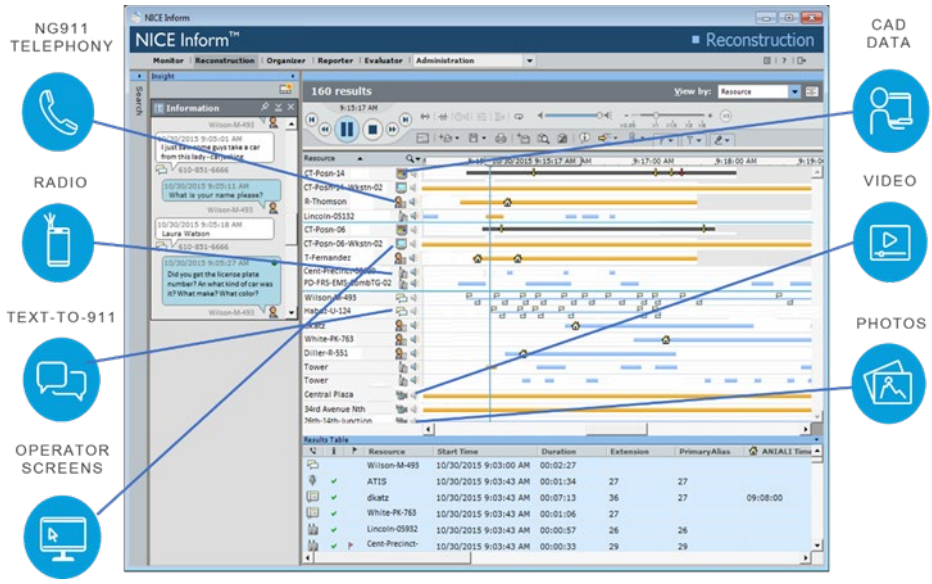
m. The System is preferred to have the ability to screen capture within the CAD LAN and Vesta 911 screens. Please note in response if capable of capture of both system or if only one system may utilize screen capture. Comply. The proposed solution records up to three monitors per workstation with a total maximum resolution of 1920 x 1080. So, if the CAD interface is on one monitor and the Vesta 911 interface is on another monitor, and both monitors are attached to the same workstation, both monitor screens will be recorded.

n. .

o. The System must have the ability to record in a SIP (session Initiated Protocol) environment. Comply. The proposed solution may be configured to record SIP and to enable extraction of any call metadata within the SIP header fields.

p. The System must have the ability to record in a Mitel SRC environment. Comply.

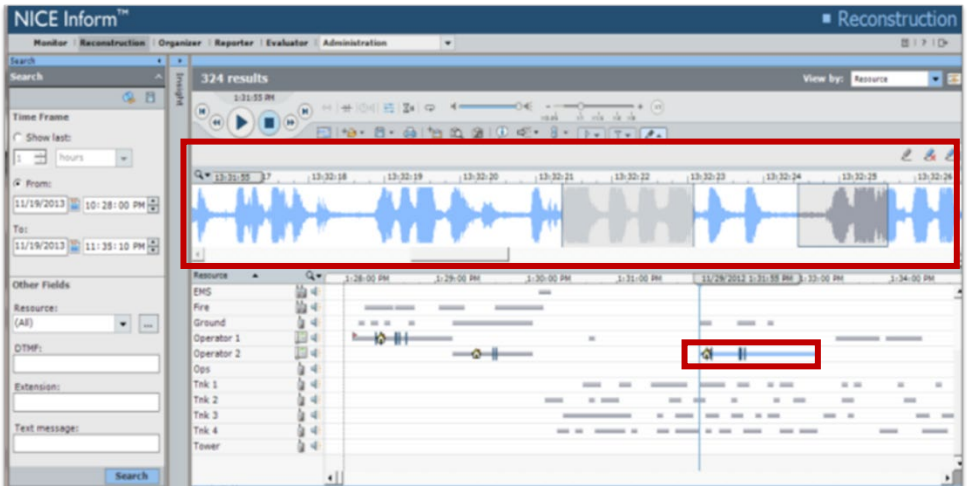
q. The system must provide fast and convenient incident / scenario reconstruction and export for sharing with multiple voice, screen, image, and data elements – directly within the same application interface. Comply. The proposed solution's Reconstruction Module provides authentic, synchronized incident reconstruction to provide a 360o real-time view exactly as it happened. See an example reconstruction below of an event that occurred on October 30, 2015 just after 9am:



Advanced features enabling quick retrieval and playback include the add to clipboard function, which saves time in sorting relevant scenario items, the filter for filtering search results, volume control/balance per audio entry for enhanced focus, streaming of video and audio to speed up the information review, and more.

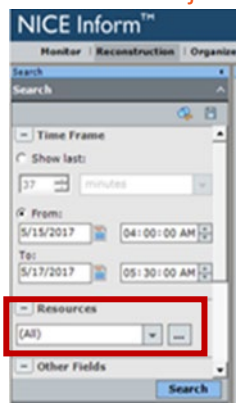
r. It must be possible to configure the system to allow each call taker to access their own recordings only, while the supervisor shall have instant access to recordings for their departments. The System Administrators shall have access to recordings for all Departments. Comply. Users are given access to recordings by attaching resources to user groups. Resources represent different sources of recordings, such as: recording channels, talkgroups, agents, extensions, etc.

s. The System shall allow the user to redact audio. Comply. The Reconstruction window below shows the active recording in blue both in the list of resources and in its wave form. Simply select the start and stop times of the portion(s) of the recording you want redacted. There are two such portions in gray in the window below. Now, when a user plays this recording, these portions are either skipped during playback or a tone plays instead depending on user preference.



t. The System must be a turnkey, self-contained unit. This indicates that all services, recorder hardware, and/or other needed software will be located in a single machine provided by the Vendor or in multiple machines all supplied and maintained by the Vendor. Maintenance includes all windows updates, patches, antivirus software upgrades, and software updates by the Vendor. Partially comply. The proposed solution includes multiple machines as part of the turnkey solution as well as options for software assurance to qualify for upgrades. Windows updates, patches and AV upgrades are the City of Sherman's responsibility.

u. If multiple recorders are linked over a network, any remote workstation with rights must be able to search across multiple recorders in one step, as if they were one recorder. Comply. The proposed solution views recorders as "Resources" for searching, and users are given access to these Resources. Assuming the user access rights to view these Resources in the dropdown list, the user can search across all these Resources or just a subset in a single step.



v. Describe recommended firewall/security techniques for interconnecting the various devices, systems, or networks together as required to record and retrieve voice and data. The NICE system generally resides on the customer LAN. Firewalls for access into other sub-systems such as CAD, Vesta, Mitel, etc shall be provided, managed and maintained by the sub-system manufacturer per the specifications of the sub-system manufacturer.

v.1 Specify which of these are included in the price of your proposed system. See v. above.

w. The System must be fault tolerant with redundancy built-in, including RAID-configured hard drives, power supplies, fans, and CPU's Drives and power supply modules should be hot-swappable. Comply. Voice Products has proposed four NIR (NICE Inform Recording) configurations in the Solution Summaries and Pricing section for the City of Sherman's recording needs.

NIR Configurations	RAID Level	Dual Power Supplies, Hot-Swappable
Stand Alone Professional	RAID1	✔
2N Professional	RAID1	✔
Stand Alone Elite	RAID5	✔
2N Elite	RAID5	✔

x. The System must have a physical non-volatile memory area, such as a hard disk where the data will reside before being sent to the archive system. No Systems that use volatile RAM resources for short- term storage will be accepted. Comply. The systems in the proposed solution all use hard disk drives where data and recordings reside before being archived.

y. The System must allow for simultaneous recording on all channels, playback on multiple remote workstations, and multiple channel playback without loss of any data and without

deterioration to the rest of the system processes. Comply. This functionality is inherent in the proposed solution.

z. The System must be equipped for expansion in such a way that if expansion or new capability is acquired this can be accomplished by installation of new port cards, circuit boards, software upgrades, etc. Comply. The systems in the proposed solution are all expandable to support new capabilities. These capabilities will need to be evaluated in order to determine what expansion is required.

aa. The System must be capable of accepting data, such as ANI/ALI, from an external data source and post the appropriate alphanumeric data to the appropriate recorded call. Comply. The proposed solution is able to extract the ANI/ALI information from the ANI/ALI controller or the appropriate output from an integrated system. For example, the following ANI/ALI output is captured (provided it's available from the 911 provider):

Item	Field	Field Length	Description
1	NPA	3	The three-digit area code of the Calling/Working Number.
2	Calling Number	7	The seven-digit telephone number of the Calling/Working Number.
3	House Number	10	The house number. This field should be spaced filled if no house number is available.
4	House Suffix Number	4	The house number extension. (e.g. 1/2) This field should be space filled if no suffix applies.
5	Prefix Directional	2	The leading street direction prefix. Valid entries are: N, S, E, W, NE, NW, SE, SW. This field should be space filled if no prefix applies.
6	Street Name	60	The service address of the Calling Number.
7	Street Suffix	4	The street abbreviation, as defined by the U. S. Postal Service Publication 28. (e.g. AVE). This field should be space filled if no suffix applies.
8	Post Directional	2	The trailing street direction suffix. Valid entries are: N, S, E, W, NE, NW, SE, SW. This field should be space filled if no suffix applies.
9	Community Name	32	The service community name of the street / house number as assigned by the Municipal Street Address Guide.
10	State	2	The alphabetic state abbreviation as defined by the U. S. Postal Service. (e.g. PA)
11	Location	60	The additional address information describing the exact location of the Calling Number. (e.g. SUITE 2002, APT 706A) This field should be space filled if no location applies. See Notes for additional information on the use this field.
12	Customer Name	32	The subscriber name associated with the Calling Number.
13	Class of Service	1	Valid entries are:
			1 = Residence
			2 = Business
			3 = Residence Private Branch Exchange (PBX)

Item	Field	Field Length	Description
			4 = Business PBX
			5 = CENTREX
			6 = Coin 1 way out
			7 = Coin 2 way
			8 = Mobile
			9 = Residence Off Premise Extension (OPX)
			0 = Business OPX
14	Type of Service	1	Valid entries are:
			0 = Not Foreign Exchange (FX) or Non Published (Non Pub)
			1 = FX in 9-1-1 serving area
			2 = FX outside 9-1-1 serving area
			3 = Non Pub
			4 = Non Pub FX in 9-1-1 serving area
			5 = Non Pub FX outside 9-1-1 serving area
15	Exchange	4	Exchange used to place cellular phone call.
16	ESN	5	ESN for cellular phone
17	Main NPA	3	The three-digit area code of the Main Number associated with the Calling Number.
18	Main Number	7	The seven-digit telephone number of the Main Number associated with the Calling Number
19	County ID	4	County Identifier
20	Company ID	5	The Telephone Company Identification code. This field is to be populated using the NENA Company Code.
21	Zip Code	5	The five-digit Postal Zip Code.
22	Zip + 4	4	Four-digit zip code addendum
23	General Use	11	Field not used, space fill.
24	Customer Code	3	Customer code of cellular customer
25	Comments	30	Miscellaneous customer comments
26	X Coordinate	9	Longitude position of caller
27	Y Coordinate	9	Latitude position of caller
28	Z Coordinate	5	Altitude of caller
29	Cell ID	6	Identification Number of cellular phone used to place 911 call
30	Sector ID	1	Sector Identifier for sector in which call is placed
31	TAR code	6	Taxing Area Rate code.
32	Alternate Number	10	Alternate Number. Directory Number if different than Calling Number.

bb. The System must be able to natively store records in standard audio format including, WAV, MP3, etc. There shall be no need for any additional steps to create the audio file for records distribution by conversion from a proprietary format. Do not comply. The proposed solution uses proprietary file formats for audio, video and screens that use a small percentage of the total storage that standard formats use. When exporting recordings or incidents, users will be prompted to select the file format they wish to use.

cc. The System must synchronize its time and date via an interface to with customer provided NetClock. Comply. The proposed solution is capable of synchronizing its time and date to designated SNTP or NTP servers or to a NetClock.

dd. Search for recordings may be made through a single query or a series of queries to the call database via simple interface to allow for prompt retrieval of all call recordings that match the specified criteria. The search/playback application must support searching by any data field associated with the recording. Examples of available search criteria must include the following:
    dd. 1. Date and Time Comply.
    dd. 2. Customizable Channel Name or Number Comply.
    dd. 3. Call Duration Comply.
    dd. 4. Call Notations, Flags Comply.
    dd. 5. Dual-toned, Multi-frequency (DTMF) Codes Comply.
    dd. 6. Extension Number Comply.
    dd. 7. Call Direction (incoming or outgoing) Comply.
    dd. 8. ANI/ALI Comply.
    dd. 9. Caller ID Comply.
    dd. 10. Agency Comply.
    dd. 11. Radio ID/Alias Comply.
    dd. 12. CAD Event Number Comply.
    dd. 13. CAD Event Type Comply.
    dd. 14. Console Position Comply.
    dd. 15. May also include voice analytics – key words or the lack of key words. Do not comply.

ee. Version upgrades, fixes, and maintenance to the System shall only be applied after tested in a production environment. The Vendor shall be responsible for systematically deploying upgrades, fixes, and maintenance to the System. If the recording solution is located in each PSAP, the Vendor shall only upgrade one PSAP at a time. Each fix, change, upgrade, must have the ability to roll back to previous operating conditions if problems arise. Comply.

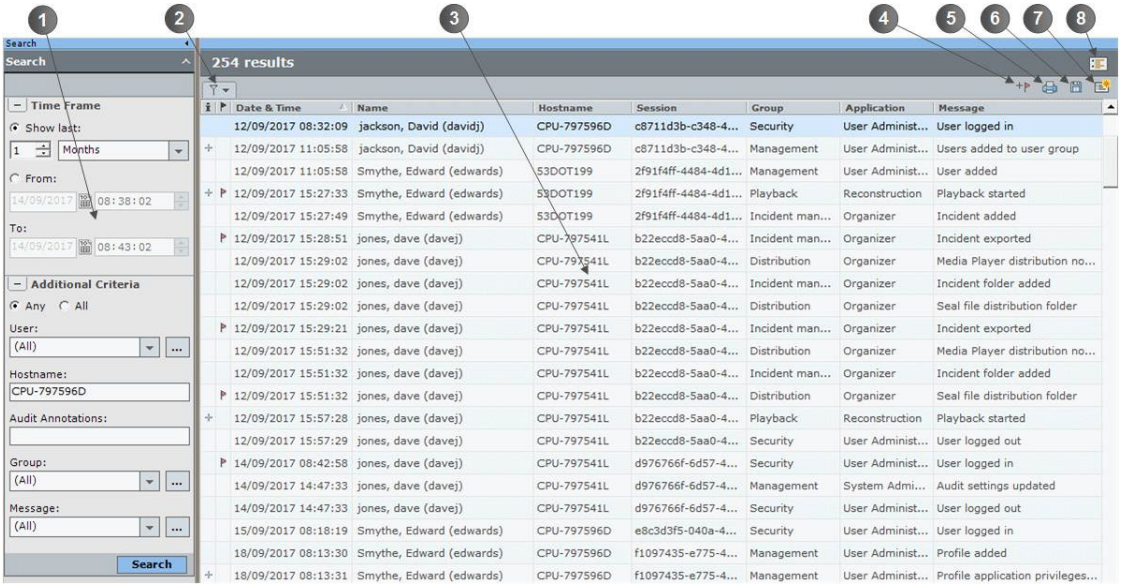
ff. The System must have Administrator and Individual User access levels. The Administrator must have the ability to set up different user rights and privileges for each individual. The Vendor must describe how their System handles: Comply. The proposed solution supports a configurable security to include the creation of unique user profiles (security accounts) allowing users to access only specified recording channels with specified functionality. For example, call takers may be limited to viewing and playing their own calls only, without the ability to export them.
    ff. 1. Authentication The proposed solution supports authenticating users entered into the system manually or imported from Active Directory.
    ff. 2. Security of voice file transfer Incident information, such as audio and video recordings, documents, photos, etc., is exportable in the form of an executable file and provides

authentication of the distributed material in order to provide confirmation of the data integrity to recipients.

ff. 3. Audit of who has accessed a recording The proposed solution keeps a full audit of all application access and security functions with details of who accessed the system and when, with details of what were changed or accessed.

gg. The System shall provide multiple levels of security down to the channel level. Comply. The proposed solution's security is based around applications and resources. Users are given permission to use applications by attaching a profile to them. The profile defines the applications and features the user can have. Without the profile, the user cannot do anything. Users are given access to recordings by attaching resources to user groups. Resources represent different sources of recordings, such as: recorders, channels, talkgroups, agents, extensions, etc.

hh. The System shall allow authorized access of selected – recorded audio either at the recorder or by use of an optional remote workstation. Describe or provide a copy of the audit trail for a recording. Comply. Here is an example audit trail.



Feature number	Description
1	**Search** panel
2	**Filter panel** button - toggles between opening and closing the Filter panel
3	**Results** table
4	**Add annotation** button
5	**Print** button
6	**Save as file** button
7	**Add manual audit event** button
8	**Preferences** button

ii. The System shall support multiple playback channels simultaneously and also provide variable speed playback. Vendor shall describe its simultaneous channel playback capabilities. Playback shall not interrupt the recording of any channel. Comply. The proposed solution's search and replay application shall be capable of replaying any of the multimedia channels time synchronized, allowing effective scenario and incident reconstruction. It also allows the user the capability of selecting and replaying part of a call, transmission, and video in either single item selection or when selecting multiple items. Block replay is also supported and involves the selection of multiple recordings simply by drawing a frame around them. In addition, the search and replay application support the playback of recordings in mixed mode, where the recordings are replayed as they occurred; or in sequential mode, where each recording is played back sequentially one at a time. This may aid the user in understanding individual recordings where multiple occur on different recorder channels simultaneously, relevant to the same incident. The search and replay application supports volume and balance control per audio channel, the ability to toggle Automatic Gain Control (AGC) on and off during replay and variable speed playback. Playback doesn't interrupt any channel recording.

jj. The System must support commonly used printers and fax machines allowing the user to print reports. Comply.

kk. The System shall have one or more of the following means of activating and deactivating the record function; **(Pricing for these features if not included in the Vendors standard proposal should be included as options. Failure to list pricing assumes the Vendors system is capable as proposed with no additional costs to The City.)**

kk. 1. Record continuously Comply.

kk. 2. Record during voice activity Comply.

kk. 3. Record while telephone line voltage indicates off-hook Comply.

kk. 4. Record via SIP packet capture Comply.

kk. 5. Record via analog input Comply.

kk. 6. Record via Motorola AIS (Version 7.14) Comply. Additional discovery is required in order to quote as an option.

ll. The System must provide the following;

ll. 1. Boot-up system test and ongoing self-checking tests Comply.

ll. 2. An error log to keep track of alerts, error messages, and conditions Comply.

ll. 3. Channel inactivity alert that will notify the user if a particular channel is inactive for a user- defined period of time. Comply.

mm. Redundant Architecture. The System will be designed with redundancy. The Vendor must describe how their proposed solution is fully redundant with no single point of failure or single point of audio retention. Comply. Options for 2N active / active redundancy have been included.

nn. Open Interface to Other Applications: The solution must have proven integration with many third party applications to include; CAD, Radio, and Phone Systems. Comply. The proposed solution supports the following integrations:
CAD: ADSi CAD, CentralSquare Enterprise Inform (TriTech) CAD, CentralSquare OneSolution (Superion) CAD, CentralSquare TotalCommand (TriTech) CAD, CentralSquare Pro (Zuercher) CAD, eFORCE CAD, Generic CAD, Hexagon Intergraph CAD, Motorola PremierOne CAD, Motorola Spillman Flex CAD, Tyler New World CAD, Versaterm CAD

Radio: APCO P25 ISSI / CSSI, APCO P25 ISSI / CSSI - EA latest, L3Harris VIDA P25 & OpenSky (DTRL), L3Harris VIDA P25 & OpenSky (DTRL) - EA latest, Motorola MCC7500 AIS ASTRO, Motorola MCC7500 AIS DIMETRA, Motorola Wave PTX (Configurable SIP), Motorola Airwave DCS, Phone Systems: Alcatel OXE (TSAPI), ATOS Asterisk, Avaya DMCC, Avaya (Nortel) MLS, Cisco CuCM (JTAPI), Cisco UCCE, Unify OpenScape Voice (OSV)
Phone: Alcatel OXE TSAPI, Alcatel OXE TSAPI - EA latest, Atos Asterisk, Avaya DMCC (TSAPI), Avaya DMCC (TSAPI) - EA latest, Cisco CuCM JTAPI, Cisco CuCM JTAPI - EA latest, Cisco UCCE, Configurable SIP Active, Enghouse Contact Centre, Genesys T-Server, Genesys T-Server - EA latest, Mitel MiVoice Business (SRC), Mitel MiVoice Business (SRC) - EA latest, Mitel MiVoice MX-ONE, Unify OpenScape Voice (OSV)

oo. The City would prefer a solution that includes the Vendor providing the following:
oo. 1. Physical onsite and remote support of the system Comply.
oo. 2. 3 years of Software upgrades to the system Comply. See Solution Summaries and Pricing section for more details.
oo.3. 3 years of all hardware support and all hardware replacement for defects, failure, or needed upgrades to maintain superior performance of the System. Comply. See Solution Summaries and Pricing section for more details.

pp. Next Generation 9-1-1
pp. 1. The Vendor must provide a commitment to The City that they will provide software, equipment and/or services that meet, are capable of meeting, and /or that will meet NENA NG9-1-1 requirements and standards now available or as they become available in the future. Comply. NICE has strong partnerships with commissions and associations on public safety and Next Generation 911 such as NENA, APCO, CALEA, IAED, etc. and industry leaders in technology such as AT&T, Intrado, Airbus, Motorola, etc. In addition, NICE is active in shaping standard's in NENA's Long-Term Development Working Group.
pp. 2. The Vendor shall describe their development status for Next Gen 9-1-1, what they have to offer, and if they are currently following NENA recommendations, requirements, and standards. Once a standard is adopted by NENA the Vendor must commit to complying with NENA standards within six (6) months after formal availability. The cost to comply with NENA's NG standards is solely the responsibility of the Vendor. NICE Systems is fully committed to supporting the Public Safety Community in the transition to NG911 and i3 compliance and will continue to evolve its i3 compliant recording product set as future revisions of the NENA standards are approved.
NICE is an active member of NENA's Next Generation Partner Program and i3 Architecture Working Group and is extensively involved in defining multimedia recording standards and interfaces as well as interoperability testing. NICE has successfully completed all Industry Collaboration Events since 2010 where transitional elements of the NG911 network (ESInet), location information, multi-phase, interoperability testing on call, event and data logging were tested (ICE2 in May 2010).
NICE has deployed over 1,000,000 channels of VoIP and 200,000 channels of IP-based radio logging. NICE has invented, pioneered, and patented VoIP recording. NICE currently holds more than 150 registered patents with an additional 88 patents pending.
NICE's patent 8,255,542 was granted in August 2012 and covers NG911 technology that includes the capture and playback of audio and location information of emergency calls.

Due to its deep domain expertise, NICE was part of the original committee for the Internet Engineering Task Force (IETF) SIPREC standard (IETF RFC 6341) referred to in i3 standard for recording. This working group was chartered to define a SIP-based protocol for controlling a session (media) recorder which is a critical requirement in many environments.
NICE adheres to the highest quality standards in its product development, information security, and quality control. Surpassing other vendors, NICE is certified to the following standards: ISO 9001 for quality management, ISO 14001 for environmental management, and ISO 27001 for information security management.

Summary of highlights:

- Attended and successfully tested the solution at NENA's Industry Collaboration Events (ICE)
- Patented NG911 recording and data capture in 2012
- Active in NENA's Long-Term Development Working Group and other technical committees
- Provided vice chair of EENA (European equivalent of NENA) Technical Committee (NG112)
- Offer trunk radio recording using APCO P25 ISSI standards-based Interface and many major vendor specific variants

NICE is currently unable to commit to complying with NENA standards within six (6) months after formal availability as various features in the NENA standards are niche and may not be taken up by other ESInet Functional Element (FE) vendors and customers. All costs associated with the development and compliance of these standards is incurred by NICE R&D. It is the responsibility of the end user to request quotes to upgrade the NICE system if new functionality based on these standards is desired.

pp.3. The Vendor shall describe the programs it is participating in to test their NG System with products from other Vendors. NICE is involved with NENA i3 Architecture group, and we were involved with the ICE10 planning is committee until we withdrew. NICE's Solutions Engineer is a voting member of the NENA ICE Steering Committee and previously served as the co-chair of the planning committee for the previous ICE9 event. NICE has also participated in previous ICE events and is currently involved with integration testing with a significant vendor in the New York area.

qq. Open Source Reliance

qq.1. The Vendor shall describe if the proposed solution utilizes open source software/products and detail what, if any, are utilized. The Vendor shall describe how product enhancement control is maintained independent of open source community advances. The Vendor shall describe any risk associated with utilization of open source software. Comply. The proposed solution doesn't use any open source software/products.

rr. The Proposer must provide a clearly documented, published product discontinuation (Sunset/End of Life) policy that clearly defines the following:

rr.1. Available Versions

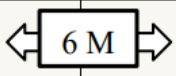
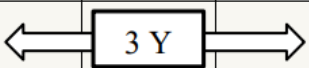
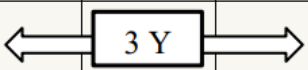
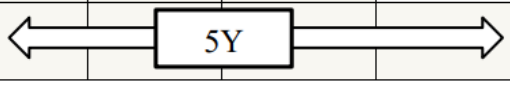
rr. 2. End of Sale Date

rr. 3. End of Software Development Date

rr. 4. End of Support Date

Comply. Here is the NICE Public Safety On-Premise Product Line Migration Policy and Summary:

Standard Guidelines for Migration Milestones:

Milestone	T	T+6M	T+3Y	T+5Y
Migration Plan Announcement	o			
End-of-sale date				
End-of-expansion-sale date				
End-of-development date				
End-of-support date				

T= Migration Plan announcement date M = Months Y = Years

Migration Milestones Summary for Recording Platforms

Version	General Availability Date	Migration plan Announcement Date	End-of-Sale Date	End-of-Expansion Date	End-of-Development Date	End-of-Support Date
NICE Interaction Management (NIM) 4.1	June 2011	February 2016 (MN1296)	August 2016	August 2017	February 2018	February 2021
NICE Recording 6.2.9 – 6.6.2	July 2012 - Feb 2015	December 2017 (PS-MN0004)	June 2018	December 2018	December 2020	December 2022
NICE Inform Recorder 8.0	August 21st, 2017	November 2020 (PS-MN0010)	November 2020	May 2023	May 2023	May 2025
NICE Inform Recorder 9.0 and 9.1	August 2018	June 2022 (PS-MN0022)	December 2022	June 2025	June 2025	June 2027
NICE Inform Recorder 9.2.0 and 9.2.1	September 2021	Current GA Version				

Migration Milestones Summary for Software Platforms

Version	General Availability Date	Migration plan Announcement Date	End-of-Sale Date	End-of-Expansion Date	End-of-Development Date	End-of-Support Date
NICE Inform R6.x	Sept 2013	December 2015 (MN 1298)	June 2016	December 2016	December 2018	December 2020
NICE Inform R7.x	Feb 2015	December 2017 (PS-MN0004)	June 2018	December 2018	December 2020	December 2022
NICE Inform R8	August 2017	November 2020 (PS-MN0010)	November 2020	May 2023	May 2023	May 2025
NICE Inform R9	August 2018	June 2022 (PS-MN0022)	December 2022	June 2025	June 2025	June 2027
NICE Inform R10	September 2021	Current GA Version				

ss. Proposer must provide a functional block diagram detailing the proposed solution components and connectivity.

ss. 1. Include firewalls, servers, recording devices, clients, and network components. Comply. See Solution Summaries and Pricing section.

2. *Disaster Recovery/Backup and Security*

a. Disaster Recovery

a.1. The system must perform a full, automatic, periodic backup of the call records database without interfering with playback, searching, or archiving. No system shutdown shall be required. The backup timeframe must be definable by the system administrator. Understood and comply.

a.2. The Vendor shall define any additional or special equipment or software needed to successfully back up and recover the proposed system. The proposed solution includes an RDX drive and cartridges for backup and recovery. Audio and data may also be pushed to a mass storage device such as a NAS or SAN.

a.3. The Vendor will provide System Documentation (As Built Diagrams) describing the Systems operation (and/or architecture, operating system dependencies) and procedures used for performing a backup and recovery of the application and related database(s) for all possible failure scenarios. System Documentation has been provided in prior specification responses. The procedure for backup will be covered as part of the installation process. Recovery must be performed by a NICE certified and trained engineer.

b. Security

b.1 Security measures will be provided in accordance with the information technology industry's best practices. The major components of the security plan will include details concerning the security architecture which includes the Network, Platform, Physical, and Process.

b.1.1 The Vendor's Physical place of business that provides remote support to the System shall provide secure access such as door keys, locks, key cards, security cameras, audible and visual alarms, and system or device labels. Comply.

b.1.2 Process security includes Vendor security policy and procedural documentation that governs the creation, use, storage, and disposal of data, as well as the Systems and networks on which the data resides. Process will also include detailed information concerning secure access methods, as well as account and password requirements for obtaining data. Voice Products technicians follow the recommendations as described in the NICE hardening guides for the proposed solution. These guides may be provided on request.

b.1.3. Attention will be given to the privacy of user account information, which will be strictly controlled by the access provider. The successful Vendor will not only provide the listed security best practices, but also provide for data confidentiality, data integrity, and data availability. These security items will need to be detailed in the Vendors Proposal. User account information isn't stored at any Voice Products facility. This information is accessible only locally on the system at the customer premises. Therefore, local access is controlled by the City of Sherman's IT personnel.

b.1.4. Precautions will be provided by the Vendor to protect the Confidential Information in The City's System. Voice Products support will be provided by CJIS-certified technicians only.

b.1.5. The Vendor will provide the name and date of any security certification received by Vendor from a third party. CJIS certifications may be provided upon request.

b.1.6. The Vendor must identify how your solution will protect our System from network hackers and viruses that attempt to impede the normal operation of a system. The Vendor shall identify how their solution will sufficiently protect our System from attack. This level of security is handled by the City of Sherman's IT personnel. The NICE hardening guides may be provided on request.

b.1.7. All network interfaces connected to either a managed WAN or protected via a Virtual Private Network (VPN) through the public internet must include protection against security attacks. This isn't applicable to Voice Products' proposed solution.

b.1.8. The Vendor must identify your security protocols and interfaces. If additional hardware or software is required, this must be included in the core bid not priced as an option. This isn't applicable to Voice Products' proposed solution.

b.1.9. All PC based machines (servers and workstations) in the network shall have virus protection software installed and functioning. The Vendor shall provide for a mechanism to keep the virus protection up to date that is not dependent upon remote monitoring. Virus protection and other security software is provided by the City of Sherman and not Voice Products.

3. License Fees for Vendor's Software

a. Vendor will provide its license fees ("License Fees") for licensing Vendor's Software as follows:

a.1. A server based license. Not applicable. The software licensing for the proposed solution is dependent on the number of channels being recorded.

a.2. Seat licenses. User CALs are included in the total cost of the proposed solution.

a.3. The City is always interested in a solution that provides “enterprise licensing”. Please discuss this possibility with your response. The MySQL Server licensing typically provided is the Standard Edition since it’s required to be installed on the same system as the software licensing and can’t be installed on a separate, centralized server.
a.4. Motorola IP licensing where applicable. (City will consider analog recording for Radio channels as a cost alternative to Motorola IP licensing/hardware cost.) Analog audio recording channels are included in the total cost of the proposed solution.

4. *Acceptance Standards*

a. The City may inspect and test all Deliverables. If non-conformance to the Specifications as set forth herein occurs, The City and the Vendor will closely cooperate to identify and correct the cause(s) of the problem(s). The City has no obligation to accept non-conforming Deliverables. Understood and comply.
b. The City shall notify Vendor within sixty (60) days after deployment of the last voice logger of any defect or error or failure of the System. If The City has not notified the Vendor of a defect in the voice logging unit, the System shall be deemed accepted. Issues that occur in one logging unit equate to non-conforming deliverables and item F(1) applies. Understood and comply.
c. If The City rejects the Deliverables or any portion thereof, the Vendor will, at the Vendor’s option, repair, adjust, or replaced the rejected Deliverables to the satisfaction of The City within five (5) days of notice of such rejection unless otherwise agreed to by the parties. If the Vendor is unable to correct such failure to the satisfaction of The City within the time allotted, The City may, in addition to any other rights The City may have in law or equity or pursuant to this Agreement, terminate the Agreement at no cost or obligation to The City. The Vendor shall pay for all damages and liabilities incurred by The City or its Members arising out of or relating to the Vendor’s failure. Understood and comply.

5. *Warranty*

a. The Vendor shall provide the Services specified in Maintenance during the warranty period. Comply. A sample service agreement is included with the pricing.
b. The warranty period shall start upon the first logger installation and will continue until System Acceptance. Do not comply. The warranty period shall start upon delivery of order to the customer site and continue for one year.
c. The Vendor shall warrant that the System shall be free of Errors and Bugs. Comply.
d. The Vendor warrants that the System shall function properly under ordinary use and shall operate in conformance with the applicable Specifications and System Documentation from the first day of installation at the first PSAP until 90 days post acceptance of the final installation. Comply.
e. The Vendor shall warrant that no portion of the System shall contain any “back door”, “time bomb”, “Trojan horse”, “worm”, “drop dead device”, “virus”, or other computer components designed to (i) permit access or use of either the System or The City’s computer systems by the Vendor or a third party not authorized by the Agreement, (ii) disable, damage, or erase The City’s computer systems, or (iii) perform any other such actions. Comply.

6. *Maintenance and Support for the System*

a. "Normal Maintenance" for problems that do not affect the overall performance of the System, but still require attention. The Vendor shall provide its response times under Normal Maintenance. Maximum response time is not to exceed two business days from the time the complaint is received. Comply. Please reference the Sample Service Agreement for more information.

b. "Critical Maintenance" for problems that jeopardize or degrade any part of the System. The Vendors maximum physical on site response is 2 hours, on a twenty – four (24) hour basis, to include weekends and holidays. For an outage event, remote support shall be addressing the issue within 10 minutes. Voice Products' call back response time for a "Critical Failure" is within 60 minutes of receipt of call. Voice Products' onsite response time, if an onsite visit is determined to be necessary, is within four hours.

c. The Vendor shall be responsible for providing The City and each PSAP site with methods of contacting the Vendor during business and after hours. Comply. The best way to reach support is to call Voice Products at 800.466.1152.

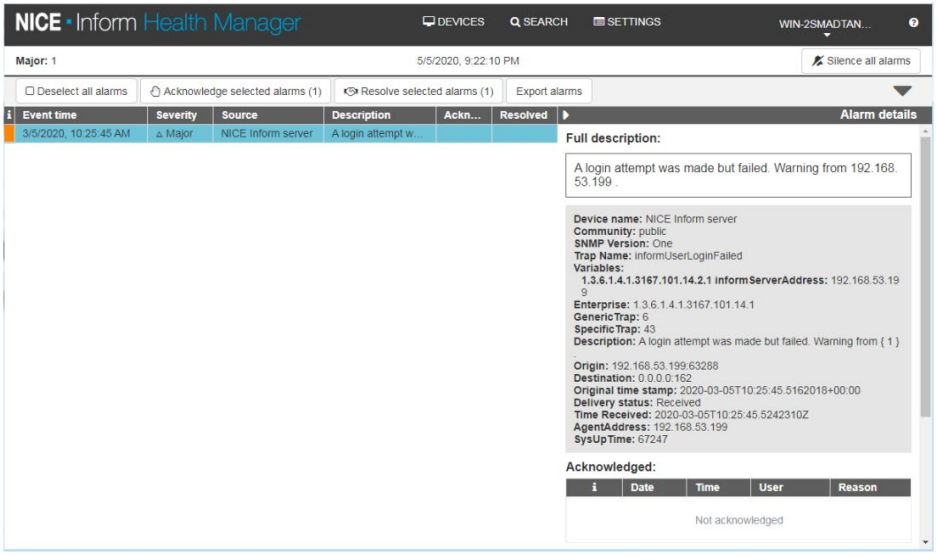
Due to the critical nature of emergency communications, the Vendor must propose a plan that addresses its ability to be prepared and able to provide service for the System 24 hours a day, 7 days a week, and 365 days a year. The Vendor shall offer a maintenance service plan that includes:

d. The vendor must provide us with the number of support technicians employed by the vendor in the north Texas area. Voice Products has many manufacturer-trained and -certified technicians; however, we request our customers contact support at the 800 number and not our technicians directly.

e. Service shall be performed with the System fully operational for 99.999% of the time. The System shall not be rendered inoperable for the purpose of routine maintenance, system software upgrades, or hardware additions. Comply for 2N systems; however, stand-alone systems may be inoperable during routine maintenance, system software upgrades, or hardware additions.

f. The Vendor shall provide certified technicians to provide all service on the System. If service is provided by a third party vendor this needs to be clearly identified in the Vendor's response to this proposal. The physical location of the closest service technician and their back up to our area that is certified on the System must be identified. Comply. Voice Products employs more manufacturer-trained and -certified technicians than any other recording company in the US. Therefore, there is no need for a third-party vendor for service.

g. The Vendor shall provide a solution that includes Active System monitoring 24 hours a day, 7 days a week, 365 days a year. The system must include built-in diagnostic software that will automatically monitor the status of the equipment and initiate audible and visual alarms in the event of any errors in system performance. Comply. The proposed solution includes Health Manager an alarm management solution that provides detailed device monitoring to track, visualize and rapidly alert users to events in the monitored NICE Inform System.



g. 1. Alarming details must be settable by the system administrator and allow for at least four different options for routing the alarm message. One option must be email; others could include SNMP, page, network pop-up, audiovisual alarm at the recorder, etc. Comply. Alarm notifications include email, SNMP, audible alarm and pop-up notification.

g. 2. The system must maintain a full audit trail of all alarms and provide a searchable error log to keep track of alerts and errors. Comply.

h. The Vendor shall provide pricing for software support for years 1, 2, and year 3. If there is a discount available for pre-payment of software supports please specify. Comply. Please see the Pricing section.

i. The Vendor shall be responsible to install all windows updates, service packs, anti-virus software on each logger quarterly or more frequently if required to confirm integrity of the logging system. Do not comply. Windows updates, service packs and AV software are the City of Sherman's responsibility.

j. The Vendor shall be responsible for installing all logger software updates on the system as released and approved by The City. Comply.

k. The Vendor shall provide an interactive incident management system that allows The City to monitor progress on open tickets and track work performed toward resolution. Comply.

l. Any incidents or outages that result in loss of audio will require a formal written Root Cause Analysis (RCA) delivered to The City electronically not more than 72 hours from the start of the event. Comply.

m. All changes on the system require a detailed method of procedure or MOP to be provided to The City for review and authorization prior to work being performed. Comply.

7. System Build Out

a. The Vendor will procure, receive, build out, and stage the entire system as outlined in the final, negotiated contract process prior to installation at the PSAP. Specifics about the Vendor's intended process for the build out must be included as part of the response to this RFP. Understood and comply. Please see the project plan under the Project Management section.

b. The equipment purchased in this RFP shall be delivered to its proper location and installed by the Vendor without additional cost or expense to The City and at the convenience and direction of The City. The City shall not be deemed to have accepted any component or piece of equipment until such time that the System has been installed and operating in accordance with the specifications contained herein. Understood and comply.

c. All work shall comply with the applicable national, state, and local codes and regulations. Understood and comply.

8. Training

a. The Vendor shall provide a plan that details training requirements associated with the Implementation of the System. All training course content will be subject to review and approval by The City. Training would need to include training for over 60 call takers and must be accommodating to shift work. Understood and comply.

a.1. Vendor's provided training shall include:

- Administrator training
- User training

Comply. Here is a Sample NICE Inform User Training Outline:

NICE Inform User Training Courses

NICE Inform Monitor

- Resources panel
  - Navigation
  - Selecting resources for live monitoring
  - Selecting a resource for replaying recent calls
- Monitor panel
  - Navigating the Monitor panel
  - Resources table
  - Monitor control panel
  - Monitoring resources
  - Setting Monitor preferences
- Recent calls panel
  - Navigating the Recent Calls panel
  - Timeline display
  - Results table
  - Recent calls control panel
  - Replaying recent calls
  - Refreshing the search results
  - Setting Recent Calls preferences

NICE Inform Reconstruction

- Simple searches
  - Performing a simple search

    - Creating a simple search
    - Using the calendar control
    - Resource Selection
- Advanced searches
    - Searching on more than one CLS
    - Control buttons
    - Wildcards
    - General page
    - Resources page
    - Communication page
    - Annotations page
    - ANI/ALI page
    - Free Expression page
    - Summary page
- Saving a search
    - Running, editing & deleting saved searches
- Filtering Search Results
    - Using the Filter panel
- Playback
    - Playback control panel
    - Sequential playback
- Timeline display
    - Recording bars
    - Tooltips
    - Timeline labels
    - Zoom control
    - Resource type icons
    - Recording type events
- Setting playback markers on recordings
    - Setting playback markers using the Goto control
    - Marker replay position
    - Selecting all recordings between playback markers
    - Loop Mode
    - Sequential playback mode
    - Clearing Markers
- Results table
    - Recording type icons
    - Recording location Icons
    - Annotation
    - Selecting a recording
    - Context Menu
    - ANI/ALI Data
- Annotation panel
    - Adding and updating annotations

    - Adding text to an annotation
    - Adding voice to an annotation
    - Adding an image to an annotation
- Selecting a recording
    - Selecting form the timeline
    - Selecting from the Results Table
- Loading/saving scenarios & saving audio/video
    - Save Scenario
    - Load Scenario
    - Save Audio
    - Save Video
- Printing recording details
- Adding Reconstruction Content to Organizer
- Smart Transfer to Organizer
    - Setting Reconstruction preferences
    - Resetting preferences
    - Common controls
    - General page
    - Results Table page
    - Information Balloons page
    - Playback Settings page
    - Printing page
    - Filter page
    - Accessories page
    - Simple Search page
    - Views page

NICE Inform Organizer

- Incidents panel
    - Creating a new incident
    - Adding Reconstruction Content to Organizer
    - Incidents list
    - Deleting an incident
    - Exporting an incident
    - Importing an incident
    - Searching for an existing incident
    - Authenticate an incident
    - Creating an incident snapshot
    - Authenticate files within a Distribution
- Incident Details panel
    - Incident Details tabs
- Incident Folders panel
    - Creating a new folder
    - Delete folder

- Distribution Wizard
  - Starting your distribution
  - Distributing to a folder or removable media
  - Distributing to an email address
  - Distributing to a cassette tape
  - Distributing in NICE Inform Media Player format
  - Distribution Summary and File Review
  - Adding Audio Certification
- Reconstruction Content folder tabs
  - General page
  - History page
  - Content List page
  - Button bar (Reconstruction Content)
- Related Material folder tabs
  - General page
  - History page
  - Content List page
  - Button bar (Related Material)
- Distribution folder tabs
  - General page
  - Content List page
  - Properties page
  - Button bar (distribution folder)
- Setting access privileges
  - Adding a user to an incident
  - Access rights
- Printing incident details
- Setting Organizer preferences
  - Resetting preferences
  - Common controls
  - History page
  - Printing page
  - Distribution Content page
  - Distribution Profiles page

NICE Inform Verify

- About Verify
  - Navigating Verify
  - Prerequisites
  - Verify functions
- Getting started
  - Second Password
  - Logging in messages
  - Changing your password

    - Logging out from NICE Inform Verify
- Playback control panel
    - Playing back a recording
- Results table
    - Shift restriction
- Slide out panel
    - Saving audio
    - Playback panel
    - Annotation panel
- Setting preferences
    - General page
    - Playback Settings page
    - Results Table page
    - Resources page

NICE Inform Audit

- Navigating NICE Inform Audit
    - Search panel
    - Results table
    - Saving Audit entries to a file
    - Printing Audit entries
    - Setting Audit preferences

NICE Inform Administrator Training Courses

NICE Inform User Administration

- Navigation panel
    - User security
    - Button bar
    - Tree structure terminology
- User Administration functions
    - Security
    - Administration
    - Miscellaneous
- System Security
    - Setting security
    - Setting password details
    - Setting workstation permissions
- Users
    - Adding a new user to the system
    - Editing user details
    - Non active users
    - Assigning a workstation to a user
    - Removing a workstation from a user

    - Importing users from a CSV file
    - Importing users from an Active Directory domain
    - Creating a new user group
    - Editing a user group
    - Adding user group members
    - Moving a user group
    - Moving a user group
    - Deleting a user group
    - Attaching a user to a profile
    - Removing a user from a profile
- Profiles
    - Application privileges
    - Verify
    - Monitor
    - Reconstruction
    - Organizer
    - Audit
    - User Administration
    - System Administration
    - Creating a new profile
    - Editing a profile
    - Deleting a profile
    - Attaching a profile to a user
    - Removing a profile from a user
- Searching
    - Searching for users, user groups & profiles
- Resources
    - Attaching resources to a user group

NICE Inform System Administration

- Archiving
- Alarms
- Notifications
- Health Manager (SNMP)
- Windows Updates

9. Project Planning

a. It is required that the Vendor assign project manager(s) who are familiar with 9-1-1 as well as the proposed system. It is a requirement that the proposal include the project manager's resume with references on similar projects. The Vendor is required to submit a task-oriented project plan detailing the system installation. The project plan must identify a start date, critical dependencies and typical timelines through delivery, installation, commissioning, training, and final acceptance. Mark Koenigsman is Project and Training Manager for the Public Safety

Division of Voice Products Inc. He has overseen the deployment of numerous call recording systems as well as provided training on many of those solutions. Mark has been with Voice Products for over 14 years. If awarded this contract, Voice Products will provide references for Mark; however, it is preferred those references remain confidential for now. Here is a sample deployment timeline.

Task Name	Start Date	End Date	Duration	Predecessors
NIR Recorder	01/02/23	03/31/23	88d	
Project Initiation	**01/02/23**	**01/06/23**	**5d**	
Customer order received	01/02/23	01/02/23	1d	
Order delivered to Professional Services	01/02/23	01/02/23	1d	3
Customer contacted by the Project Manager	01/05/23	01/05/23	1d	4
Order Review/Equipment Ordered	01/02/23	01/06/23	5d	5
Planning	**01/09/23**	**01/20/23**	**10d**	
Project documents assembled	01/09/23	01/09/23	1d	6
Project Planning Meeting	01/10/23	01/10/23	1d	8
Site Survey	01/12/23	01/12/23	1d	9
Site Data Form completed and returned	01/09/23	01/23/23	5d	10
System Build finalized	01/16/23	01/18/23	3d	11
Training Plan assembled	01/19/23	01/19/23	1d	
Final Project Planning Meeting	01/20/23	01/20/23	1d	13
Preperation	**01/23/23**	**03/17/23**	**8w**	
All equipment, peripherals, and supplies received	01/23/23	03/06/23	6w	6
Bench Work/System Configuration	03/13/22	03/17/22	7d	16
Site preparation completed	01/23/23	03/06/23	6w	6
Installation	**03/13/23**	**03/17/13**	**5d**	
System delivery	03/13/23	03/13/23	1d	18
Installation of Recorder	03/14/23	03/17/23	4d	20
Installer's Test Plan completed	03/14/23	03/15/23	2d	
Cutover from previous system	03/16/23	03/16/23	1d	22
Client Applications installed	03/17/23	03/17/23	1d	21
Basic Training completed	03/17/23	03/17/23	1d	21
Training	**03/20/23**	**03/24/23**	**5d**	
Training environment prepared	03/20/23	03/20/23	1d	24
Training completed	03/21/23	03/24/23	4d	27
Project Conclusion	**03/27/23**	**03/31/23**	**5d**	
Acceptance Test Plan completed	03/27/23	03/27/23	1d	28
Final Acceptance signed	03/28/23	03/28/23	1d	30
Transfer to Customer Service	03/29/23	03/29/23	1d	31
Payment due with Final Acceptance received	03/30/23	03/30/23	1d	31
Trade-in equipment received	03/31/23	03/31/23	1d	32

10. Additional Options

The following specifications are not required; however, they are desired and will be seen as adding value to the proposal. Proposers shall describe any proposed solution in detail and identify whether

it is included in their proposal or if it is optional. Detailed line item pricing for it must be included in the proposal if it is optional.

a. Each recording server should be expandable to a minimum of 240 channels through the addition of voice resource boards and software licenses or 500 channels with VoIP at a minimum. This is not an option for the proposed solution. The proposed solution's recording servers are expandable to a maximum of 200 channels total by adding audio cards and/or software licenses. This is dictated by NICE Systems. The NICE system can be expanded to thousands of channels with a maximum channel count of 200 recording channels per recording system.

b. The system should allow search and playback from unlimited number of remote workstations on the LAN, as well as directly from the recording unit with no LAN access required. This functionality is already included in the proposed solution.

c. There should be no limit to the number of fields for collection of custom information as attributes to recordings. The proposed solution is limited only by the recorded devices' input.

d. There should be no limit to the number of recorder channels that can be displayed and replayed synchronously, up to the recorder system capacity. This functionality is already included in the proposed solution.

e. The system should offer a visualization tool to view call activity from a group of call takers. This is included in the Reports module of the proposed solution, which includes a dashboard view like the one below. It's also already included in Pricing.

f. The system should allow for activation of spoken time announcement, to be associated, saved, and exportable with specific recordings. Comply. Spoken date and time may be enabled to be

announced during replay at configurable time/date intervals and may be controlled separately from the master audio volume control. Spoken date and time is already included in the proposed solution and at no cost.

g. It should be possible to define the volume and extent of information provided in spoken time announcement (e.g. weekday, month, day, year, hours, minutes, seconds, AM/PM, duration.). This is not an option for the proposed solution.

h. Licensing of remote workstations for access to the recorder should not be on a per-seat basis. Licensing based on concurrent access to the server is desired. Unlimited number of remote users should be allowed to "share" a concurrent license for a non-concurrent access to the server. This functionality is already included in the proposed solution.

i. No software should need to be loaded onto the client PC's for workstation access. Comply. The client is browser-based and already included in the proposed solution and at no cost.

j. The system should permit tagging calls or groups of calls from remote workstations on the LAN with color flags and alphanumeric information of unlimited extent. This functionality is already included in the proposed solution.

k. It is desirable that screen capture is triggered on event creation and event updates.

k.1. Describe how your screen capture is triggered and if there is a user definable time for screen capture to continue following the initial trigger. The proposed solution's triggers for screen recording are: (1) the user is scheduled to be recorded (days and times of week); (2) the user is logged into Windows on their workstation; and (3) the user is on a call. Screen recording may continue to record the screen for 2 minutes or longer after the call has finished, the 'wrap up' time. This wrap up time is configurable.

l. It should be possible for management to select reports and their format to be automatically presented on the homepage upon login, for quick at-glance view. The Reports module automatically brings up the last screen the user was on before logging out of the application.

m. It should be possible to set the system up to automatically run and email reports on a daily, weekly, monthly or annual basis. This is not an option for the proposed solution.

n. The Proposer should warrant that the proposed system will be supported for a minimum of ten (10) years from the date of the full acceptance of the proposed system. The life expectancy of the proposed solution is five to seven years. After that, Voice Products offers best-effort support.

o. Proposer should recommend spares for the system that The City should maintain on site in event of a failure. Provide a detailed line item pricing for the list of proposed spares. The recommended spares can be quoted upon approval of the final system configuration.

REFERENCES

Permian Basin Regional Planning Commission
Laura R Torres, Assistant Director of 9-1-1 Street Address
432.563.1061 x317
laura.torres@pbrpc911.org
Project Dates: Q4 2020 – Q1 2021
Project Summary: Installed NICE Inform Recording systems to record 911 consoles, ANI/ALI, Text-to-911, Radio and Telephone for Andrews County Sheriff, Crane Police Department, Lamesa Police Department, Gaines County Sheriff, Martin County Sheriff, Fort Stockton Police Department, Pecos Police Department, Terrell County Sheriff, Upton County Sheriff, Monahans Police Department and Kermit Police Department.

Brazos Valley Council of Governments
Anita Pitt, 911 Director
979.595.2800
apitt@bvcog.org
Project Dates: Q4 2019 – Q1 2020
Project Summary: Installed NICE Inform Recording systems to record 911 consoles, ANI/ALI, Text-to-911, Radio and Telephone for Burleson County Sheriff, Grimes County Sheriff, Leon County Sheriff, Madison County Sheriff, Robertson County and Washington County.

El Paso County 911
Rachel G. Sarabia-Duarte, Operations Director
915.832.6810
rachels@elpasocounty911.org
Project Dates: Q4 2020 – Q1 2021
Project Dates: Q4 2019 – Q1 2020
Project Summary: Installed NICE Inform Recording systems to record 911 consoles, ANI/ALI, Text-to-911, Radio and Telephone for both locations.

EXHIBIT D: AFFIDAVIT OF NO PROHIBITED INTEREST

Exhibit D
Affidavit of No Prohibited Interest

THE STATE OF KANSAS §

THE COUNTY OF SEDGWICK §

I, Stuart G. Peters, an authorized agent of Contractor, make this affidavit and hereby under oath state the following:

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

- ✓ Ownership of ten percent (10%) or more of the voting shares of the business entity.
- ✓ Ownership of Twenty-Five Thousand and 00/100 Dollars ($25,000) or more of the fair market value of the business entity.
- ✓ Funds received from the business entity exceed ten percent (10%) of my income for the previous year.
- _____ Real property is involved, and I have an equitable or legal ownership with a fair market value of at least Twenty-Five Thousand and 00/100 Dollars ($25,000).
- _____ A relative of mine has a substantial interest in the business entity or property that would be affected by my business decision of the public body which I am a member.
- _____ Other:_____.
- _____ None of the Above.

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

Signed this 27 day of October, 2022

Stuart G. Peters, VP
Signature of Official/Title

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

Sworn to and subscribed before me on this 27 day of October, 2022.

Notary Public in and for the State of Kansas
My commission expires: 5-6-24

COLETTE K. DRYDEN
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. _____

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EXHIBIT E: CONFLICT OF INTEREST QUESTIONNAIRE

Voice Products Inc. has no conflict of interest with the City of Sherman, TX.

REQUIRED VERIFICATION FORM

VERIFICATION REQUIRED BY TEXAS GOVERNMENT CODE CHAPTER 2270

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

1. Does not boycott Israel; and,
2. Will not boycott Israel during the term of the contract.

SIGNED BY: Stuart G Peters

Print Name & Title: Stuart G. Peters

Firm Name: Voice Products Inc.

Date Signed: 10/24/2022

NOTARIZATION

THE STATE OF KANSAS)
)
COUNTY OF SEDGWICK)

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

SWORN TO AND SUBSCRIBED before me on the 27 day of October, 2022.

COLETTE K. DRYDEN
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp.

NOTARY PUBLIC IN AND
FOR THE STATE OF Kansas

The following definitions apply to Texas Government Code Section 2270.001:

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

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

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

VoiceProducts

NICE Intent. Insight. Impact.

NICE Inform Recording Proposal #Q-41659 Prepared for

City of Sherman Finance Dept.
PO Box 1106 | Sherman, TX 75091-1106
Craig Long, 903.892.7215
craigl@cityofsherman.com
March 6, 2023

Submitted by:
Brett Johnson
Regional Vice President of Sales
Phone: 800-466-1152
E-mail: bjohnson@voiceproducts.com

Texas Department of Information Resources
VP DIR-CPO-5060

Record. Replay. Resolve.

NICE Premier Partner

Addendum: Updated Pricing, based on options selected by City staff

We want to thank you for the opportunity to submit this proposal. We've identified ways Voice Products Inc. can help your organization meet your unique requirements based on our discussions. This proposal outlines our recommendation for an offering tailored to your needs and summarizes the initial estimated investment.

We look forward to receiving your feedback on this proposal. We appreciate the opportunity to work with the City of Sherman Finance Dept.'s team to ensure the project's long-term success.

For any questions or other information, please feel free to contact me. Thank you for your time and consideration of this proposal.

Sincerely,

Brett Johnson

Voice Products Inc.

Proposed Solution

We based the following offering on the City of Sherman Finance Dept.'s stated requirements and the Voice Products Inc. team's experience with projects of a similar size and scope.

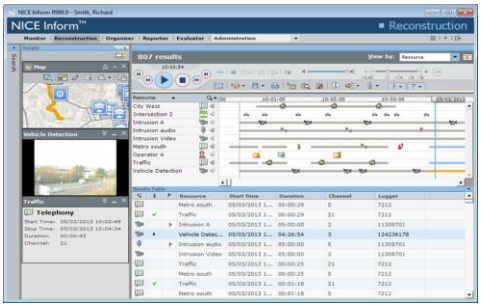
NICE Inform Recording Elite Package

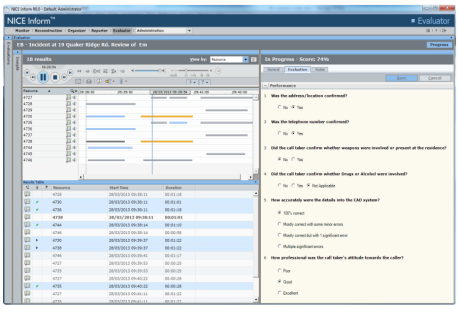
NICE Inform Recording with Next Generation Emergency Center Solution that enables organizations to generate accurate event reconstructions, ensuring the right information is in the right place, at the right time to handle investigative inquiries.

System Solution Summary

Key capabilities of the ***NICE Inform Recording*** package include:

- 133 Audio Recording Licenses = 13 for Analog and 120 for VoIP.
- Text-to-911 Recording Licenses = NICE Media Vault allows you to Search and Review captured text Interactions with Inform Reconstruction.
- User Administration Software = User, Group and permission settings.
- System Status Software = Recorder Status, Media Management, Channel Overview, Monitor, Alarms & Audit Trail.
- ANI/ALI Tagging Software = associates ANI/ALI information from the 911 system to recordings.
- CAD Integration = Allows users to search by CAD incident number or other imported data. Some integrations offer the ability to view will offer search by selected map area.)
- Audit Trail = Track who did what, when, and from where.
- Reconstruction = Long Term Search-and-Replay Software provides simultaneous multi-channel playback.
- Audio Redaction = This Allows users to "whiteout" any part of the saved audio that you cannot release due to privacy regulations without altering the original recording.
- Verify = Instant recall of recent audio interactions.
- Monitor = Listen in on active Interactions.
- Evidence and Compliance Pack = Audio, Text, and Multi-Media Data Aggregation and management of Incident Storage and Secure Access Management module. Enables secure distribution of audio, related material, and player software on Password-Secured removable media.
- Quality Assurance Pack = Enables you to evaluate performance and quickly impact the overall quality of service. Includes Licenses for Supervisors and named agents/dispatchers.
- Reporter = Calls per resource for a given period, channel utilization per hour, etc.
- With the Quality Assurance Pack as part of the system, several reports specific to completed evaluations will also be available.
- Aqua Integration = Allows the user to playback recordings from the NICE system in Aqua software.





Investment Proposal

City of Sherman Finanace Dept.
PO Box 1106 | Sherman, TX 75091-1106
Craig Long, 903.892.7215
craigl@cityofsherman.com
March 6, 2023

Brett Johnson, Regional Vice President of Sales
Voice Products Inc. - Houston, TX
P 800.466.1152 | F 316.263.1823
bjohnson@voiceproducts.com
Quote# Q-41659

Texas Department of Information Resources
DIR-CPO-5060

NICE Inform Recording with Elite Package
(NIR Stand Alone Single Site Recording System)

NICE Inform Recording Software/Hardware Solution				
NICE Part #	**Qty**	**Description**	**Unit Price**	**Total**
NPS-INF-ELITE-PRI-1CH	133	Primary recording channel license with Inform Elite applications support - New	$750.00	$99,750.00
NPS-MYSQL-STD	1	MySQL Server license (Standard Edition)	$220.00	$220.00
NPS-SQL2019-64-CAL- USR	20	MS SQL 2019 64 bit User/Device Client Access License	$200.00	$4,000.00
NPS-SQL2019-64-CAL- SVR	1	MS SQL 2019 64 bit Server Client Access License	$200.00	$200.00
NPS-TPS-ELTIMA-LIC	1	Splits a single serial feed into four separate virtual COM port interfaces.	$188.00	$188.00
NPS-INF-ADT-FULL	1	Analog / Digital / Trunk full length PCI-E interface board (NO CABLE included)	$1,800.00	$1,800.00
NPS-NR-MOXA-N-1	1	Moxa NPort 1port device server w/(1)DB9M RS232 port & (1) 10/100 network port.	$324.00	$324.00
NPS-NR-SPLIT-SERIAL-CABLE	1	Split Serial Cable RS232 10 meter (used for CDR)	$160.00	$160.00
VP-HW-NIR192R5	1	NICE Inform Recording Unified up to 192 channels Rack Mount RAID5	$12,445.00	$12,445.00
VP-HW-HM	1	Health Manager SNMP Workstation	$1,565.00	$1,565.00
25P-CBL	1	Cable and Connectors for Audio Board Package	$128.00	$128.00
VP-INST-NIR	1	Voice Products Inc. Installation Services: Includes Project Management	$15,075.00	$15,075.00
VP-TRN-NIR	1	Voice Products Inc. Training Services	$900.00	$900.00
PS-MAINT-NICE-IND-STD	1	One-time Software Assurance fee: One version upgrade during the first year if available.	$20,010.00	$20,010.00
VP-AQUA-133-1B	1	NICE Inform Recording API for AQUA Integration	$4,060.00	$4,060.00
GMA-PLAT-YR1	1	Year 1 Upcharge for Platinum Support	$5,829.00	$5,829.00
		Subtotal		**$166,654.00**
		Stand-Alone NIR Elite Total		**$166,654.00**

Payment Terms:

1) Order placed with receipt of Purchase Order.

2) Balance due at completion of system delivery and installation.

Pricing quotation listed above reflects a total recording solution. Server hardware for NIR/Inform has been included in this quote. Delivery, Training and Remote Support Included; One Year Warranty Included; 110v AC should be located within six (6) feet of the NICE installation; Sales Tax not included. (All applicable sales tax will be billed in addition to quote). Agencies which are tax exempt should provide a copy of a tax exemption form with purchase order.

Implementation and Services

This offering includes turnkey project management: Professional implementation, complete training package and ongoing support.

Implementation

The implementation approach may include a technical needs identification, coordination of pre-install activities, confirmation of services, site preparation, installation, testing and go-live. Once the order is accepted, the actual implementation project scope and dates are determined and confirmed.

Voice Products Inc. Support Program

Voice Products Inc. is committed to providing customers with outstanding service and support and therefore offers two levels of support to best suit your organization's needs:

- **Gold:** This option is our Standard Support package that Includes coverage from Monday through Friday, 8 AM to 5 PM local time, excludes holidays.
- **Platinum:** Provides support coverage 24 hours per day, 7 days a week and 365 days a year.

GMA for NICE Inform Recording Software/Hardware Solution	Platinum 24/7
1 Year Warranty period will start upon delivery of order to customer site.	Included
Year Two (2)	$29,148.00
Year Three (3)	$29,148.00
Year Four (4)	$29,148.00
Year Five (5)	$29,148.00
5-Year Total	**$116,592.00**

NICE System Training

The NICE Recording with Inform system training may be conducted at the Customer site or via Remote Session (depending on customer requirements) for ten (10) students, providing instruction with the agency's data. The following courses are part of the total purchase price:

City of Sherman Finance Dept.'s Training Package will include:

Course Description	
System Overview	How to Monitor In-Progress Interactions – Monitor
Understanding and Navigating the Interface	How to Manage Incidents – Organizer
For Supervisors and Administrators - User Management and Permissions	How to Produce Distributions – Media Player
How to Search and Replay Interactions – Reconstruction	How to Perform Quality Management – Evaluator
How to Replay Recent Interactions – Verify	How to Generate Data – Reporter

Project Management:

Project Management NIR Includes:

- Pre-Installation Teleconference
- Mid-way Project Management Teleconference
- Debriefing Teleconference

Additional Information

Pricing

- This proposal has been prepared and is being provided by Voice Products Inc. to City of Sherman Finance Dept. for budgetary purposes only. The information contained in this proposal is subject to change due to factors that include, but are not limited to, the number of products or services desired to be purchased by City of Sherman Finance Dept..
- City of Sherman Finance Dept.'s purchase from Voice Products Inc. of products and services is subject to (a) the parties entering into and executing Voice Products Inc. Purchase and Services Agreement (b) City of Sherman Finance Dept. issuing a purchase order to Voice Products Inc. for the products and services desired to be purchased by Customer
- The software pricing information contained in this proposal is firm for 90 days from the date of this proposal.
- The pricing contained in this exhibit is valid for this order only. Additional features and services are available at an additional cost. For more details or a quotation, please contact your Voice Products Inc. sales representative.
- Prices outlined in this proposal are exclusive of, and the customer will be responsible for, any excise, sales, import and use taxes, and like charges imposed concerning the products licensed or services provided by Voice Products. All prices quoted in U.S. Dollars.

Integration

- The customer is responsible for hardware, software, interfaces and other related fees associated with enabling the integrations and other servers or systems to communicate with the NICE solution such as PBX, ACD, ANI/ALI, Text, and so forth.
- Licenses do not include connectors or reports for the contact router, ANI/ALI, ACD or PBX systems and so forth. The customer should contact the respective vendor for information related to those fees. Integrations with certain vendors may also require additional fees.
- For integrations that NICE Systems does not currently support, the customer may be requested to initiate discussions between the Voice Products Inc. Professional Services team and the respective vendor. Please note that additional charges may occur.

RFP Evaluation - Call Recording Software

Evaluation Criteria	VistaCOM - Revcord Proposal	VistaCOM - Eventide Proposal	Voice Products, Inc. - NICE Proposal
Ability of vendor to meet City Requirements (50%)	23.25	38.75	49.50
Cost of project (30%)	23.75	20.00	27.50
References for similar projects from vendor (20%)	10.00	16.25	20.00
Evaluation Score	57.00	75.00	97.00

VoiceProducts Service, LLC
VOICE • VIDEO • DATA

SERVICE CONTRACT

BETWEEN

City of Sherman Finance Dept.

And

VOICE PRODUCTS SERVICE, LLC

Regarding the Equipment installed at:

PO BOX 1106
Sherman TX 75091-1106

VOICE PRODUCTS SERVICE, LLC
8555 East 32nd Street North
Wichita, KS 67226
(316) 616-1111
FAX (316) 263-1823

SERVICE CONTRACT

This contract is between VOICE PRODUCTS SERVICE, LLC, 8555 East 32nd Street North, Wichita, KS 67226, which shall include the authorized representatives of VOICE PRODUCTS SERVICE, LLC and City of Sherman Finance Dept., hereinafter referred to as the Customer. The terms "we", "us" and "our" in this contract refer to VOICE PRODUCTS SERVICE, LLC, VOICE PRODUCTS, Inc. and the employees and representatives of those companies. This contract covers the Equipment described in proposal number and is attached to and is a part of this contract.

VOICE PRODUCTS SERVICE, LLC is the obligor on this contract but will not perform any repair services. Instead VOICE PRODUCTS SERVICE, LLC will pay for the repair services provided by VOICE PRODUCTS, Inc. based upon the coverage terms in the contract.

WHEREBY IT IS AGREED AS FOLLOWS:

Conditions of Equipment at Commencement of Contract:

VOICE PRODUCTS, Inc. represents and warrants that the Equipment operates within the manufacturer's specification and has been comprehensively inspected by a qualified engineer, trained and skilled in the performance of the specific services invoiced, and delegated by the manufacturer. Furthermore, any coverage or rights of the Customer under any other warranties shall remain in effect, and shall not be mitigated by virtue of this contract.

GENERAL INFORMATION

Normal Service Hours: Normal on-site service hours are 8:00 AM to 5:00 PM, local time of the Install Location, Monday through Friday, excluding the holidays listed below. Extended Service Hours are hours outside of the Normal Service Hours. Normal service hours are 8:00 AM to 5:00 PM local time.

Company Holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day

In the event that a holiday falls on a weekend, we reserve the right to designate a weekday as a holiday for employees.

How to Report an Issue: Customer will report technical issues with Equipment or software to the VOICE PRODUCTS, Inc. Help Desk. **Trouble tickets may be opened via telephone contact by dialing (800) 466-1152 or (316) 616-1111.** If calling outside of normal service hours an on-call Product Support Engineer will be paged. If your preference is for VOICE PRODUCTS, Inc. to wait until the next business day to address the issue, please indicate so when you call. Customer may also report issues by email to support@voiceproducts.com.

We kindly ask that you do not attempt to contact a Product Support Engineer directly.

Customer's Designated Contact should be prepared with the following information when reporting an issue:

1. Serial number of Equipment with issue being reported (if applicable).
2. Specific error message being received. (if applicable)
3. If a recording issue; Specific devices not being recorded, with agent ID, extensions, channel number (if applicable).
4. If a Playback issue; Which PC is experiencing the problem and does playback still work on other PCs?
5. If calling about an existing ticket, provide the ticket number.

The Product Support Engineer will triage the initial symptoms reported. Please do not attempt to repair the system yourself as this could result in additional time troubleshooting and additional charges.

If necessary, the engineer will remote into the Customer's system to conduct remote diagnostics as well as continue to try and resolve the issue over the telephone. If an issue appears to be product software related, a ticket with the manufacturer may be opened.

The Technical Services Manager will determine if an on-site visit is required by a Product Support Engineer to resolve the issue. The Customer will designate at that time the Customer Contact from whom the Product Support Engineer will take direction and who will be the primary communication link while on-site.

When on-site, the Product Support Engineer will communicate directly with the Customer Contact regarding arrival to and departure from premises, work requirements in sensitive locations, and needed Customer assistance.

Before departure, the Product Support Engineer will update the Customer Contact the work that has been done and describes any outstanding issues.

The Customer shall not, in any circumstances, alter or add to the Equipment and/or software without our consent (which shall not be unreasonably withheld).

Severity Levels and Escalation Path:

Severity Level 1 – "CRITICAL FAILURE" – Any failure of covered items which results in loss of substantial number of recording channels, affected users, or data (audio, screens or both), or if allowed to persist will result in such loss. The loss has been shown to be caused by a defect in covered items. (e.g. Hard drive down, unable to record on one or more systems), and NOT defects in 3rd party products or within the Customer environment.

RESPONSE CATEGORY	NORMAL RESPONSE TIMES
Call Back Response Time	Sixty (60) minutes after receipt of call from Customer's authorized representative.
On-Site Response Time	These issues are typically corrected via remote access to the system. If not able to resolve remotely and if final diagnosis of issue reveals a need for on-site personnel, an on-site visit will be scheduled.
Level of Service	Reasonable effort until the issue is resolved or a work around is provided. The resolution process is ongoing until the issue is solved. Critical failures are typically resolved within 24 hours.

Severity Level 2 – "LIMITED FUNCTIONALITY" – The majority of the users at a Customer's site are affected, but the issue does not affect the system functionality. The issue has a high visibility and although there may be a work around, performance may be degraded or functions limited. Issue may be due to a non-critical part failure or software malfunction. Level 2 issues frequently require manufacturer involvement, and occasionally require manufacturer R&D –level involvement, which may take longer to resolve. (e.g., evaluation form is unavailable, reporting is unavailable).

RESPONSE CATEGORY	NORMAL RESPONSE TIMES
Call Back Response Time	Two (2) Hours after receipt of call from Customer's authorized representative.
On-Site Response Time	These issues are typically corrected via remote access to the system. If not able to resolve remotely and if final diagnosis of issue reveals a need for on-site personnel, an on-site visit will be scheduled.
Level of Service	Reasonable effort until the issue is resolved or a work around is provided. The resolution process is ongoing until the issue is solved.

Severity Level 3 – "WORK IMPEDING OR INCONVENIENT" – A single user or small percentage of users are affected, or the issue has limited visibility.

RESPONSE CATEGORY	NORMAL RESPONSE TIMES
Call Back Response Time	Within 24 hours after receipt of call from Customer's authorized representative.
On-Site Response Time	Typically resolved via remote system access
Level of Service	The resolution process is ongoing until the issue is solved.

Severity Level 4 – " WORK UNIMPEDED" – Request for technical correction when not service impacting. Users are not immediately affected.

RESPONSE CATEGORY	NORMAL RESPONSE TIMES
Call Back Response Time	Within 48 hours after receipt of call from Customer's authorized representative.
On-Site Response Time	Typically resolved via remote system access
Level of Service	The resolution process is ongoing until the issue is solved.

Escalation Contact Table

NAME	TITLE	EMAIL ADDRESS	PHONE NUMBER
Ron McCrossen	Regional Voice and Video Logging Manager	rmccrossen@voiceproducts.com	(316) 616-1111 x 334
Stuart Peters	Vice-President and CFO	speters@voiceproducts.com	(316) 616-1111 x 211
Dean Tullis	President and CEO	dtullis@voiceproducts.com	(316) 616-1111 x 212

What Level of Support does my Service Contract Provide?

Annual support coverage will be in accordance with the Service Contract purchased.

Platinum
• Remote Diagnostics (24 hours/7 days a week including holidays) • On-site Hardware Support – Parts and Labor (24/7 excluding holidays) • On-site Software Support – Labor (24/7 excluding holidays) • Travel Expenses included for support visits.

1. Repair and Replacements

In the event of any equipment failure during the term of this contract, VOICE PRODUCTS SERVICE, LLC will pay to repair or replace all defective components. Such repair or replacement shall be at no additional charge to the Customer except if caused by accident or negligence or improper use on the part of any person other than the staff of VOICE PRODUCTS SERVICE, LLC or VOICE PRODUCTS, Inc.., or if caused by unsuitable electricity supply. All defective component parts so replaced shall become the property of VOICE PRODUCTS SERVICE, LLC. All repair parts shall be new or warranted as new.

2. Limits of Liability

Except as herein expressly stated, we shall not be liable for consequential loss, damage, or injury arising from any stoppage, breakdown, or failure of the Equipment, except where caused by the negligence of or breach of this contract by us or our failure to exercise reasonable skill and care in carrying out any work pertinent to this contract, but we shall use our best endeavors to remedy any stoppage as promptly as we are able and likewise shall use our best endeavors to keep the Equipment in good working order. If, however, personal injury or damage to property is caused by our negligence then we shall accept liability. For any single claim, the limit of liability under this contract is the lessor of the cost of (1) authorized repairs or (2) replacement with a new or refurbished product of like kind and quality that is of comparable performance. The total liability under this contract is the current market value of the equipment, as determined by us, not to exceed the original purchase price of your equipment, including taxes. Technological advances may result in a replacement product with a lower selling price than the original product.

3. Property of VOICE PRODUCTS, INC.

Service materials, tools, documentation, diagnostics, test equipment and software, etc. provided by us shall remain the exclusive property of VOICE PRODUCTS, Inc.

4. Customers Responsibilities

A. Keep and operate the Equipment in a proper and prudent manner and at the same location within

the United States, readily accessible to our personnel.

B. Promptly notify us at the above address of any change in location of the Equipment.

C. Make all payments due hereunder to VOICE PRODUCTS SERVICE, LLC at the address above stated within 30 days of the date on which such payments are expressed to be payable hereunder.

D. Promptly notify us of faults, service issues or defects in the Equipment.

E. Provide an adequate and suitable electricity supply in accordance with advice given by VOICE PRODUCTS, Inc. to the Customer in the sales proposal.

F. Use only those materials and supplies (including removable media) approved by VOICE PRODUCTS, Inc. or approved by the manufacturer.

G. Provide our service personnel full and reasonable access to the equipment Location(s) for the purpose of performing service.

H. Provide a safe working environment for our service personnel.

I. Provide us with reasonable access to and use of any machines, attachments and/or communications facilities (at no charge) which are necessary to facilitate service.

J. Maintain and control proper site environmental conditions.

K. Customer shall not perform, or cause to be performed any alterations to the system.

L. Provide remote access for our remote troubleshooting and help desk support.

M. Perform system administration (e.g., defining user status and system permissions, changing and labeling audio Archive Media). Completing system administration training for on-site administrators is mandatory.

N. Customer is responsible for protection of the system from virus/malware infection. Any service hours attributable to a system infection will be billed at VOICE PRODUCTS, Inc.'s prevailing hourly rate, subject to availability of VOICE PRODUCTS, Inc.'s service personnel.

O. Contact us prior to installation of other third party software (such as anti-virus software) to confirm compatibility with the Customer's system.

P. Contact us before making changes or modifications to System logins and passwords.

Q. Contact us before making changes to systems that integrate with your System (e.g., Telephone system upgrades, CTI servers, network or firewall changes) to determine if there are implications to your system.

R. Ensure Customer's designated contact(s) is (are) fully trained on proper administration, use and functionality of the system. If additional training or retraining is required, contact us to be put in touch with the training department. Training is no charge during the Service Contract term.

S. Provide regular and frequent communication to VOICE PRODUCTS to assure proper understanding of Customer issues and provide feedback to VOICE PRODUCTS with confirmation that an issue has been resolved.

5. Our Responsibilities

VOICE PRODUCTS SERVICE, LLC in cooperation with VOICE PRODUCTS, Inc. will provide the following:

A. Maintain a technical support center with a twenty-four hour help desk, seven (7) days a week, 365 days a year that allows Customer to report that the system has malfunctioned or is inoperative.

B. Once the Customer has placed a service request, and prior to any on-site work, we will work with the Customer to remotely troubleshoot and resolve the issue with the Customer. For technical issues that cannot, in our judgment, be resolved remotely, we will dispatch an authorized representative to provide on-site technical support.

C. Using all responsible diligence to correct verifiable and reproducible errors to the software when reported to us in accordance with our standard reporting procedures. Upon verifying that an error is present, we shall work along with the manufacturer in such a manner which is necessary toward correction of the error.

D. Furnishing parts and software changes including manufacturer software patches or service packs are necessary to maintain the Equipment in good working condition; also including replacement of hardware components upon determination by us that hardware failure has occurred. Customer shall return the failed hardware component to VOICE PRODUCTS, Inc. within fifteen (15) days of receipt of the replacement component or return the defective unit to a VOICE PRODUCTS, Inc. Engineer who may be on-site.

E. Dispatching service personnel on-site to the Equipment Location(s) when necessary as determined by us. If Customer requests the performance of services that are outside of or in addition to the scope of services covered under the Service Contract purchased, such services may be furnished by VOICE PRODUCTS, Inc. on a time and materials basis at VOICE PRODUCTS, Inc.'s prevailing hourly rates, subject to availability of VOICE PRODUCTS, Inc.'s service personnel.

F. Limited Warranty. VOICE PRODUCTS shall perform its support services in a professional manner in accordance with accepted industry practice. Our obligations to furnish repairs, parts and materials or correct any errors shall be limited to the terms of this Service Contract and the manufacturer's

limited warranty provided at the time of install. Our obligation to provide support services for the software shall be in accordance with the terms set forth in this Service Contract, such that the software will perform in substantial conformance with the manufacturer's published specifications as amended from time to time. The limited warranty set forth by the manufacturer at the time of purchase shall not be superseded by this Service Contract.

G. In the event Customer requests service for a technical issue that proves not to be caused by an issue or defect in software or hardware covered on the contract, the Customer shall pay to VOICE PRODUCTS, Inc. the appropriate charges for labor and travel.

6. Rates and Charges

A. The yearly charge described in Appendix 1, appended hereto, will become payable to VOICE PRODUCTS SERVICE, LLC at its address stated above on the first day of each contract year.

B. In consideration of the Service to be provided herein, Customer will pay VOICE PRODUCTS SERVICE, LLC or the contracting business partner its Service Contract fees based on the Service Contract purchased. VOICE PRODUCTS SERVICE, LLC reserves the right to change the fees and Service Contract upon the expiration of the then-current Service support term, provided that, no such change will be effective until thirty (30) days after VOICE PRODUCTS SERVICE, LLC has given Customer notice of such change.

C. Additional Equipment: Additional Equipment and software acquired by Customer from VOICE PRODUCTS during the term of this policy will be automatically added to list of covered hardware and software following the installation of Equipment and/or software. Allowing for a 90-day warranty period on new Equipment and software, VOICE PRODUCTS SERVICE, LLC will issue an invoice on a coterminous basis for the prorated support fee.

D. Manufacturer Hardware/Software Obsolescence: In the event there is a failure of any of the installed hardware or software components that are no longer manufactured by or supported by the manufacturer, VOICE PRODUCTS SERVICE, LLC will compute the remaining amount of the Support purchased which covers the Equipment, software or part in question and to apply said amount as a discount toward the purchase of a new Service Contract.

7. Variation of Charges

If the Equipment is added to or altered, then VOICE PRODUCTS may make appropriate variations in the charges payable under Clause 6 above. Any such variations shall be subject to Customer's approval,

which shall not be unreasonably withheld.

8. Defaults

If the Customer shall fail to make payment, as defined in Clause 4c, or if either party shall be in continual or material breach of its obligations hereunder, the other party may forthwith, by written notice, terminate this contract without prejudice to pre-existing rights.

9. Force Majeure

Neither party hereto shall be under any liability for failure or delay in performing their respective obligations hereunder which are attributable to causes beyond the relevant party's reasonable control, each party acting reasonably and using its best efforts, based on good faith, to perform such obligations.

10. Confidentiality

VOICE PRODUCTS shall not disclose any information about the Customer, its business, or its customers to any third party without the prior consent of the Customer. For the purpose of this clause, customer shall include any partner of or body associated with the Customer, and/or any affiliate or subsidiary of the user. The foregoing obligation of confidentiality shall survive any termination of this contract.

11. Excluded From Coverage

Service to be provided under this Service Contract does not include services for repair of damage, replacement of parts, correction of errors or defects, or increase of service time attributable to the following reasons:

A. Any issues resulting from the misuse, improper use, abuse, alteration, or damage of the System.

B. Any issues caused by modifications in any versions of the software not made or authorized in writing (in advance) by VOICE PRODUCTS, INC. or the manufacturer.

C. Any issues resulting from the combination of the System with such other programming, Equipment or materials not supplied by VOICE PRODUCTS, INC. or to the extent such combination has not been approved in writing by VOICE PRODUCTS, INC. or the manufacturer.

D. Any issues resulting from the Customer or operation of the system for purposes for which it was not designed.

E. Issues resulting from unusual physical or electrical stress (such as power, UPS or air conditioning failure), accident, neglect or acts of nature. Electrical work external to and not connected with any covered Products.

F. Moves, add and changes requested by Customer. These functions should not be performed by the Customer without prior approval by VOICE PRODUCTS, INC.

G. Software version upgrades which provide substantially modified functionality to the original installed system such that it is considered by the manufacturer to be a new product or new version release; such product or new version release upgrades may be subject to an additional charge, based on the products purchased.

H. Relocation of Equipment. Upon request of Customer, VOICE PRODUCTS, INC. will provide a price quotation for relocating the Equipment to a new site. In the event the Equipment is moved or relocated by other than VOICE PRODUCTS, INC. personnel, VOICE PRODUCTS, INC. shall have the right to evaluate the Equipment and its new site and environmental conditions as a condition for continuing maintenance on the Equipment, and to bill Customer at its then prevailing rates for such inspection and any labor, materials and adjustments which, in VOICE PRODUCTS, INC.'s opinion, are necessary to restore the Equipment to good operating condition.

I. Requirements for VOICE PRODUCTS, INC. to go on-site to resolve an issue because remote access was not provided by Customer. If, in our judgment, the work could have been completed remotely, Customer will be charged time and material rates for this work.

APPENDIX 1

SCHEDULE OF SERVICE TIMES AND CHARGES
AUTHORIZED SIGNATURES

Level of Service Purchased:

PLATINUM

(as defined in General Information)

General SERVICE CONTRACT Software and Hardware	
One Year (1) GMA 2023 - 2024	**Warranty**
One Year (1) GMA 2024 - 2025	**$29,148.00**
One Year (1) GMA 2025- 2026	**$29,148.00**
One Year (1) GMA 2026- 2027	**$29,148.00**
One Year (1) GMA 2027 - 2028	**$29,148.00**

Duration:

Month	Day	Year	to	Month	Day	Year
April	1	2023		March	30	2028

City of Sherman Finance Dept.

_____
Signature

_____
Print Name

_____
Title

_____
Date

Receipt of payment by VOICE PRODUCTS SERVICE, LLC from the Customer constitutes acceptance of terms of the service contract by the Customer.

VOICE PRODUCTS SERVICE, LLC
8555 East 32nd Street North
Wichita, KS 67226
(316) 616-1111
FAX (316)-263-1823

Exhibit D
City's Insurance Requirements

I. GENERAL INSURANCE REQUIREMENTS –

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

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

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

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

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

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

Coverage Required		Limits
X	1. Worker's Compensation & Employer's Liability	▪ Statutory Limits of the State of Texas
X	2. General Liability	▪ Minimum $1,000,000.00 each occurrence; ▪ Minimum $2,000,000.00 in the aggregate.
__	3. XCU Coverage	▪ Minimum $1,000,000.00 each occurrence; ▪ Minimum $2,000,000.00 in the aggregate.
___	4. Professional Liability	▪ Minimum $1,000,000.00 each claim; ▪ Minimum $2,000,000.00 in the aggregate.
___	5. Umbrella Coverage or Excess Liability Coverage	▪ An amount of $ 2,000,000.00.

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

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

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

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

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

___ 11. Other Insurance Requirements (State Below):

EXHIBIT D: AFFIDAVIT OF NO PROHIBITED INTEREST

Exhibit E

Affidavit of No Prohibited Interest

THE STATE OF KANSAS §

THE COUNTY OF SEDGWICK §

I, Stuart G. Peters, an authorized agent of Contractor, make this affidavit and hereby under oath state the following:

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

- ✓ Ownership of ten percent (10%) or more of the voting shares of the business entity.
- ✓ Ownership of Twenty-Five Thousand and 00/100 Dollars ($25,000) or more of the fair market value of the business entity.
- ✓ Funds received from the business entity exceed ten percent (10%) of my income for the previous year.
- _____ Real property is involved, and I have an equitable or legal ownership with a fair market value of at least Twenty-Five Thousand and 00/100 Dollars ($25,000).
- _____ A relative of mine has a substantial interest in the business entity or property that would be affected by my business decision of the public body which I am a member.
- _____ Other:_____.
- _____ None of the Above.

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

Signed this 27 day of October, 2022

Stuart G. Peters, VP
Signature of Official/Title

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

Sworn to and subscribed before me on this 27 day of October, 2022.

_____
Notary Public in and for the State of Kansas
My commission expires: 5-6-24

COLETTE K. DRYDEN
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. _____

26

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

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

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

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

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

OFFICE USE ONLY

Date Received

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

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

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

_____
Name of Officer

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

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

☐ Yes ☐ No

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

☐ Yes ☐ No

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

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

7

_____ _____
Signature of vendor doing business with the governmental entity Date

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

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

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

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

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

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

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

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

***

(2) the vendor:

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

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

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

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

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

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

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

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

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

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

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

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

(1) the date that the vendor:

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

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

(2) the date the vendor becomes aware:

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

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

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

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 3.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7047***

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 922 South Montgomery Street within City of Sherman's Reinvestment Zone, Number Ten (#10)

Issue:

This item is to consider property tax abatement for the construction of a new single-family residence at 922 South Montgomery Street situated within City of Sherman Reinvestment Zone, Number Ten (#10).

Background:

On April 19, 2022, City Council renewed the residential tax abatement program to encourage the redevelopment within the City of Sherman's Reinvestment Zone, Number Ten (#10). This application is for the construction of a new single-family residence at this location. This lot is in the current designated zone for residential tax abatement.

Origination:

M&G Home Builders LLC, Owner

Financial Consideration:

A $75.00 application fee has been received for this residential lot. If granted, the initial abatement for this property will be approximately $456.73 annually.

Staff Recommendation:

The staff recommends approval of this abatement since it meets the requirements of the program.

Alternatives:

The City Council could decide against granting this abatement.

Attachments

Resolution No. 7047
Residential Tax Abatement Agreement
Exhibit A - Replat
Application
Building Permit
Site Plan
Location Map
Photo
Reinvestment Zone Map

RESOLUTION NO. 7047

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 ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 922 SOUTH MONTGOMERY STREET WITHIN CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10); 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 receipt of a fully-executed agreement from M&G Home Builders LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an agreement with M&G Home Builders LLC for the abatement of ad valorem property taxes for a period of ten (10) years, for the construction of one (1) new single-family residence at 922 South Montgomery Street, lying within City of Sherman Reinvestment Zone, Number Ten (#10), in accordance with the City's policies and procedures established for this purpose.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 20th day of March, 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

THE STATE OF TEXAS §
§
COUNTY OF GRAYSON §

AGREEMENT

THIS AGREEMENT, entered into by and between the **CITY OF SHERMAN, TEXAS**, a home rule city and municipal corporation of the State of Texas, duly acting herein by and through its City Manager, hereinafter referred to as CITY, and **M&G HOME BUILDERS LLC** hereinafter referred to as OWNER,

WITNESSETH:

WHEREAS, on the 18th day of April, 2016, the City Council of Sherman, Texas, passed Ordinance No. 5948 establishing a reinvestment zone for residential tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended, hereinafter referred to as CODE; and

WHEREAS, on the 19th day of August, 2019, the City Council of Sherman, Texas adopted Ordinance No. 6241 and redesignated the Reinvestment Zone to be City of Sherman Reinvestment Zone, Number Ten (#10); and

WHEREAS, the CITY has adopted a resolution (Resolution No. 6734) stating that it elects to be eligible to participate in a residential tax abatement program; and

WHEREAS, the CITY desires to create the proper economic and social environment to induce the investment of private resources in real estate construction located in incorporated areas of the CITY; and

WHEREAS, the CITY hereby finds that it may effectively encourage and assist the creation of such an environment by participating in tax abatement pursuant to the CITY; and

WHEREAS, the CITY has created a reinvestment zone within its jurisdiction to induce the investment of private resources in real estate construction located in incorporated areas of the CITY, and OWNER has agreed to construct certain real property improvements; and

WHEREAS, OWNER is prepared to comply with the provisions of the CITY'S guidelines and criteria enacted the 18th day of April, 2016;

NOW, THEREFORE, WITNESS THIS TAX ABATEMENT AGREEMENT which provides as follows:

I.

1.01 To the extent authorized by the Texas Constitution and by the Tax Code, CITY hereby agrees to exempt from City of Sherman taxation a portion of the increase in value of taxable

real property of OWNER in the CITY over the same real property and its value as calculated by the Grayson Appraisal District for ad valorem property tax purposes in accordance with the following schedule. Such tax exemption shall be in effect for tax years beginning January 1, 2023, and continuing for tax years 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031and 2032, with same constituting ten (10) tax years. However, nothing contained herein shall be construed to grant an abatement of taxes to be assessed based on the change of use of the property from an agricultural use to another use, sometimes referred to as rollback taxes, penalties or interest. In the event rollback taxes are applicable for the real property utilized by OWNER, then such increase in value of taxable property resulting from such rollback shall be used as the tax value for such property for the tax year 2021, sometimes referred to herein as the Base Tax Year.

SCHEDULE OF TAXES ASSESSED

TAX YEAR	ABATEMENT
2023	100%
2024	100%
2025	100%
2026	100%
2027	100%
2028	100%
2029	80%
2030	60%
2031	40%
2032	20%

II.

2.01 OWNER warrants and represents that the real property upon which OWNER has constructed or will construct improvements is qualified property within the meaning of that Act, and that such has been and will remain eligible for tax abatement under the provisions of the Property Redevelopment and Tax Abatement Act, Sections 312.001, et seq., Texas Tax Code.

2.02 To continue to qualify for tax abatement under the terms of this Agreement, OWNER hereby warrants and represents that the improvements made by OWNER on the real property described herein are for residential use.

2.03 The tax abatement granted under the terms of the Agreement shall only be implemented if appraised value of all real property and improvements located thereon owned by OWNER and lying within designated zone exceeds the base year value. The OWNER agrees that Grayson Appraisal District shall, at reasonable times upon reasonable notice, have access to the property made the subject of this Agreement, and that the above set forth inspectors shall be able to inspect the property to insure that the improvements are being made in accordance with the terms and conditions hereof and utilized in accordance with this Agreement.

III.

3.01 The term of this Agreement shall be for tax years 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031 and 2032, as indicated above in paragraph 1.01.

IV.

4.01 The kind, number and location of all proposed property improvements are set forth as follows:

> Construction of one (1) new Single-Family Residence at 922 South Montgomery Street, Sherman, Texas, and as more particularly described by metes and bounds as to hereafter include the property described in **Exhibit A**:

5.01 OWNER agrees that, should he fail to make improvements substantially as described or fail to perform any other term or covenant hereof, CITY shall have the right, after giving notice and opportunity to cure as hereinafter set out, to recapture all tax revenue on said property in the zone lost as a result of this Agreement for the entire term of the Agreement. Such recapture shall mean that all of such property shall be taxed at the full improved value as assessed by the Grayson Appraisal District for all years this Agreement has been in effect. The payment of such recaptured taxes minus any taxes paid by OWNER during the years this Agreement has been in force shall be due January 1 of the next following year and shall be delinquent if not paid on or prior to January 31st. Penalties and interest shall be calculated thereafter as if all taxes had become due in the same year. The CITY agrees prior to enforcement of the terms of this paragraph to give 120 days written notice to the address shown below of OWNER'S default in completing the improvements called for in this Agreement, and OWNER shall have the right to cure such default within the 120-day period.

VI.

6.01 This Agreement shall inure to the benefit of CITY and OWNER, and shall be binding upon them, their heirs, successors and assigns. It is specifically provided and agreed that the right to tax abatement shall inure to the benefit of subsequent owners so long as the term and conditions of this Agreement are in effect.

VII.

7.01 CITY agrees that this Agreement may be assigned and the improvements leased or sub-leased, without any further necessity for consent, by the OWNER to any person, firm or corporation.

VIII.

8.01 At any time before the expiration of the term hereof, this Agreement may be modified by the mutual action of the parties hereto to include other provisions that could have been included in the original agreement or to delete provisions that were not necessary to the original agreement. Such modification must be in writing and signed by all the parties hereto and made by the same procedure by which the original Agreement was approved and executed. In no event may the original Agreement be modified so as to extend the term beyond the original term of this Agreement.

IX.

9.01 This Agreement shall be construed subject to the laws of the State of Texas, and particularly to the Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code.

9.02 All appraisal values for real property shall be made by the Grayson Appraisal District or such other entity as may succeed or replace such District.

9.03 OWNER is hereby notified that the Grayson Appraisal District may impose additional requirements which must be met in order for OWNER to realize the benefit of tax abatement and this Agreement. Contact should be made by OWNER with the District in person at 512 North Travis Street, Sherman, Texas, or by telephone at (903) 893-9673.

X.

10.01 This Agreement is subject to all provisions of all outstanding bond issues of CITY. To the extent that this Tax Abatement Agreement conflicts with any of the provisions of such bond issues, such bond issues and attendant documents thereto shall control.

XI.

11.01 This Tax Abatement Agreement is specifically subject to present laws of the State of Texas and any future laws enacted subsequent to the execution of this Agreement which may provide retroactively for a modification of Agreements of this type as a matter of law. Upon the effective date of any such law, then this Agreement shall automatically be so modified.

XII.

12.01 Notices required by this Agreement shall be mailed to the following addresses as same may be in the future changed by either party upon written notice to the other:

City of Sherman	M&G Home Builders LLC
P.O. Box 1106	1218 N. Brents
Sherman, Texas 75091-1106	Sherman, TX 75090
(903) 892-7200	(903) 870-8212

Copy to: Grayson Appraisal District
512 North Travis Street
Sherman, Texas 75090
(903) 893-9673

This Agreement is performable in Grayson County, Texas. Witness our hands on this the 20th day of March 2023.

CITY:
CITY OF SHERMAN, TEXAS

BY: _____
ROBBY HEFTON

OWNER:
M&G HOME BUILDERS LLC

BY: _____
MARTIN COVARRUBIAS

ATTEST:

BY: _____
LINDA ASHBY
CITY CLERK

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

BY: _____
RYAN D. PITTMAN
CITY ATTORNEY

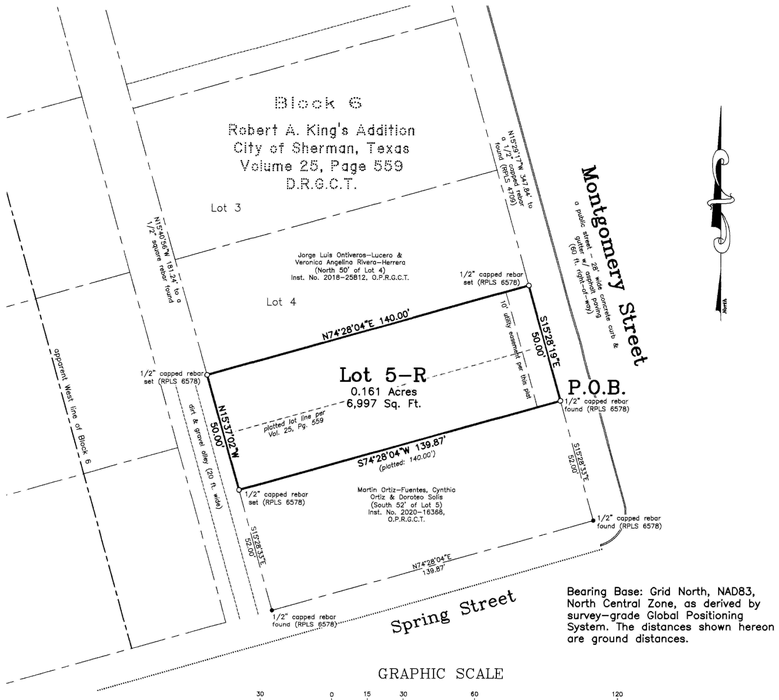
THE STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared **MARTIN COVARRUBIAS** 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 express.

GIVEN UNDER MY HAND and seal of office this _____day of _____, 2023 A.D.

_____
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

EXHIBIT A



Bearing Base: Grid North, NAD83, North Central Zone, as derived by survey–grade Global Positioning System. The distances shown hereon are ground distances.

GRAPHIC SCALE

30 0 15 30 60 120

(IN FEET)
1 inch = 30 ft.

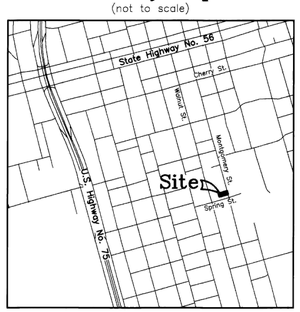
Eileen's Addition
(being a Replat of a part of Lots 4 & 5, Block 6, Robert A. Kings Addition) to the City of Sherman Grayson County, Texas
0.161 Acres
in the
Samuel Blagg Survey Abstract No. 56

General Notes:

1. Water Supply to be provided by the City of Sherman.
2. Sewer service to be provided by the City of Sherman.
3. Electrical service is provided by Oncor Electrical Delivery.
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. The City of Sherman 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 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.

Filed for Record
in the Official Records Of:
Grayson County Clerk
On: 8/31/2022 9:35:55 AM
In the PLAT Records
EILEEN'S ADDN
Doc Number: 2022 – 193
Number of Pages: 2
Amount: 75.00
Order#: 20220831000026
By: MM

Vicinity Map
(not to scale)



Job No. CGS350422

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463–6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owner
M & G Home Builders, LLC
1218 N. Brents Avenue
Sherman, Texas 75090

22195 22195

X:\Shared Projects\922–S–Montgomery–Street–Sherman\Civil 3D\Replat.dwg 4/21/2022 10:00 AM

FIELD NOTES

SITUATED in the City of Sherman, County of Grayson, State of Texas, being a part of the Samuel Blagg Survey, Abstract No. 56, being the South 26 ft. of Lot 4 the North 24 ft. of Lot 5, Block 6 of Robert A. King's Addition to the City of Sherman, Texas, as per plat of record in Volume 25, Page 559, Deed Records, Grayson County, Texas, being the same tract of land conveyed by Sheriff's Tax Deed from William R. Becker and Mary J. Becker to M & G Home Builders, LLC on April 9, 2018, as recorded in Instrument No. 2018–10646, Official Public Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows, to–wit:

BEGINNING at a 1/2 inch capped rebar found (RPLS 6578), lying in the West right–of–way line of Montgomery Street, a generally North–South street, and the East line of said Lot 5, being the Northeast corner of the tract of land known as the South 52 ft. of Lot 5, Block 6, of said Robert A. King's Addition as conveyed by Warranty Deed to Martin Ortiz–Fuentes, Cynthia Ortiz, and Doroteo Solis, as recorded in Instrument No. 2020–16368, said Official Public Records and being the Southeast corner of said M & G Homes Builders tract;

THENCE South 74 deg. 28 min. 04 sec. West, with the North line of said Ortiz tract and the South line of said M & G Home Builders tract, a distance of 139.87 ft. (platted: 140.00 ft.) to a 1/2 inch capped rebar set (RPLS 6578) in the East line of a 20 ft. wide alley and the West line of said Lot 5, at the Northwest corner of said Ortiz tract and the Southwest corner of said M & G Home Builders tract;

THENCE North 15 deg. 37 min. 02 sec. West, with the East line of said 20 ft. alley and the West line of said Lots 4 and 5, a distance of 50.00 ft. to a 1/2 inch capped rebar set (RPLS 6578) at the Southwest corner of the tract of land known as the North 50 ft. of Lot 4, Block 6, of said Robert A. Kin's Addition as conveyed by Warranty Deed to Jorge Luis Ontiveros–Lucero and Veronica Angelina Rivera–Herrera, as recorded in Inst. No. 2018–25812, said Official Public Records, and being the Northwest corner of said M & G Home Builders tract;

THENCE North 74 deg. 28 min. 04 sec. East, with the South line of said Rivera–Herrera tract and the North line of said M & G Home Builders tract,, a distance of 140.00 ft. to a 1/2 inch capped rebar set (RPLS 6578) lying in the West line of said Montgomery Street and the East line of said Lot 4, at the Southeast corner of said Rivera–Herrera tract and the Northeast corner of said M & G Home Builders tract;

THENCE South 15 deg. 28 min. 19 sec. East, with the West line of said Montgomery Street and the East line of said Lots 4 and 5, a distance of 50.00 ft. to the **PLACE OF BEGINNING** and containing **0.161 ACRES** of land.

KNOW ALL MEN BY THESE PRESENTS:

THAT I, Kate A. Wagner, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments shown thereon were properly placed under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

Kate A. Wagner, R. P. L. S. No. 6578 Date: 8-17-2022

STATE OF TEXAS REGISTERED KATE A. WAGNER 6578 PROFESSIONAL LAND SURVEYOR

I, M & G Home Builders, LLC, sole owner of Eileen's Addition to the City of Sherman, Texas, do hereby dedicate the streets, easements, alleys, rights–of–way, parks, school sites and other public places shown hereon to the public use forever.

Martin Covarrubias
Authorized Agent for M & G Home Builders, LLC

AVIGATION RELEASE

WHEREAS, M & G Home Builders, LLC, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as Eileen's Addition, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed or navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER'S described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property; and OWNER does hereby fully remiss and release any right or cause of action which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at Eileen's Addition, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

Executed this 19th day of August, 2022.

By: _____

By: Martin Covarrubias, Authorized Representative for M & G Home Builders, LLC, Owner

Before me the undersigned, a notary public in and for said County and State, on this day personally appeared Martin Covarrubias, 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 and in the capacity therein stated.

Given under my hand and seal of office this 19th day of August, 2022

Notary Public, Grayson County, Texas

DAWN MARIE WEST
Notary Public, State of Texas
Comm. Expires 04-14-2025
Notary ID 133038857

Sherman
CLASSIC TOWN. BROAD HORIZON.

This, the final plat of Eileen's Addition to the City of Sherman, Texas, is hereby approved this 21 day of June, 2022, by the Planning and Zoning Commission of the City of Sherman, Texas.

Chairman Secretary

This, the final plat of Eileen's Addition to the City of Sherman, Texas, is hereby approved this 18 day of July, 2022, by the City Council of the City of Sherman, Texas.

ACCEPTED BY THE CITY COUNCIL OF SHERMAN, TEXAS: _____ 08/30/2022
MAYOR, CITY OF SHERMAN, TEXAS DATE

The undersigned, the City Clerk of the City of Sherman, Texas, does hereby certify that the foregoing final plat of Eileen's Addition to the City of Sherman, Texas, was submitted to the City Council of Sherman, Texas, on the 18th day of July, 2022, 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 hereinabove subscribed.

WITNESS MY HAND THIS 30th DAY OF August, 2022, BY Linda Ashby
CITY CLERK, CITY OF SHERMAN, TEXAS

CITY OF SHERMAN, TEXAS

Eileen's Addition
(being a Replat of a part of Lots 4 & 5, Block 6, Robert A. Kings Addition) to the City of Sherman Grayson County, Texas
0.161 Acres
in the
Samuel Blagg Survey Abstract No. 56

Filed for Record
in the Official Records Of:
Grayson County Clerk
On: 8/31/2022 9:35:55 AM
In the PLAT Records
EILEEN'S ADDN
Doc Number: 2022 – 193
Number of Pages: 2
Amount: 75.00
Order#: 20220831000026
By: MM

Job No. CGS350422

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463–6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owner
M & G Home Builders, LLC
1218 N. Brents Avenue
Sherman, Texas 75090

E-9-524

X:\Shared Projects\922–S–Montgomery–Street–Sherman\Civil 3D\Replat.dwg 4/21/2022 10:00 AM

CITY OF SHERMAN
APPLICATION FOR RESIDENTIAL TAX ABATEMENT

Property Owner:

Name: M&G Home Builders

Mailing Address: 1218 N Brents, Sherman, TX 75090

Telephone Number: 9038708212

Contact (if different than owner):

Name: _____

Mailing Address: _____

Telephone Number: _____

Property:

Physical Address: 922 S Montgomery

Summary Legal Description: Lot: _ 5 Addition: Eileen's

Full Legal Description: Include as an attachment a full legal description with metes and bounds.

Improvements:

Type of Improvements (please check one). New Construction: X Remodeling: _____

Estimated Value of Improvements: 93,400

Estimated Date of Start of Construction: 02/20/2023

Estimated Date of Completion of Project: 4/21/2023

Description of Project: NEW RESIDENTIAL CONSTRUCTION

Applicant(s): _____ Date: 02/09/2023

_____ Date: _____

Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN

New Residential Building Permit

#23-000415 | Issued on: 02/21/2023 at 9:33 AM

Project Description: new residential construction

ADDRESS
922 S MONTGOMERY St
Sherman, TX

LEGAL
King R A Addn, Block 6, Lot S Pt 4 & N Pt 5

PERMIT HOLDER
M&G HOME BUILDERS LLC
MARTIN COVARRUBIAS
(903) 870-8212

COLLABORATORS
- ALPINE AIR
  DONALD L BAILEY
  (903) 891-9154
- M&G HOME BUILDERS LLC
  MARTIN COVARRUBIAS
  (903) 870-8212

OWNERS
- M & G Home Builders LLC

ELECTRICAL NOTE:
ALL ELECTRICAL WORK & MATERIAL TO COMPLY W/2020 NEC

INFORMATION FIELDS

Subcontractor	M&G Home Builders	Square Feet	1350
Bedrooms	3	Bathrooms	2
Number of Stories	1	Number of Acres	0.15
Type of Construction List	Wood Frame	Off Street Parking	3
Tax Abatement	Yes	Sewer Disposal	Public Sewer
Water Supply	Public	Heating	Electric
Permit Certification	Yes	Proposed Use	SINGLE FAMILY RESIDENTIAL
Former Use	NONE	Firm Name	M&G Home Builders

FEE	TOTAL	PAID	DUE
Building Permit Fee (R)	$ 405.00	$ 405.00	$ 405.00
Storm Water Fee	$ 25.00	$ 25.00	$ 25.00
Impact Fee Zone 3	$ 440.00	$ 440.00	$ 440.00
Impact Fee - Water	$ 1,021.00	$ 1,021.00	$ 1,021.00
Impact Fee - Sewer	$ 164.00	$ 164.00	$ 164.00
TOTALS	$ 2,055.00	$ 2,055.00	$ 0.00

NOTES
new residential construction

NOTICE
This permit becomes null and void if work or constructions authorized is not commenced within 6 months, or if construction or work is suspended of abandoned for a period of 6 months at any time after work is started. This permit is for the Permit Holder only. Repermitting will be required if Contractor changes.

I hereby certify that I have read and examined this document and know the same to be true and correct. All provisions of laws and ordinances governing this type of work will be complied with whether specified herein or not. Granting of a permit does not presume to give authority to violate or cancel the provision of any other state or local law regulating construction or the performance of construction.

It shall be the duty of the holder of this permit to notify the Building Department when work is ready for inspection. It shall be the duty of the Permit Holder to provide access to and means for inspections of such work required by the adopted codes.

Permit not valid until signed by all parties.

(Signature of Contractor or Authorized Agent) — 3-2-23 (Date)

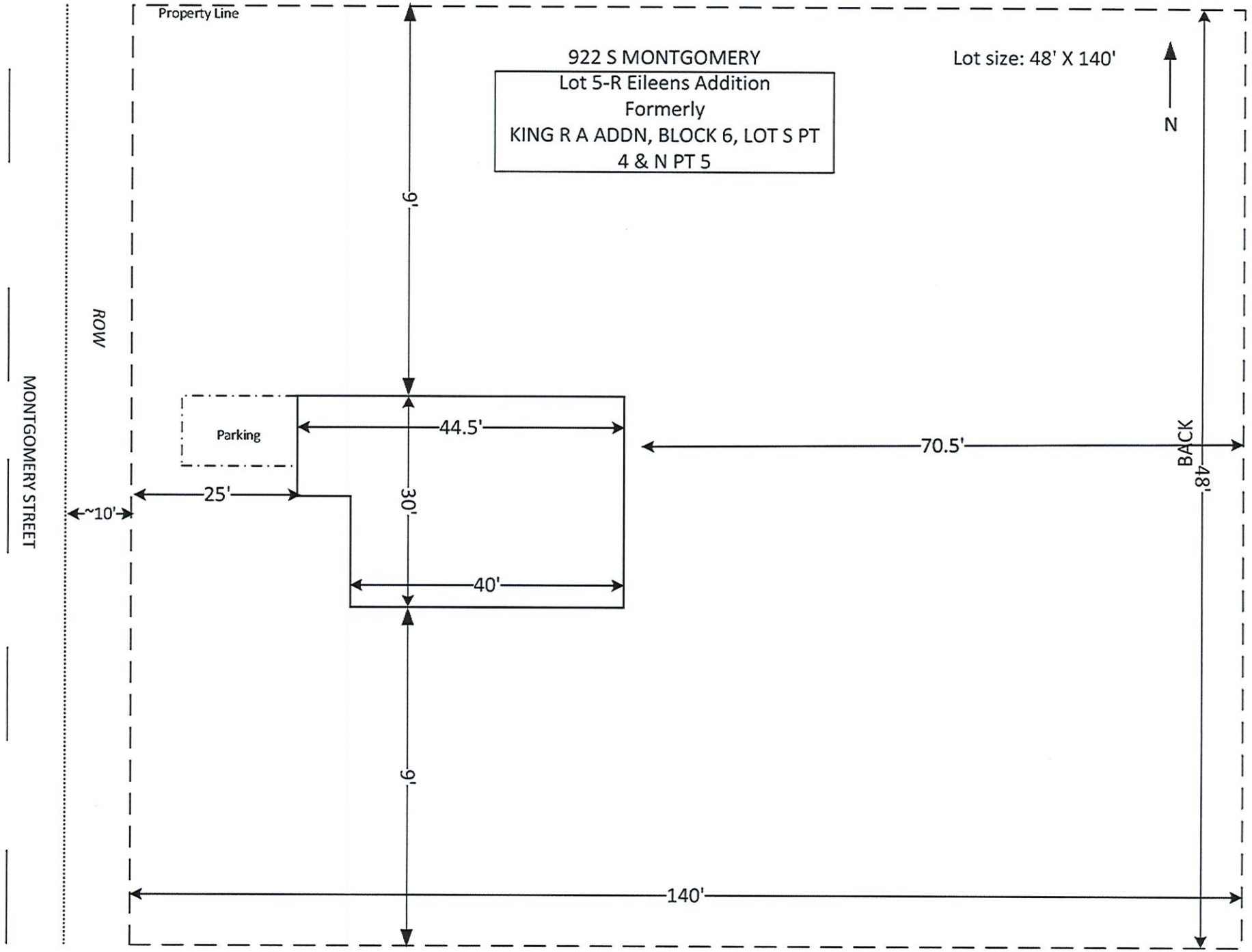
(Approved By) Flood Plain Administrator — 2-21-2023 (Date)

(Approved By) Building Official or his Designee — 2-21-23 (Date)

Note: This permit is not approved or valid until signed by the Building Official or his Designee.

MARKED PLANS IN MYGOV

ALL WORK AND MATERIAL TO COMPLY WITH 2018 IRC AND 2018 IECC


Property Line
922 S MONTGOMERY
Lot 5-R Eileens Addition
Formerly
KING R A ADDN, BLOCK 6, LOT S PT
4 & N PT 5
Lot size: 48' X 140'
N
ROW
MONTGOMERY STREET
9'
Parking
44.5'
70.5'
BACK
48'
25'
~10'
30'
40'
9'
140'

dlagrone H:\PLANNING\Public Notification KT.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

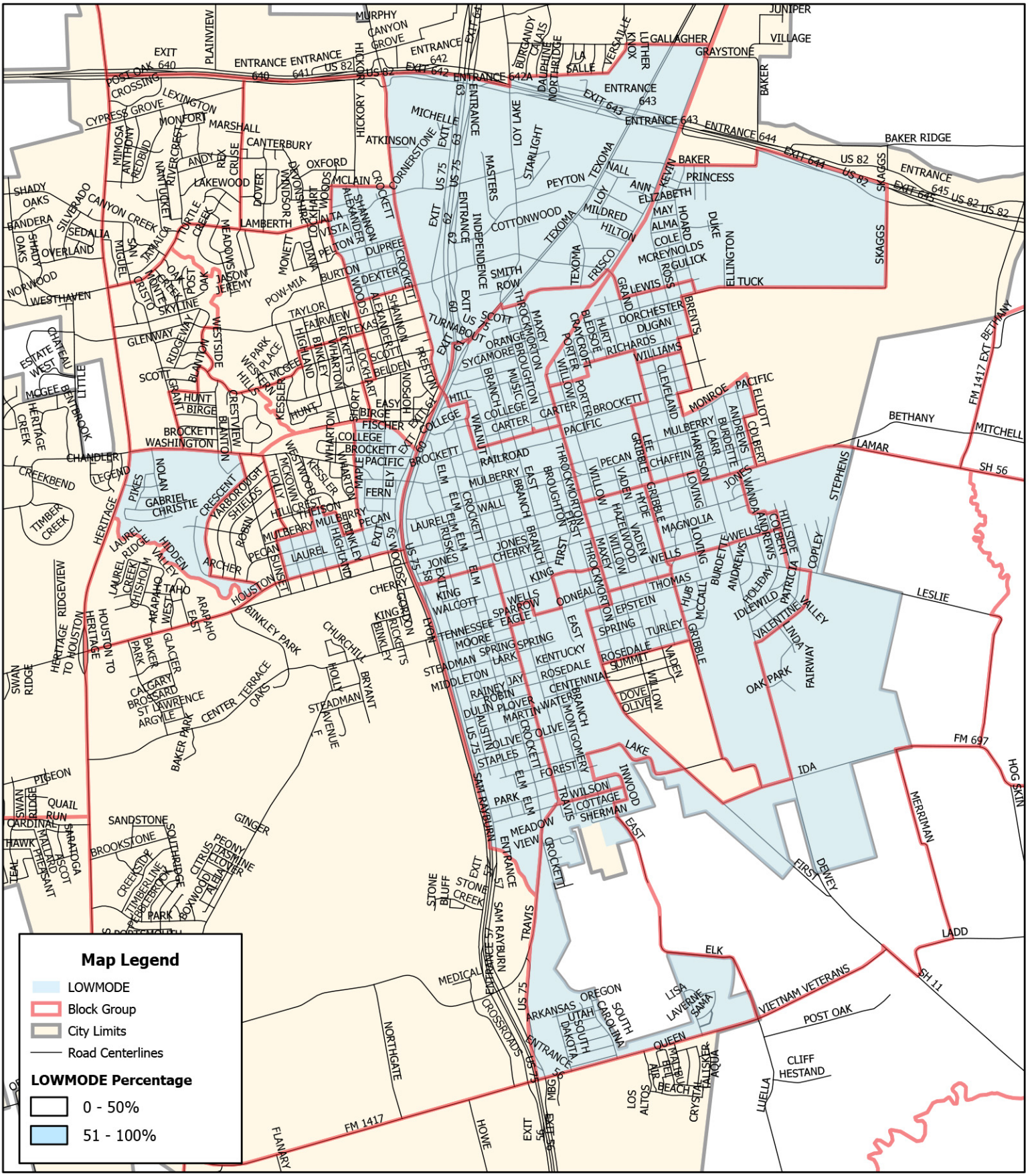
City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
LOCATION MAP
922 S MONTGOMERY ST

N
W E
S

Date: 3/2/2023 3:08 PM

922 S. MONTGOMERY ST.


Map Legend
LOWMODE
Block Group
City Limits
Road Centerlines
LOWMODE Percentage
0 - 50%
51 - 100%

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 4.**

Meeting Date: 03/20/2023

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7048***

Awarding a Bid to and Authorizing Execution of a Contract with Campbell Oil Company for the Purchase of Aviation Fuel for the Sherman Municipal Airport

Issue:

To consider awarding a bid to and authorizing execution of a contract to Campbell Oil Company for the purchase aviation fuel for the Sherman Municipal Airport.

Background:

At the November 7, 2022 meeting, the City Council authorized a request to advertise the supply of aviation fuel for the Sherman Municipal Airport. A public request for competitive, sealed proposals resulted in three (3) submittals, which were opened on January 31, 2023. Campbell Oil Company of North Carolina received the highest valuation, based on specific criteria detailed in the Request for Proposals.

Origination:

Public Works

Financial Consideration:

Funding for aviation fuel is budgeted in the Airport Fund. The proposal includes the lowest per gallon price, plus additional incentives such as a rebate program, co-op advertising funding, inspections, filter changes, favorable credit card processing rates, and support for airport programs.

Staff Recommendation:

Staff recommends that the City Council award the supply contract for aviation fuel to Campbell Oil Company.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 7048
Proposal - Campbell Oil Company
Ratings - Aviation Fuel
RFP-Campbell Oil Co

RESOLUTION NO. 7048

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH CAMPBELL OIL COMPANY, FOR THE PURCHASE AVIATION FUEL FOR THE SHERMAN MUNICIPAL AIRPORT ; 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 Campbell Oil Company, a North Carolina Corporation, is hereby awarded the City of Sherman's contract for the purchase aviation fuel for the Sherman Municipal Airport in accordance with all bid documentation attached hereto and incorporated herein for all purpose.

SECTION 2. That the City Manager is hereby authorized and directed, subject to all contract documents being completed and approved as to form and content by the City Attorney, to execute a contract with Compbell Oil Company for the purchase of aviation fuel, in the same or substantially same form as the contract documents 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 20th day of March 2023.

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAND D. PITTMAN, CITY ATTORNEY

Campbell
OIL COMPANY
P. O. Box 637 – 418 Peanut Road

January 23, 2023
KSWI
Sherman Municipal Airport

Thank you for allowing Campbell Oil Company the opportunity to quote on providing aviation fuels for your airport. We are proud to serve our valued customers with Phillips 66 Aviation Products. ***Enclosed you will find our bid packet and our pricing information.*** We have additional options for you to consider as we design a program that meets your specific needs. I have attached the following proposal for your consideration and would like to highlight our bid details and programs we are prepared to offer.

Our proposal highlights for your review:

- **Accrual Fund** - .05 Accrual per gallon on all gallons purchased to be used at any time during the duration of this agreement. The Accrual fund renews each year you are under contract with Campbell Oil Company. Exp: 100,000 gallons = $5,000.00 to be used at your discretion with no minimum gallon purchase and no cap on the fund. They more gallons you sell the more we pay you.
- **No cost** for Education and Quality Control training opportunities designed to keep your customers safe and save you money.
- **Co-Op Money** - Double the industry standard for co-op monies at .01/gallon rather than .005/gallon
- **$1000 Annually** for fly ins, airport programs or family days to be used at the airport's discretion.
- **Annual NATA** Membership: $1200.00 savings
- **Two passes annually** to NBAA or the industry trade show of your choice $1000 savings
- **Annual Filter** change on Fuel farm at no charge for the life of the contract/ $2,500 savings
- The strongest credit card program in the industry with no "qualified vs. non-qualified" charges which saves you money (*typical savings of .005 to .02 per gallons depending on your card mix*)
- Freight Equalization Program-in the event your home terminal is down no increase in freight to pull from an alternate terminal
- Developed Marketing Programs both in house and through P66 Aviation Marketing Department tailored to your needs and designed to grow your business. Monthly mailers & email blast.
- Fixed/cap pricing program
- Emergency Response Plan to maintain fuel supplies at your location
- Dedicated account manager to handle your account

We are committed to aviation and to your account and will continue to provide you with the level of service you deserve with. Please give me a call at 910-862-3750 with any questions you may have regarding our proposal.

Respectfully submitted,

Tori Martin
Campbell Oil Company
Aviation Division Manager

KSWI- Sherman Municipal Airport

Table of Contents

- QUALIFICATIONS & CAPABILITY TO PROVIDE PRODUCT
- OUR BRANDED PROGRAM OFFERINGS
- CREDIT CARD PROGRAM AND SAVINGS ANALYSIS
- PRODUCT DELIVERY AND PRICE
- LEGAL CAPACITY, REFERENCES AND ADDITIONAL INFORMATION
- REQUIRED FORMS

Campbell
OIL COMPANY

PHILLIPS

Who We Are

We are here to serve you.

Campbell OIL COMPANY

Campbell Oil Company Aviation Team

Tori Martin	Aviation Fuels Manager/Account Representative 910-862-3750 torim@campbelloilcompany.com
Jill Smith	Safety Compliance Manager 910-876-1582 jillj@campbelloilcompany.com
Eric O'Branovich	Senior Director Fuel Sales 910-309-0873 Erico@campbelloilcompany.com
Brian Campbell	President 910-874-2005 brianc@campbelloilcompany.com
Melody Priest	Director of Field and Fleet Services 910-991-6168 Melodyp@campbelloilcompany.com
Taylor Davis	Aviation Project Coordinator 910-862-8423 taylord@campbelloilcompany.com

OUR CORE VALUES

- RESPECT
- INTEGRITY
- CARING
- COMMITMENT
- TEAMWORK

Campbell Oil Company

- **Founded in 1948, Campbell Oil Company is a fourth-generation family owned and operated business based in southeastern North Carolina. Campbell Oil Company partnered with 90-year-old Phillips 66 Aviation Fuels over 35 years ago to join a global brand, with a hands-on, local distributor, ultimately providing unparalleled service and assistance to our customers. Campbell Oil Company Aviation is available all hours of the day and night for fuel orders, service work, and emergencies.**

- **We are a member of NATA and with this membership we participate in Quality Control training classes on a quarterly basis. These classes include but are not limited to the following: Ground Handling Safety, Aviation Leadership Training, Safety 1st, Advanced Line Service & Safety Training, and Quality Control Inspector Training. We also partner with our Phillips QC inspector to offer in person training classes 4 times per year and would be more than happy to host one of these informative classes at KSWI**

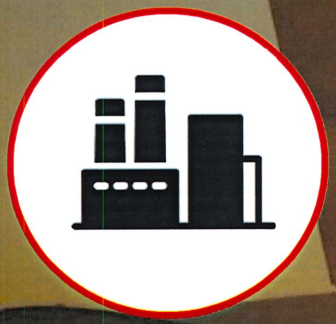
- **We are unique in our capabilities to store both AV Gas and Jet Fuel at our Elizabethtown, NC facility and in event of an emergency, natural disaster or someone forgot to order fuel we can dispatch a tank wagon or short truck delivery to cover your fuel needs. We own our own transport company which allows us to control delivery times and the option to divert drivers to a secondary terminal in the event of an unplanned terminal outage. In the event of an outage and we cannot load at your home terminal Phillips offers freight equalization to cover in overage in freight. Our transport trucks have dedicated pumps trailers and drivers to ensure safety and quality control. service to our branded customers.**

- **We also have a full time Aviation service department with the capability to take care of refueler truck issues, fuel farm install, pint of sale install, filter changes etc., We stock nozzles , hoses and filters as well as many other aviation parts. We are fully committed to Quality Control and Safety as we have our own Safety Director, who will visit your site and complete free inspections on a set schedule.**

Campbell OIL COMPANY

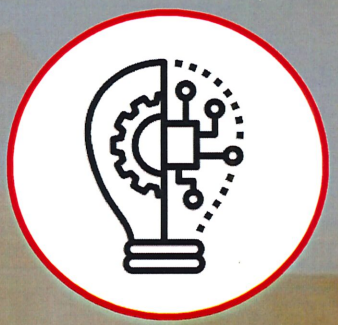
The Leader in Aviation with P66

Nation's only refiner-supplier

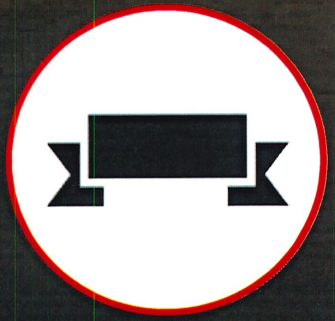


Market share leader at 26.4%

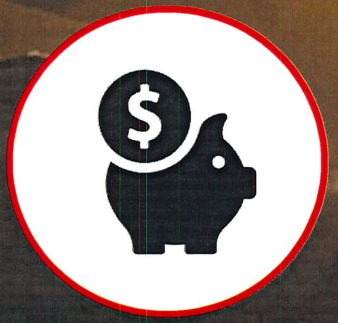
Avgas Innovator



Major Industry Sponsorships



Contract Fuel Program with No Added Fees



#1 Fuel Brand by *Professional Pilot*

Taking Pride in Being a Reliable Supplier

Our OWN supply + relationships with 30 partners

Fuel dispatch service

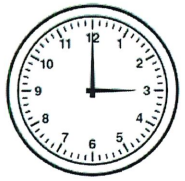
Freight Equalization Program

We take care of supply, so you can take care of your customers.

PERSONALIZED DISPATCH

Leverages Campbell Oil Company's Network of Carriers as well as owning our own transport company-Cape Fear Transport Company

One Email for Fuel Ordering

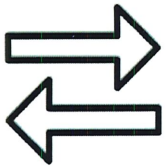


24/7 Support

Order Confirmation and Documentation

- 24 hours notice for Jet & AvGas requested
- Freight Equalization applies if an outage occurs
- 24/7 Emergency fuel loads available

Preferred Carrier Optionality



Re-routing of Carrier due to Supply Outages

Our Top Priorities Have You in Mind

FBO Growth

- Offer you industry-leading programs & marketing
- Act as a business consultant to help you identify & implement growth strategies

Quality Assurance & Supply Reliability

- Provide tools & support for quality control & training
- Remain a strategic supply partner with source & price transparency

Relationships

- Focus on providing unmatched 1:1 customer service
- Give you the independence needed to thrive
- Foster a culture that builds long-standing relationships

Consistent, safe, reliable supply. | Exceptional customer experiences.

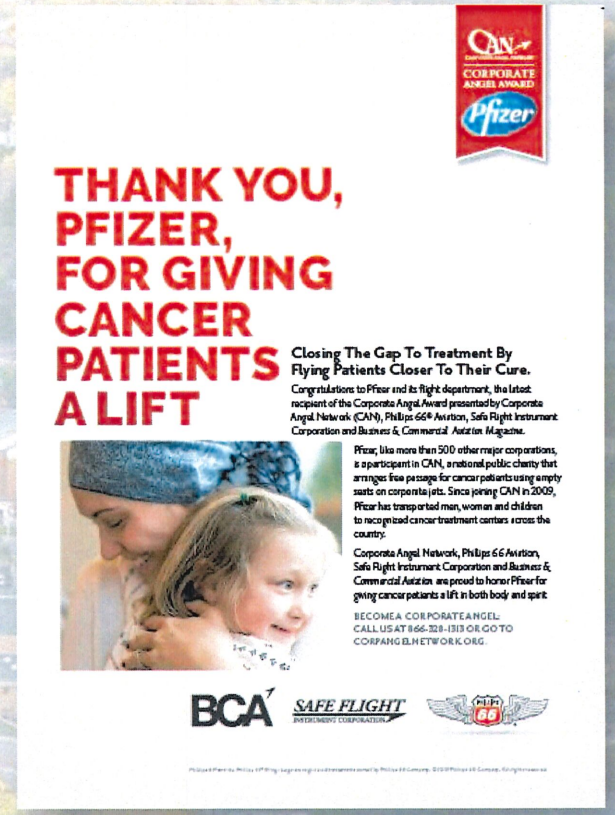
Campbell OIL COMPANY

Community Involvement

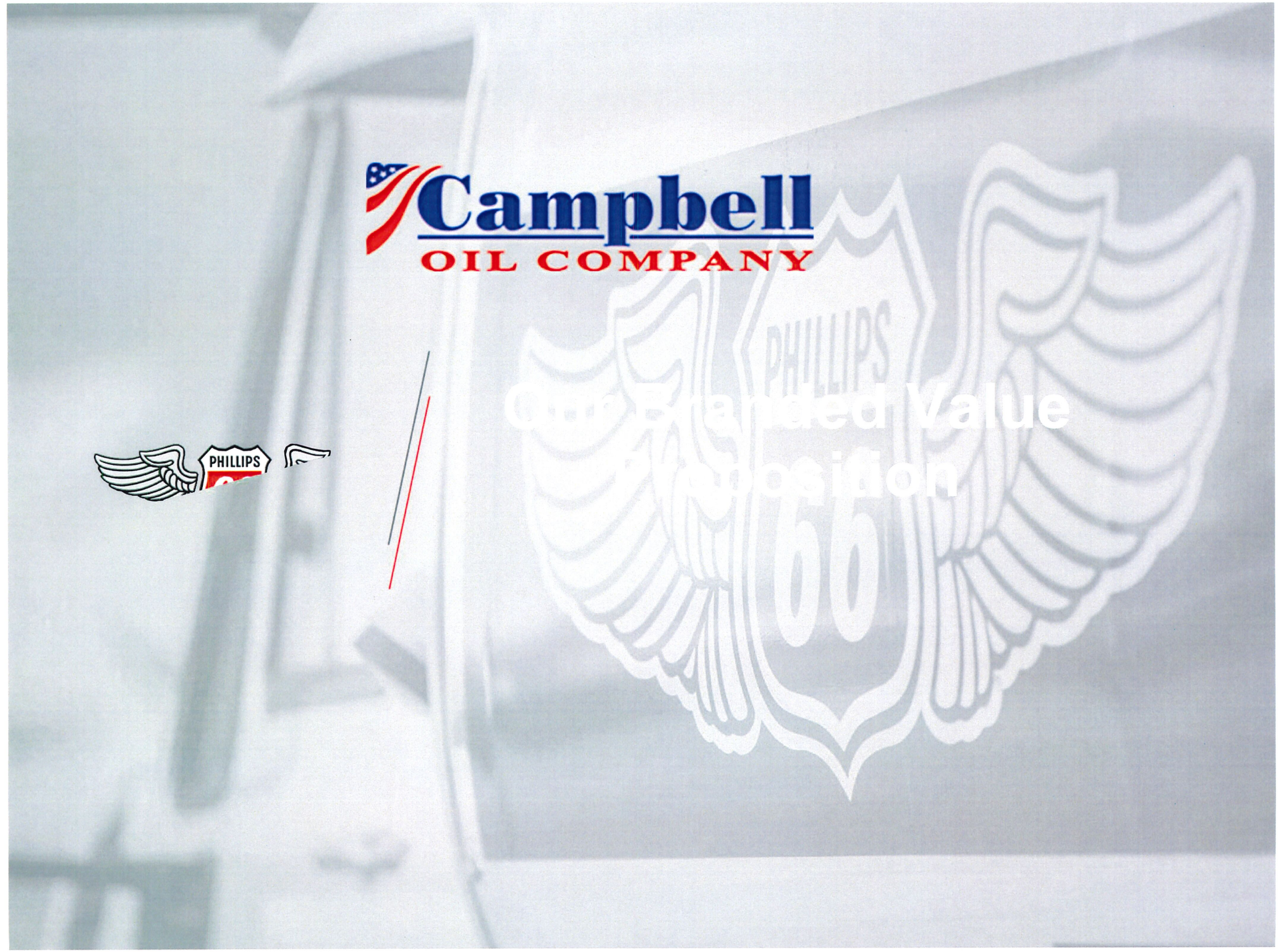
$1-per-gallon Avgas rebate to all EAA Young Eagles volunteer pilots. Over 4,000 pilots have used Phillips 66 avgas to introduce more than 2 million kids to the wonders of flight.

COMPASSION FLIGHT REBATE PROGRAM

$1-per-gallon Avgas rebate to support pilots who donate their time and aircraft so that children and adults may access life-saving medical care.



"Phillips 66 literally and figuratively goes above and beyond to help volunteer pilots better serve their communities. By offering a dollar off per gallon using their fuel card, they enable more discretionary income of volunteers to go toward donated flights to get patients the medical care they deserve." – **Josh Olson, Executive Director of Angel Flight West**


Campbell
OIL COMPANY
PHILLIPS
66

Programs Built to Support Your Business

Excess Liability Insurance:
$50MM

Freight EQ:
Same price for supply and freight from anywhere

Personalized Dispatch:
24/7 Support with Load confirmation and documentation

WingPoints Loyalty:
Earn gift cards or donate points to charity

Co-op Funds:
Paid at $.005cpg* plus additional $.005cpg*, double the industry standard

Account Manager:
Dedicated account manager to take care of all your needs

Credit Card Platform:
Lowest Rates in the industry.

Quality Assurance:
World class training and inspections

Marketing Program:
Strategic and Targeted

*On all gallons excluding commercial volume

EXCESS LIABILITY INSURANCE

- As a branded Phillips 66 Aviation Dealer, you can have an additional tool at your disposal – our program offers $50 million in excess liability insurance to qualifying, participating dealers
- Important supplemental coverage – over & above your primary insurance policy for certain risks associated with fueling-related incidents

Campbell OIL COMPANY

Phillips 66 Loyalty Program

WINGPOINTS Rewards With Altitude®

Earning Points:

- Earn 10 points/gallon of fuel purchased.

2,000 gal = 20,000 pts = $25
3,500 gal = 35,000 pts = $50
6,000 gal = 60,000 pts = $100

- **Double points** awarded with Phillips 66 branded credit card transactions.

Paying for Points:

You only pay for the points you issue.
- 2 cpg for Jet and Avgas
- Promotional points awarded by FBO are 2 cents/10 bonus points.

Obtain card at FBO

Points awarded on first sale

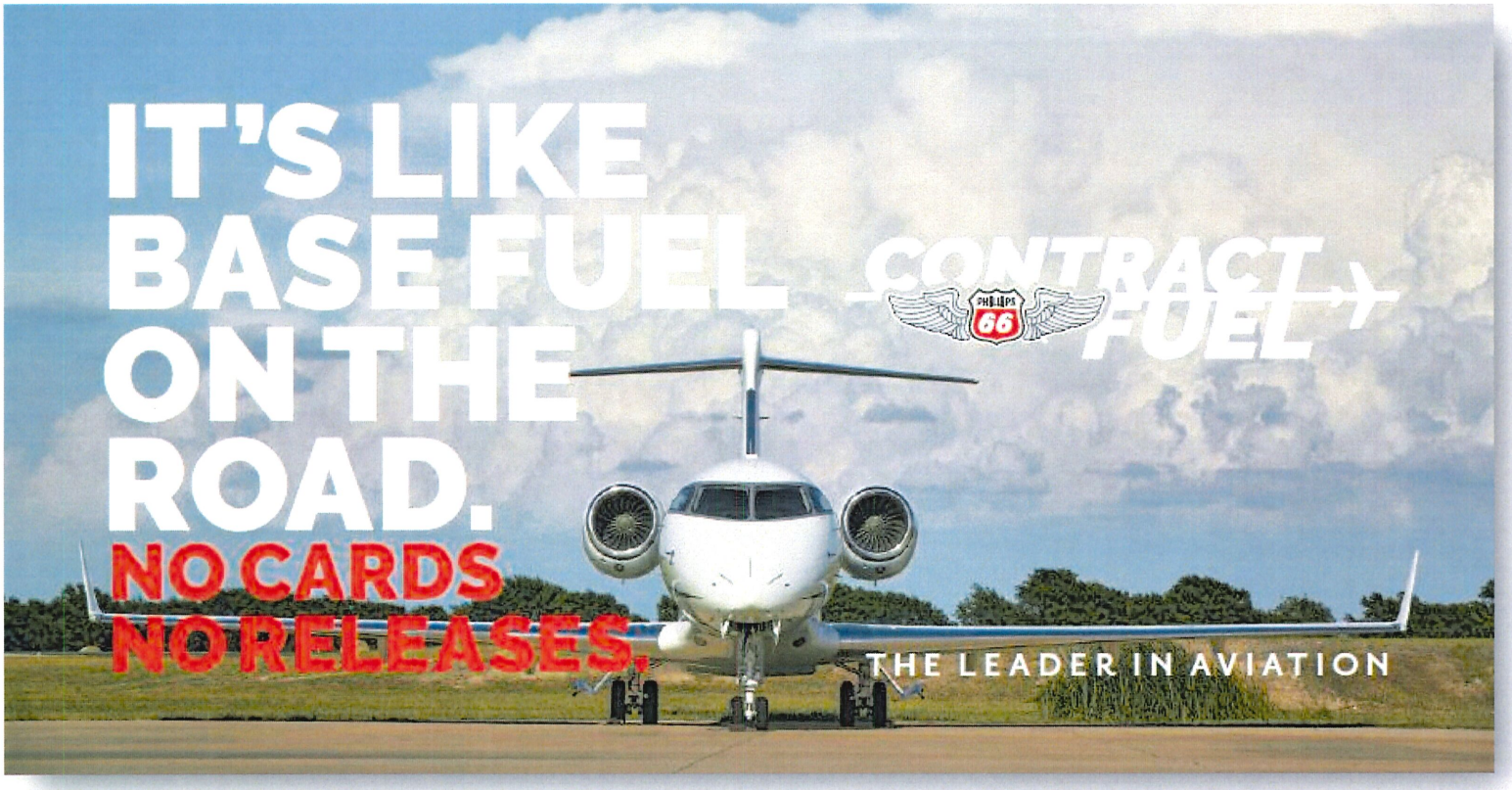
Real-time processing via EPOS equipment

Online registration & redemption

Redeem for popular gift cards or donate to charity.

Our Branded Value Proposition

Campbell OIL COMPANY



- Corporate, Charter, Airlines, Ambulance and Cargo & Resellers
- 48-hour reimbursement
- No hidden fees
- Program exclusivity on the field

Backed by a dedicated sales team with lead gen resources.

EMERGENCY ACTION PLAN

- ✓ In the event of supply interruption, inclement weather, or any emergency, Campbell Oil Company will support KSWI to maintain your fuel supply.
- ✓ No other company will bring our level of expertise and passion to the emergency fueling business.
- ✓ We have mobile tanks and a full-time service staff who can have you set up with additional temporary storage.
- ✓ We have spare refuelers at no additional cost for your use in the event your truck is down, or you need one for special events.
- ✓ We have storage in North Carolina can dispatch our own fleet for emergency deliveries

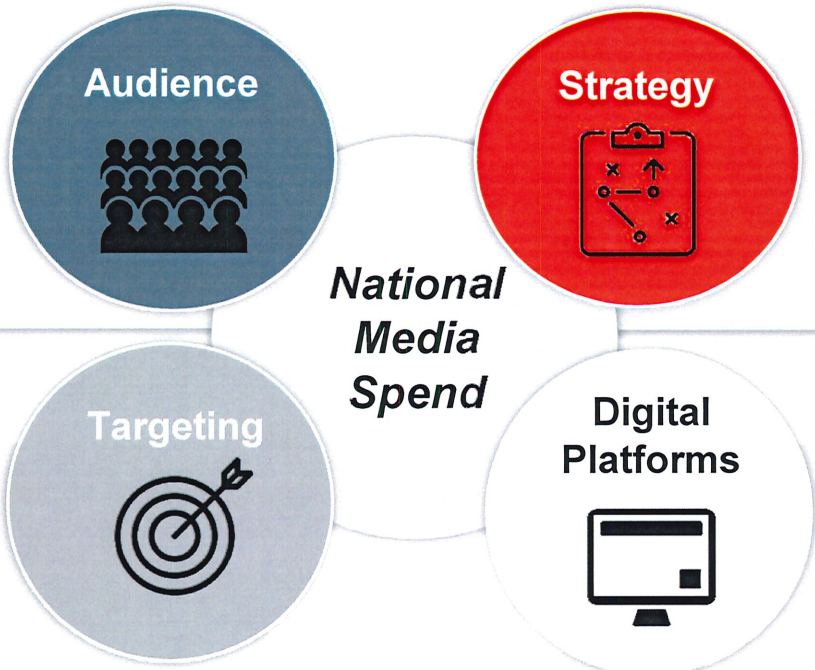
World-Class Quality Assurance

FBO Inspection	• FBO inspected upon branding within 90 days • FBO inspected every two years by P66 and every year by Campbell Oil Company
TrustedFuel.com	• Industry leading QC resource for branded FBO • Training, videos, how-to's, forms, Q&A's
Hands On Training	• Phillips 66 hosts 10+ training classes per year • No cost to branded FBO's • Will host training at your facility free of charge
Subsidized Training	• NATA • Utilize Co-op funds
Terminal Inspections	• Inspect Jet and Avgas terminals • Once every 3 years
Qualified Resources	• 3 in-house fuels experts with 35+ years experience backed by P66 • Research Center backup support

Anchored by unmatched customer service.

Strategic, Targeted, Effective Advertising

- Flight departments
  - Corporate pilots
  - Schedulers & dispatchers
- Private pilots
- Flight schools

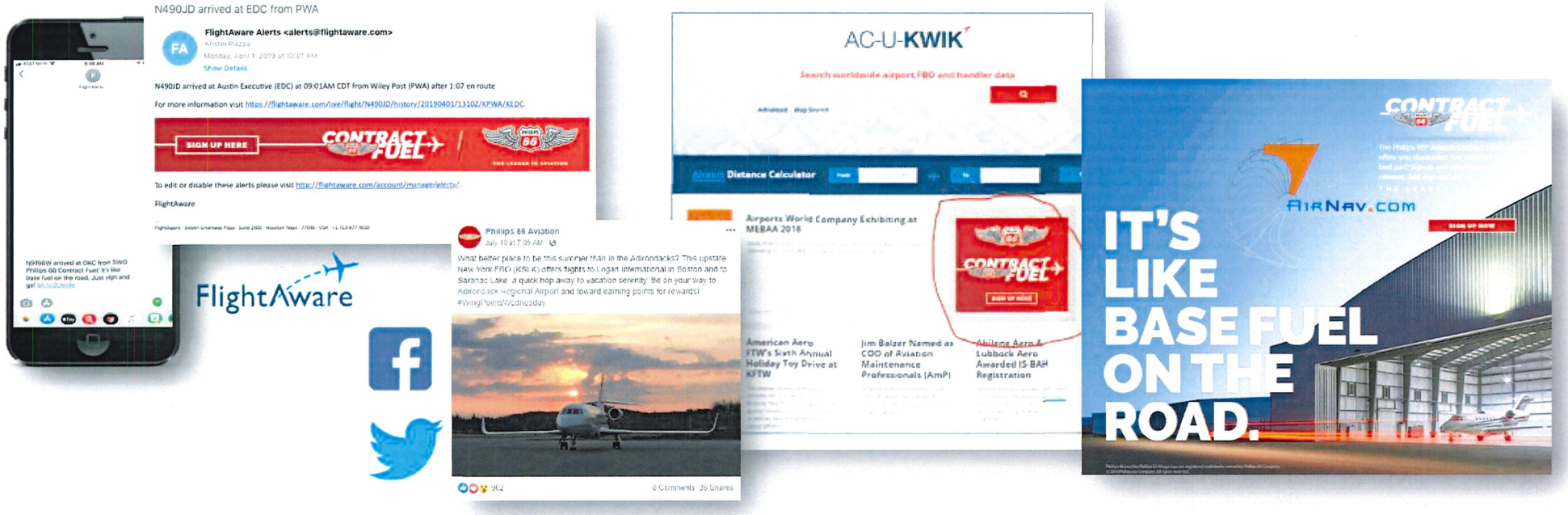


Heavy emphasis on digital
- 95% digital / 5% print
- Click-based conversions
- Enhanced targeting capabilities

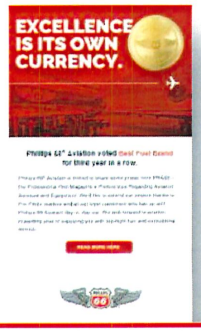
Data driven based on:
- Search terms
- Facebook data
- Geo-fencing

- AirNav takeover
- FltPlan
- Flight Aware
- AC-U-KWIK
- Social media
- Paid search

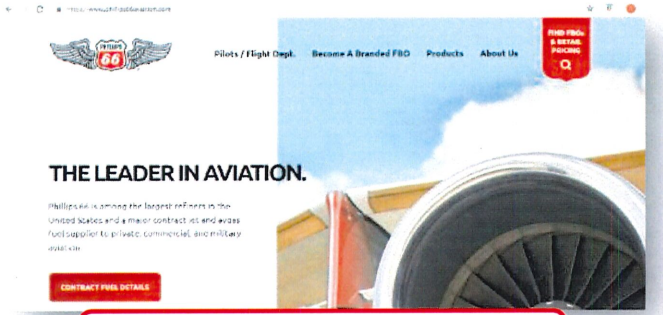
Key Digital Media Placements



Complemented by 360° Marketing Efforts



Email campaigns



www.Phillips66Aviation.com

Events & Tradeshows

Mobile App

We will help drive business to your FBO

- Campbell Oil Company's in-house Marketing Department will market for you.
  - ✓ Each quarter, we will complete an analysis of aircraft going into other airports, as well as your location, based on the airports you select.
  - ✓ From that analysis, we will create advertising email campaigns and mailers, with your input, to bring those same aircraft to your FBO.
  - ✓ Phillips 66 will combine with our efforts to provide marketing and advertisement templates for state-of-the-art designs to send to your existing and potential customers.
  - ✓ You will be provided Monthly Action Plans to keep you informed of the latest trends in marketing to share with your customers.
  - ✓ You will receive weekly "Safety Updates" you can pass along to your customers.
  - ✓ We will guide your acceptance of Military Cards and include those accounts in your advertising campaigns.
  - ✓ Phillips 66 mobile app roll out for pilots will place an FBO locator to your facility.
  - ✓ We will host an OPEN HOUSE with a provided lunch for your customers and invite potentials on an Annual Basis.

Campbell
OIL COMPANY

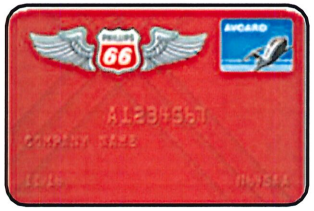
PHILLIPS

Credit Card Program and Savings Analysis

Lowest Card Rates in the Industry

0%

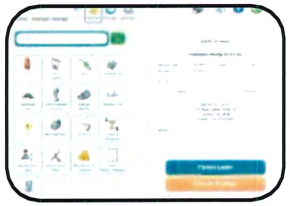
No fee on fuel & non-fuel transactions



Visa/MC*	2.15%	AVCARD	2.85%
AMEX	3.35%	Multi Service	3.25%
Discover	3.00%	Voyager	2.75%

***All transactions (swipe, chip, on file, keyed which are called Qualified and Unqualified)**

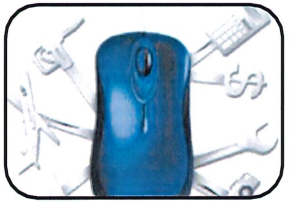
EPOS Options



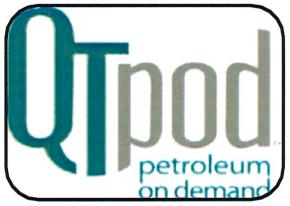
AvPOS & TAS**
(Cloud based – includes Aircard)

Vx520**
(Ethernet or Phone)

Vx680
(Cellular or Wi-Fi)



TotalFBO**
(Site server or web)



QT Self Service
(Phone or Cellular with M4000)

Fuel Master Self Service

**Processes WingPoints Loyalty

Campbell
OIL COMPANY

PHILLIPS

Product Delivery and Price

FUEL PRICING GUIDE & P66 FUEL DEPOT SUPPLY POINTS FOR KSWI

(Freight Equalization – covered if an outage occurs)

- **Av Gas: (Tyler, TX Supply Point)**

Based on Gulf Coast Premium Unleaded Market Price with additives

Price changes each Monday @ 5:00pm.

***Back up Terminal Tulsa, OK- Freight Equalization to cover any extra freight if home terminal down

Pricing effective January 25, 2023

AV Gas Price/Tyler, TX

Posted Rack:	$3.71
Freight:	
.0526	
Fuel Surcharge: (changes weekly currently @ 38%)	.001998
Federal Excise Tax:	.193
Federal Underground Storge Tax:	.001
Federal Oil Spill Fee Tax:	.006047
Total:	$3.9646

Campbell
OIL COMPANY

PHILLIPS

Sherman Municipal Airport Optional Enhancements & Letters of Recommendation

Campbell Oil Company's Aviation Service Department

- Campbell Oil Company stocks parts to handle emergency situations for your FBO. These parts include, but are not limited to:

- Nozzles
- Hoses
- Filters
- Quality Control Kits
- Safety/Spill Kits

- We offer 24 hr / 7 days per week service to our accounts. Our technicians are trained and highly qualified to handle all your service, preventative maintenance, and emergency service calls.

Customer Service is our #1 Priority!

Alternative Pricing Options – Fixed/Cap Price

- Campbell Oil Company offers you the ability to control your aviation fuel costs. This allows you to extend locked in pricing to corporate customers as we as serving as a draw to base aircraft at your airport.

- Option 1: Fixed Pricing Available for up to 18 months.
  - A fixed price allows you to secure a known fuel budget cost for your aviation fuels over an extended period.
  - No pre-payment is necessary, and you will have immunity towards price increases.

- Option 2: Cap Pricing creates a known fuel budget cost, also giving you downside protection.
  - With a cap, you will have a known maximum ceiling price; however, if the market moves down, you will pay the lesser of the ceiling price or market price.

Optional Proposal Enhancements

- Upfront capital with an increased margin for Airport Upgrades to include but not limited to:
  - Additional storage tanks with tank monitors
  - Self Serve upgrade for QTPod or FuelMaster
  - Filters for fuel farms
  - Fuel Farm Pump Upgrades
  - Fuel Farm Catwalk
  - New hose reels & fuel dispensing cabinets for both Jet and Av Gas
  - High level shut off system
  - Reclamation Tanks

Campbell OIL COMPANY

Available Aviation Lubricants

Free Delivery & Displays Included

CAMPBELL OIL COMPANY IS A MARKETER OF PHILLIPS AVIATION FUELS

AVIATION LUBRICANTS

- Aeroshell 80 Mineral Oil
- Aeroshell 80W
- Aeroshell 80W Plus
- Aeroshell 100 Mineral Oil
- Aeroshell 100W
- Aeroshell 100W Plus
- Aeroshell 15W50
- Aeroshell 120W
- Aeroshell Fluid 4
- Aeroshell Fluid 41
- Aeroshell Grease 5
- Aeroshell Grease 7
- Aeroshell Grease 22
- Aeroshell Smoke Oil
- Aeroshell Turbine Oil 500
- Aeroshell Turbine Oil 555
- CAM-2 Aviation Smoke Oil
- BP Turbine Oil 2380
- Phillips XC 20W50
- Phillips XC 20W50 Type M
- Phillips XC 25W60

Successful Together

References and Letters of Recommendation

Bob Heuts: Raleigh Jetport
Sanford, NC
(205) 670-6352

Howie Franklin: Cape Fear Jetport
Southport, North Carolina
(910) 457-6483

Kelly Holland: Horizon Aviation
Chesapeake, Virginia
(757) 421-9000

Terry Franklin: Shelby County Airport
Calera, Alabama
(205) 670-6352

City of SPARTANBURG south carolina

Spartanburg Downtown Memorial Airport
500 Ammons Road
Spartanburg, SC 29306
(864) 574-2304
www.cityofspartanburg.org/airport
www.cityofspartanburg.org

To whom it may concern

I am writing to recommend Campbell Oil Company and Tori Martin for great customer service.

During my first 3 months as Airport Director, Tori has been able to help me with service issues that my current provider was unable to do on time.

Last spring, our current provider had delays with our Fuel Farm Filter and Refuel Truck repairs before a critical quality control audit. On contacting Tori, she was able to have her team drive many hours to get here the next day over a weekend to complete the repairs.

Campbell Oil Company and Tori Martin have been very responsive and understand the business needs of an airport.

Sincerely,

T. Connorton

Terry Connorton
Airport Director
Spartanburg Memorial Airport
864-580-5004 office
864-525-3727 cell
tconnorton@cityofspartanburg.org www.cityofspartanburg.org/airport

LUMBERTON REGIONAL AIRPORT
Lumberton/Robeson County Airport Commission
163 Airport Blvd.
Lumberton, North Carolina 28358

July 12, 2018

Troy Gammon
Airport Manager
Lumberton Regional Airport

RE: Campbell Oil

When I started working as an Airport Manager I knew little to nothing about running an airport. Thanks to Campbell Oil, one thing I didn't have to worry about was fuel. Their customer service has been top notch and Tori is always available for me whenever I have questions.

Working with Campbell is as simple as it gets. When I have problems, I can call anytime, day or night, and their staff will bend over backwards to fix my issues. Whether it is problems with the credit card machine or needing a new valve for the fuel farm, I know that I will get the help I need and have my problem solved.

Purchasing Fuel is as simple as making a call or sending a text. I always know the fuel price and there are no hidden costs that need to be factored. The price is the price and there are no games. Tori also keeps me apprised any time there are split loads available so I can take advantage of fuel prices.

Overall, I have to say that fuel is the least of my worries as an airport manager. I know that if I call, whatever I need will be taken care of without making a second call. Campbell Oil is professional, friendly, and customer oriented and I plan on being a customer as long as I am at the airport.

Respectfully,

Troy Gammon

Additional Letters of Recommendation

Tori Martin

From: Pinekenstein, Todd <pinekat@danvilleva.gov>
Sent: Thursday, July 12, 2018 7:31 AM
To: Tori Martin
Subject: Danville Regional Airport, Danville, Va.; Fuel Farm Maintenance

To Whom It May Concern:

Campbell Oil Company provides preventive maintenance and service to our fuel farm equipment at Danville Regional Airport. I have found them to be reliable, knowledgeable and professionals in their field. Although our airport is a little over three hours away from their Elizabethtown, NC location, they have always proven attentive and responsive when a service need has arisen. We will continue to rely on Campbell Oil Company for our fuel equipment maintenance and service needs.

Best Regards,

Todd Pinekenstein
City of Danville
Transportation Services
Bldg. & Grnds. Superintendent
434-548-2309
pinekat@danvilleva.gov

Text message from Harnett County Airport on January 26, 2019:

Tori, my name is Ellis McGaughy and I work at Harnett County airport as a "line boy"....although I'm 58 years old (😒). I just wanted to tell you how much I (and the other linemen) appreciate what Sammy did for us over the last two days. As you know, he delivered our Jet A truck yesterday. He spent considerable time with me explaining how to operate the truck in a very respectful and caring way. He is an excellent communicator. He freely gave me his cell number when he left and told me to call him with any questions. This morning, we found we had a drip leak on the bottom of the truck and I called Sammy for help. He actually came and fixed our truck within a few hours of the call....and on a Saturday afternoon! We also had a "semi emergency" with a very badly leaking AvGas joint....and while at the airport, he changed the joint as well (we had the part but had some difficulty in trying to change it.). Sammy's help and support has made a huge positive impact with me and the other folks who have had the pleasure to meet him. I asked him for your contact info so I could send you a note. He never asked me to do this.....I'm doing this on my own. Please let him know how much we appreciate him and that he (through his interfacing with us) really made a positive impact on how we view Campbell oil. Ellis McGaughy

Duplin County Airport
260 Airport Road
Kenansville, NC 28349
Telephone: (910) 296-2188
Fax: (910) 296-2184
E-Mail: duplinair@duplincountync.com

July 12, 2018

To Whom It May Concern:

It is with pleasure that I am able to provide a recommendation for Campbell Oil Company.

Campbell has been our aviation fuel and oil supplier since 1993. Additionally, they coordinate and provide on-call maintenance and repair service, filter changes, parts and supplies as needed. They have always been very responsive to anything we've ever asked them for help with relative to our aviation fuel program.

Tori Martin and her team provide excellent customer service and we have enjoyed working with Campbell Oil for many years.

Please feel free to contact me if you need any additional information.

Sincerely,

George H. Futrelle
Airport Director / Assistant County Manager

Customer Service is our #1 Priority!

PHILLIPS
A Winning Partnership

A Future Together

Campbell OIL COMPANY

For Suffolk Executive Airport , Campbell Oil Company and Phillips 66 Aviation is…

- A true business partner.
- In it for the long term.
- Committed to your success.
- An iconic brand in the industry.

You deserve a well-rounded partner you can trust; not just one who's been there the longest, but one who has done what it takes to stay on top.

Recapitulation of Offerings

- Accrual Fund - .05 Accrual per gallon on all gallons purchased to be used at any time during the duration of this agreement. The Accrual fund renews each year you are under contract with Campbell Oil Company.
  Exp: 100,000 gallons = $5,00.00 to be used at your discretion -there is no minimum of gallons for this program nor is there a cap...more you purchase/sell more we pay you!
- New fixed/cap pricing program
- Double the industry standard for co-op monies at .01/gallon rather than .005/gallon- Advertising, Quality Control, Aviation Trade shows, Conference Emergency Response Plan to maintain fuel supplies at your location
- Annual NATA Membership: $1200.00 savings
- Two passes annually to NBAA or the industry trade show of your choice $1000 savings
- Education and Quality Control training opportunities designed to keep your customers safe and save you money.
- No charge for Filter change for the life of the contract
- Marketing programs tailored to meet your needs-post cards , email blast
- Open house, fly in etc.,
- Quality Control inspection and training annually
- Phillips National Adverting

Tori Martin, Aviation Division Manager
torim@campbelloilcompany.com
910-862-3750

Sherman
CLASSIC TOWN. BROAD HORIZON.

Date: February 10, 2023

RFP No. 2023-03 Aviation Fuel Supplier for the Sherman Municipal Airport

Submitter – Ascent Aviation group, Inc

Criteria	Points				
	40	20	20	15	5
Fuel delivered price and demurrage	10/10				
Delivery timeframe from time of order		3/1			
Maintenance Support		3/3			
Customer Support		3/3			
Quality Control Support		3/3			
Adequacy of bidder's facilities to provide the goods and services as shown in the proposal		3/3			
Bidder's overall qualifications and experience			10/10		
References and Resumes			10/10		
Strength of Sales Promotion/Advertising Program				5 5	
Bidder's Incentives and Rewards Program for Customers					
Marketing Campaign & Strategies					
Special Events Contribution & Support					
Implementation & Star Up Plan					3/3

Point Total = 53/51 average 52

Submitter – Epic Aviation, LLC

Criteria	Points				
	40	20	20	15	5
Fuel delivered price and demurrage	20/20				
Delivery timeframe from time of order		4/3			
Maintenance Support		3/3			
Customer Support		3/3			
Quality Control Support		3/3			
Adequacy of bidder's facilities to provide the goods and services as shown in the proposal		3/3			
Bidder's overall qualifications and experience			10/10		
References and Resumes			10/10		
Strength of Sales Promotion/Advertising Program				8 8	
Bidder's Incentives and Rewards Program for Customers					
Marketing Campaign & Strategies					
Special Events Contribution & Support					
Implementation & Star Up Plan					3/3

Point Total = 67/66 average 66.5

Submitter – Campbell Oil Company

Criteria	Points				
	40	20	20	15	5
Fuel delivered price and demurrage	40/40				
Delivery timeframe from time of order		2/2			
Maintenance Support		3/3			
Customer Support		3/3			
Quality Control Support		3/3			
Adequacy of bidder's facilities to provide the goods and services as shown in the proposal		3/3			
Bidder's overall qualifications and experience			8/8		
References and Resumes			10/10		
Strength of Sales Promotion/Advertising Program				14 14	
Bidder's Incentives and Rewards Program for Customers					
Marketing Campaign & Strategies					
Special Events Contribution & Support					
Implementation & Star Up Plan					3/3

Point Total = 89/89 average 89

Evaluators:

Mary Lawrence (black)
Gregory W. Perry, P.E. (blue)

Exhibit A
Request for Proposals

Sherman
CLASSIC TOWN. BROAD HORIZON.

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

Request for Proposals

For

AVIATION FUEL SUPPLIER FOR THE SHERMAN MUNICIPAL AIRPORT
RFP No. 2023-03

Publication Dates: Sunday January 8, 2023
Sunday January 15, 2023

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CITY OF SHERMAN, TEXAS

FINANCE DEPARTMENT

REQUEST FOR PROPOSALS - BID NO. 2023-03; AVIATION FUEL SUPPLIER FOR THE SHERMAN MUNICIPAL AIRPORT

The enclosed **REQUEST FOR PROPOSALS** (RFP) and accompanying **SPECIFICATIONS** are for your convenience in bidding the enclosed referenced **AVIATION FUEL SUPPLIER FOR THE SHERMAN MUNICIPAL AIRPORT** for the City of Sherman.

Questions may be addressed to the Finance Department at the address listed below. The bids will be opened at **2:00 p.m. on Tuesday, January 31, 2023,** at the following address:

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

Bids/Proposals may be submitted by mail to the following address:

City of Sherman
Finance Dept. – RFP for AVIATION FUEL SUPPLIER FOR THE SHERMAN MUNICIPAL AIRPORT

No. 2023-03

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

OR

Electronically at www.publicpurchase.com

OR

By delivery at the Municipal Building address listed above.

NOTICE TO BIDDERS

Bids will be received by the City of Sherman, Sherman, Texas, at the Finance Department, Attention: Craig Long, Sherman Municipal Building, 405 N. Rusk, Sherman, Texas 75091 until the hour **2:00 PM on the 31st day of January, 2023,** at which time bids duly delivered and submitted will be considered for supplying the following:

BID NO. 2023-03 – AVIATION FUEL SUPPLIER FOR THE SHERMAN MUNICIPAL AIRPORT

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

City Council Chambers
City Hall
220 W. Mulberry
Sherman, TX 75090

Each bid delivered to the City shall be sealed and clearly marked "AVIATION FUEL SUPPLIER FOR THE SHERMAN MUNICIPAL AIRPORT 2023-03" on the exterior of the bid. Electronic submittals may only be made through Public Purchase at https://www.publicpurchase.com. No email or faxed bids will be accepted. Each bid shall be **manually signed and dated by a person having the authority to bind the firm in a contract. Bids that are not signed and dated will be rejected.**

Please note that all bids **must be received at the designated location or through Public Purchase by the deadline shown**. Bids received after the deadline will not be considered for the award of the contract, and shall be considered void and unacceptable. The Opening is scheduled for **2:00 p.m., Tuesday, January 31, 2023,** at which time the sealed bids will be opened.

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

The City of Sherman will receive sealed bids for: **AVIATION FUEL SUPPLIER FOR THE SHERMAN MUNICIPAL AIRPORT.**

Bidders should carefully examine all terms, conditions, specifications and related documents. Should a bidder find discrepancies in or omissions from the specifications or related documents, or should there be doubt as to their meaning, the City of Sherman Finance Department should be notified immediately for clarification prior to submitting the bid. In the event of any conflict

between the terms and conditions of these requirements and the specifications, the specifications shall govern. In the event of any conflict of interpretation of any part of this overall document, the City of Sherman's interpretation shall govern.

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

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

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CITY OF SHERMAN
GENERAL CONDITIONS

ADDENDA

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

ANNUAL CONTRACT FUNDING

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

ASSIGNMENT OF BID/CONTRACT

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

BID CONSIDERATION / TABULATION

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

BID SUBMISSION

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

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

BRAND NAMES

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

CHANGES OR ALTERATIONS

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

COMPLETING INFORMATION

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

CONTRACT CLAUSE

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

TERMINATION

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

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

DELIVERY

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

DELIVERY DATE

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

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

provisions herein. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery or performance schedule because of such delivery.

INDEMNIFICATION

In case any action in court is brought against the Owner, or any officer or agent of the Owner, for the failure, omission, or neglect of the vendor to perform any of the covenants, acts, matters, or things by this contract undertaken; or for injury or damage caused by the alleged negligence of the vendor or his subcontractors or his or their agents, or in connection with any claim based on lawful demands of subcontractors, workmen, materialmen, or suppliers the vendor shall indemnify and save harmless the Owner and his officers and agents, from all losses, damages, costs, expenses, judgments, or decrees arising out of such action.

INSURANCE

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

MISCELLANEOUS

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

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

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

PAYMENT TERMS & CONDITIONS

All bids shall specify terms and conditions of payment, which will be considered as part of, but not control, the award of bid. City review, inspection, and processing procedures ordinarily require thirty (30) days after receipt of invoice, materials or service. Bids which call for payment before 30 days from receipt of invoice, or cash discounts given on such payment, will be considered only if in the opinion of the City the review, inspection and processing procedures can be completed as to the specific purchases within the specified time. It is the intention of the city of Sherman to make payment on completed orders within thirty (30) days of receiving invoicing unless unusual circumstances arise. Invoices shall be fully documented as to labor, materials and equipment provided.

PROVISIONAL CLAUSES

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

REJECTION OF BIDS

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

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

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

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

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

REQUEST FOR NON-CONSIDERATION

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

SALES TAX

The total for each bid submitted must include any applicable taxes. Although the City is exempt from most City, State, or Federal taxes, this is not true in all cases. It is suggested that taxes, if any, be separately identified, itemized, and stated on each bid. The City cannot determine for the bidder

whether or not the bid is taxable to the City. The bidder through the bidder's attorney or tax consultant must make such determination. Bills submitted for taxes after the bids are awarded will not be honored.

PROPOSAL DEFINITIONS:

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

I. PROPOSAL TERMS

A. The City of Sherman reserves the right to reject any and all proposals received as a result of this RFP. If a proposal is selected, it will be the most advantageous regarding price, quality of service, the independent contractor's qualifications and capabilities to provide the specified service, and other factors which the City of Sherman may consider. The City does not intend to award a contract fully on the basis of any response made to the proposal. The City reserves the right to consider proposals for modifications at any time before a contract would be awarded; and negotiations would be undertaken with the independent contractor whose proposal is deemed to best meet the City's specifications and needs.

B. Proposals must be signed by an official authorized to bind the independent contractor to its provisions for a period of at least ninety (90) days. Failure of the successful bidder to accept the obligation of the contract may result in the cancellation of any award.

C. In the event it becomes necessary to revise any part of the RFP, addenda will be provided. The deadline for submission of proposals may be adjusted to allow for revisions. To be considered, the entire proposal document, with any amendments, should be returned by the specified date, time and method identified on page 3 of this document.

D. Proposals should be prepared simply and economically providing a straightforward, concise description of the independent contractor's ability to meet the requirements of the RFP. Proposals shall be written in ink or typewritten. No erasures are permitted. Mistakes may be crossed out and corrected and must be initialed in ink by the person signing the proposal.

E. The price quotations from the contractor stated in this proposal will not be subject to any price increase from the closing date of this RFP to the mutually agreed to date of contract.

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

PROJECT DESCRIPTION, SPECIFICATIONS AND SCOPE OF WORK

BACKGROUND

The Sherman Municipal Airport (KSWI is located on the southeast-side of the City at 1200 S. Dewey Avenue, Sherman, Texas 75090.
The airport operates as Class E airspace 24 hours a day, seven days a week with Instrument RNAV approaches. The terminal area is located on the east side of the airfield, in proximity to runway end 16. The terminal area consists of a terminal building, 39 general aviation aircraft hangars and tie-down areas, an aircraft maintenance hangar, aircraft fueling facility and public parking. Annual operations are about 8,500 per year with 43 based aircraft.

DESCRIPTION OF PROJECT

The City of Sherman is seeking proposals from qualified aviation fuel suppliers to provide Aviation Fuel (bulk) (Type 100LL only) for resale and other related services to the Sherman Municipal Airport (KSWI), 1200 S. Dewey Avenue, Sherman, Texas 75090.

SCOPE OF WORK

The Airport intends to purchase AVGAS 100LL meeting ASTM D-910 specification, latest revision, or future replacement, by contract for resale. Sherman Municipal Airport is currently operating two (2) 6,000 gallon in-ground 100LL storage tanks.

All fuel will be ordered and scheduled by Sherman Municipal Airport personnel. All fuel will be deposited in Airport fuel tanks and transported by licensed and approved common carriers.

All aviation fuel supplied under this contract must conform in every aspect to all standards and regulations established by Federal, State and Local laws. If any of the applicable standards and regulations is/are updated/revised during the term of the contract; the contractor must conform to the latest version.

GENERAL REQUIREMENTS

The following are expectations of the Airport as they relate to fuel. They are to be included in the proposal narrative with any additional items bidder desires to offer.

- Vendor shall include with their proposal specifications showing their AVGAS (100LL) meets the requirements of ASTM D-910 (latest revision).

- Each tanker supplying fuel to the Airport shall be dedicated to aviation fuel products only and shall not carry any other products. Bidder/transporter will only transport like types of fuel to prevent fuel contamination and will provide documentation of pre-delivery testing, detailing what was previously contained in the delivery vehicle and method of cleaning.

- Traceability of fuel product shipments, from refinery to the Airport.

- The selected company shall perform and document the following tests before shipments are unloaded at the Airport:
    - Visual
    - Color
    - Bottom sediment and water
    - Temperature
    - ASPI gravity

- The Airport may perform any additional tests it deems necessary upon receipt and reserves the right to reject any delivery it deems unsuitable. The City maintains the right to reject any operator/truck that does not meet the standards herein.

PROFESSIONAL LINE SERVICE TRAINING PROGRAM

Bidder shall provide a description of all available or provided training materials, including web or computer-based elements. Training shall be specific to the following areas: ground servicing, safety, refueling piston aircraft, towing aircraft, quality control, fuel farm management, customer service, fire safety and maintenance. Bidder shall describe any on-site training (via contractors and/or salaried employees). Consideration will be given to programs subsidized by the Bidder.

- Bidder must provide training for self-fuel inspections and provide the documents and equipment for performing fuel tests and maintaining records.

- Bidder shall describe the frequency of training to be provided.

- Bidder shall provide current Quality Control Manuals.

FUEL PRICING AND GENERATORS

Aviation Fuel Price -- Prices will be quoted on a per gallon basis, inclusive of transportation cost (including Port of Entry costs and road tolls, regardless of Port of Entry), but, exclusive of taxes and other fees. In addition to the fuel price, vendor must provide an itemized list of all applicable taxes and fees.

- Assured supply must be guaranteed in a contract tendered along with vendor's proposal.

- Primary supply point for AVGAS 100LL delivered price including freight, Port of Entry and road tolls, but exclusive of all taxes and fees, price per gallon, for either full transport quantities or less than full transport quantities. **For comparison purposes, quoted price will be that price in effect on January 25th, 2023.** Include an itemized list of all applicable taxes and fees. Alternate supply point for AVGAS 100LL must be the same price as the primary supply point price including freight, Port of Entry and road tolls, but exclusive of all taxes and fees.

- Transportation and operation cost increases/decreases from the primary supply points will be passed through with documentation during the term of the contract. Vendor shall provide a method for changes in operational costs.

The Airport desires to receive the best possible pricing, and in order to facilitate the comparison of proposals, it is necessary that all proposals be based on PLATTS Gulf Coast 93 PUL for 100LL (AVGAS).

- Bidders shall provide an explanation of the method for determining fuel price, timing of price changes, and method of conveying changes to the Airport. Conveyance of price changes to the Airport shall include the verification of price basis used and the Airport must be able to verify price on each invoice throughout the term of the contract.

- Price for AVGAS 100LL is the price in effect at the time of delivery and is based on a formula using PLATTS Gulf Coast Pipeline Unleaded 93 prior week average. The price will itemize the fuel price index, delivery/freight charges, differential, and taxes. Any additional fees should be included in a separate line item.

The reports are normally available on Tuesdays or Wednesdays. The Monday report will be the reference for prices for all purchases made, beginning the following Tuesday for a period of one (1) week, which would be from Tuesday through Monday. Contractor will be required to furnish a computer printout each week showing the above calculations and prices in effect for the period, to be emailed to: ***jsaviationsherman@gmail.com***. *Proposals not based on PLATT formula will be rejected.*

Quote F.O.B. from preferred loading terminal rack delivered to fuel storage tanks at the Sherman Municipal Airport, Sherman, Texas with delivery and unloading charges prepaid. Contractor bears freight charges. In the event the preferred terminal is inoperative, bidder incurs additional freight costs.

Fuel Delivery: Describe procedures for ordering fuel, turnaround time for delivery of fuel, and provisions for emergency deliveries of fuel.

- Restrictions: Specify any and all restrictions to be entertained.

- Contracts: Provide copies of all potential contracts that Vendor proposes to use to provide services under this RFP, including but not limited to the following examples: Aviation Aircraft Fuel Service Agreement; Aviation Retail Sales Agreement; Aviation Dealer Credit Card Agreement; and Transaction Processing Policy.;

- Contract Point of Contact: Bidder must provide a single point of contact for all aspects of the agreement. Other: Additional information, proposals or incentives may be provided at Bidder's discretion.

CREDIT CARD PROCESSING

The program shall be a nationally recognized credit card program.

The system must be capable of electronically processing credit cards with monies returned to the City electronically. List the credit cards accepted by the Bidder, including at least the following: Master Card, Visa, and Discover.

- Bidder credit card processing must be compatible with QTPOD for self-service refueling operations.

Vendor shall describe all charge back stipulations in submitted proposal.

Identify processing fees associated with various credit card processing.

Identify credit card reimbursement timing and method of transferring funds to the City.

Describe branded credit card programs that offer the City 0% processing fees.

Bidder will provide daily detailed reports and receipts showing individual transactions. Bidder shall provide samples of invoices, monthly reports, and statements if requested during contract negotiations. Sales transaction reports must include aircraft tail registration, and gallon amount purchased.

SUPPORT SERVICES

Insurance Program: Bidder will provide details of insurance program as directed by the insurance requirements attached in this RFP.

Quality Control and Assurance Guarantees. Quality Control Program must include, but, not be limited to:

- Regularly scheduled fuel farm inspections with documentation Bidder to state frequency of inspections.

- Filter changes on fuel farm, including self-service annually, or more frequently as dictated by federal regulations.

- Filter changes and cleaning of system if it is determined that a contaminated load of fuel was received into the fuel farm.

- Safety audit frequency and procedures on equipment.

BRAND IDENTIFICATION

Indicate availability to provide and install brand identification at the self-service fuel facility. Signs shall be installed at the beginning of the contract period, equal in size to existing, or agreed to by the Federal Aviation Administration, the Texas Department of Transportation Aviation Division, and the City of Sherman.

Upon termination of the contract, Bidder agrees to timely remove all branding/signage at Bidder's expense.

ADMINISTRATIVE SUPPORT

Administrative Support – Bidder shall provide administrative support relative to the Bidder-Airport relationship.

Account Manager – Bidder shall provide an account manager whose interest and functions are aviation and product sales.

Technical Expertise – Bidder must provide technical expertise and have available proprietary laboratory support for fuel testing.

Bidder Restrictions:

- Airport will consider, but bidder may not impose, any retail/wholesaler credit card-related discount/rebate programs that require City participation or funding.

- Airport will consider, but bidder may not impose, retail/wholesale purchase programs requiring Airport participation or funding related to customer volume discounts.

NATIONAL SALES PROMOTION AND ADVERTISING PROGRAM

National Advertising: Identify and outline a continuous annual national sales promotion program. Include a copy of the current advertising insert and name of publication or trade journals/magazines and at what cost. Describe how the Airport would be included.

Cooperative Advertising Program: Identify and describe any co-operative advertising programs. Include any special project or local advertising cost and support for advertising and promotion of fuel sales at the Airport. Provide details of how credit is applied and maintained. State the allowance which will be provided to the City for advertising the seller's product.

Aviation Industry Participation: Describe trade show participation by Bidder at relevant conventions. Identify opportunities for the Airport. Discuss bidder membership in industry organization (e.g., NBAA and NATA) demonstrating active participation on committees. Identify aviation directory support.

National Sales Promotion Program: Provide availability of a national sales promotion program. Program must be cost effective with potential for generating new and repeat business.

IMPLEMENTATION AND START UP PLAN

Bidders shall provide a detailed start-up plan that assures a smooth transition from the current fuel provider with no interruption of services to the Airport. This plan shall include, but not be limited to, fuel delivery, installation of signs, training program and timeframe (calendar days) required to be operational after award.

DISCOUNTS, REBATES, ADDED-VALUES

Discounts & rebates received by the Bidder shall be passed along, in full, to Sherman Municipal Airport. Describe rebate schedule to the Airport based on usage (price per gallon).

Vendor may propose & describe additional goods or services that may provide added-value to their proposal. These may include promotional items, advertising, equipment or use of equipment or other goods or services.

LIQUIDATED DAMAGES

The parties agree that, in the event of breach by Bidder of its promise under this Contract to make delivery of fuel within 3 days of order by the Airport, or of its promise to deliver fuel products confirming to the specifications of this Contract, there will be great difficulty in establishing and proving loss, as well as great inconvenience or even non-feasibility in attempting to obtain an adequate remedy at law by the Airport. Failure to deliver fuel timely may delay or interrupt airport operations, and further, delivery of nonconforming product may cause damage to customer equipment. Therefore, in respect to the kinds of conceivable harm that might be anticipated or actually caused by the breach, the parties agree that the amount which would be reasonable in light of such harm, difficulties, inconvenience or non-feasibility, as liquidated damages would be the following:

A) For any individual failure by vendor to make timely delivery of a separate order by Airport:

- One (1) cent per gallon times the total number of gallons; and,

B) For any individual failure by vendor to deliver conforming product for any individual order by Airport under this Contract, the sum of 25% OF THE TOTAL PRICE OF THE FUEL ACTUALLY DELIVERED IN SUCH INDIVIDUAL SHIPMENT.

ADDITIONAL INFORMATION REQUIRED

Airport reserves the right to order any quantity necessary to meet the needs of the airport and their clients. Bidder must be able to receive requests for fuel during the hours of 0800 -- 1700 Central. No guarantee is made by the Airport to purchase any amount of product from any contractor as a result of prices offered by the Bidder and approved by the Airport.

DELIVERY INFORMATION

Ordinary Delivery

Unless otherwise indicated herein, all deliveries are to be made within five days (5) following the receipt of an order by the Sherman Municipal Airport. The awarded Bidder shall notify the Airport of any circumstances which may cause any deliveries exceeding this five (5) day stipulation.

Emergency Delivery

Unless otherwise indicated herein, all emergency deliveries are to be made within twenty-four (24) hours following the receipt of an order by the Sherman Municipal Airport. The awarded Bidder shall notify the Airport of any circumstances which may cause any emergency deliveries to exceed the twenty-four (24) hour time frame.

Hours of Delivery

Unless otherwise indicated herein, all deliveries will be expected only between the hours of 8:00 a.m. and 5:00 p.m., CST, Monday through Friday, holidays excepted, unless otherwise agreed upon by the Bidder and Sherman Municipal Airport.

SPILLAGE

Any spills caused by the carrier during offloading of fuel must be corrected on an immediate basis to the satisfaction of the City of Sherman and Sherman Municipal Airport. All associated costs including material and labor shall be the responsibility of the contractor.

ESTIMATED FUEL SALES

Below is a table indicating 100LL fuel sales at Sherman Municipal Airport:

<<please see next page for table>>

Invoice Date	# of gallons
1/2/2021	8,319
2/4/2021	8,429
3/12/2021	8,153
4/6/2021	7,891
5/7/2021	7,936
6/10/2021	7,871
7/1/2021	7,769
8/3/2021	8,284
8/25/2021	8,054
9/22/2021	7,825
10/31/2021	8,038
11/13/2021	8,059
12/3/2021	7,944
1/17/2022	5,002
2/11/2022	8,091
3/11/2022	7,942
4/13/2022	8,010
5/17/2022	7,891
6/9/2022	7,777
7/8/2022	8,500
8/15/2022	7,760
8/30/2022	7,830
9/20/2022	7,837
9/26/2022	7,802
10/10/2022	7,877
11/1/2022	7,895
11/22/2022	8,070

REQUIREMENTS FOR REQUEST FOR PROPOSAL

PROPOSED SOLICITATION SCHEDULE

DATE	
January 8, 2023	RFP issued on www.ci.sherman.tx.us and www.publicpurchase.com
January 25, 2023	Deadline for questions and request for clarification 2:00 p.m.
January 31, 2023	Request for Proposals (RFP) submission deadline 2:00 p.m.
February 1 – 10, 2023	City evaluation of RFP submittals
February 20, 2023	Anticipated timeframe for City Council to consider awarding of contract

CONTACT FOR QUESTIONS

All questions relating to definitions, interpretations, and/or requests for clarification must be in writing, on or before **January 25, 2023, at 2:00 p.m.. (Central Time)**, directed to:

Finance Department: Craig Long via email
craigl@cityofsherman.com

All questions and/or clarification submittals shall identify the RFP in the subject line of the email message as follows:

Questions RFP 2023-03 – Sherman Municipal Airport Aviation Fuel Supplier

No questions will be accepted after the aforementioned deadline.

RESPONSES TO INQUIRIES

Responses to questions/inquiries that directly affect an interpretation or change to this RFP will be issued in writing by the Finance Department as an addendum and posted at:
www.ci.sherman.tx.us and www.publicpurchase.com.

Only those inquiries the Finance Department replies to by addenda shall be binding. Oral and other interpretations or clarifications will be without legal effect.

Respondents shall be responsible for monitoring the above referenced websites for any updates pertaining to the solicitation described herein. Various updates may include addendums, cancelations, notifications, and any other pertinent information necessary for the submission of a correct and accurate response. The City will not be held responsible for any further communication beyond updating the website.

SUBMISSION / DELIVERY INSTRUCTIONS

Proposal must be delivered in a sealed enveloped bearing on the outside the name of and address of Bidder, Date and hour of the opening of the bids must appear on the envelope in which the proposal is submitted. Proposals must be filled in ink or typewritten. No alterations interlineations will be permitted, unless made before submission and initialed and dated.

Deliver your Proposal, or changes to your Proposal, in SEALED ENVELOPES OR PACKAGES address, and solicitation name. Failure to submit Proposal in this manner may subject Respondent to disqualification. Proposal may be delivered in person to the City of Sherman – Finance Department, or by Express Mail or delivery service to:

City of Sherman ATTN: Finance Department
405 N. Rusk Street
Sherman, Texas 76090

The outside of the Proposal envelope or package must state:

RFP 2023-03 Request for Proposal for Sherman Municipal Airport Aviation Fuel Supplier

It is the sole responsibility of the respondent to ensure timely delivery of the Proposal. Owner will not be responsible for failure of service on the part of the U.S. Post Office, courier services, or any other form of delivery service chosen by the respondent. PROPOSALS RECEIVED AFTER THE CLOSING DATE AND TIME WILL NOT BE ACCEPTED OR CONSIDERED.

Bidders wishing to be considered for a contract is requested to submit on their Company letterhead, a statement which provides information on the following points, numbered and headed as indicated. The statements that follow request information that the Evaluation Committee will use to evaluate the RFP. Should you opt not to follow the suggested outline, it may result in the RFP being considered non-responsive and therefore not considered in the selection process.

To achieve a uniform review process and to obtain the greatest degree of comparability, the City of Sherman requires that RFP be submitted with **one (1) original signed hardcopy**.

An authorized official of the Bidder must print or type their name and **SIGN THE RFP**.

Non electronic responses must be bound and submitted in a sealed envelope or package. Electronic bid responses are only accepted through www.publicpurchase.com .

SELECTION INFORMATION

SELECTION AND AWARD PROCESS

This RFP provides information necessary to prepare and submit Request for Proposals for consideration and ranking by the City. By submitting its Proposal in response to this RFP, Respondent accepts the evaluation process as outlined in the following section, acknowledges, company may require subjective judgements by the City.

A selection committee consisting of City of Sherman internal department staff will follow the process below for the selection.

Two Step Process

Step 1: Review, analyze and evaluate RFP submittals.

- RFPs will be ranked based upon the selection evaluation criteria established in the solicitation.
- The selection committee will rank the responses in order of the most qualified, based on demonstrated competence and qualifications to perform the services, along with all evaluation selection criteria referenced in the RFP, then will make a determination based upon the final ranking.
- City staff may select short-listed bidders based on an evaluation of the written materials submitted. Short-listed bidders may be asked to submit additional information and may be interviewed where they may give a presentation and answer City questions.

Step 2: Selection, Interviews (if applicable), Contract Negotiations, Award.

- City staff will initiate negotiations with the top-ranked respondent to develop a finalized scope of work, negotiate costs, if necessary, negotiate contract terms and conditions, etc.
- After successful negotiations, the selection committee will make a recommendation to the City Council for award of a contract to the selected bidder.
- The contract will be subject to approval by the Sherman City Council.

This RFP does not constitute a commitment by the City to enter into any contract, or to pay any costs associated with the preparation of responses, submittals or other documents or any related-work by any of the bidders. The City reserves the right to waive responses to any part of this request if, in its sole judgment, it determines that it is in the best interests of the City to do so. The City may require any submitter to participate in negotiations and to submit such other information or documentation as it may deem necessary as conditions of awarding a contract. The City reserves the right to vary or waive requirements for different

submitters as shall fit the City's needs.

SELECTION CRITERIA

The City of Sherman will review all Request for Proposals (RFPs) submitted in response to this solicitation using the criteria presented below and rate each firm by category. The firm will be recommended for award by City Council based upon the published selected criteria noted below. The evaluation committee recommendations are subject to approval by the City of Sherman City Council.

Evaluation Standard; Evaluation Committee. A committee comprised of City of Sherman staff will evaluate the RFPs submitted. RFPs will be evaluated on evidence of understanding of the issues and challenges, the objectives to be achieved, and the technical and administrative capabilities in relation to the needs of the Airport. The following criteria are those that will be applied in the evaluation of the RFP:

EVALUATION SELECTION CRITERIA:

40 POINTS

a. **Fuel delivered price and demurrage fee**

20 POINTS

a. **Delivery timeframe from time of order**

b. **Maintenance Support**

c. **Customer Support**

d. **Quality Control Support**

e. **Adequacy of bidder's facilities to provide the goods and services as shown in this proposal.**

20 POINTS

a. **Bidder's overall qualifications and experience**

b. **References and Resumes**

15 POINTS

a. **Strength of Sales Promotion/Advertising Program**

b. **Bidder s Incentives and Rewards Program for Customers**

c. **Marketing Campaign & Strategies**

d. **Special Events Contribution & Support**

5 POINTS

Implementation & Start Up Plan

The City reserves the right to reject any or all proposals, to waive informalities and accept the proposal that the Owner believes is the most advantageous to the public interest and the City.

For this RFP, Respondent's qualifications will be evaluated, and the most qualified Respondent will be selected, subject to negotiation of fair and reasonable compensation. Negotiations may be undertaken with the Bidder in which their RFP best addresses the needs of the proposed services and demonstrates the ability and experience to perform the work. Award of the contract will be to the responsive Bidder whose RFP is most advantageous to the City.

Subcontracting.
If subcontracting with another company or an individual on this project, this must be identified in your proposal, and the subcontractor's credentials must be submitted with your proposal for the City's review and evaluation consideration.

RFP Form. Responses of excessive length or complexity are discouraged. The City reserves the right to include the selected RFP, or any part of the selected proposal, in the finalized contract award. Emphasis is on completeness and clarity of content.

Other Considerations. The City reserves the right to request additional information or consider historical information and facts, whether gained from the RFP, references, or any other source, in the evaluation process, including Respondent's past working or business relationship with the City, if any. The City further reserves the right to consider a respondent, personnel, experience, financial and other references, management practices, exceptions to the RFP or subsequent contract, and any working relationships, past or present, a respondent may have with its other clients.

LIMITATIONS

Right to Accept or Reject. The City reserves the right to accept or reject any or all Proposals as a result of this RFP, to negotiate with all qualified sources, or to cancel in part or its entirety if found to be in the best interest of the City. The RFP does not commit the City to award a contract, issue a

purchase order, or pay any costs incurred in the preparation of a submission in response to this RFP.

Request for Proposals to Remain Subject to Acceptance. All submitted Proposals will remain subject to acceptance for ninety (90) days after opening without taking action.

City Council Approval Required. The City of Sherman City Council must approve the Bidder selected to provide the services requested in this RFP. The City reserves the right to authorize contract negotiations to begin without further discussion with Bidders submitting a response. Therefore, each RFP should be submitted as completely and accurately as possible. The City reserves the right to request additional data, oral discussions, or presentations in support of the written RFP.

Bidder or Individual's Obligation Regarding Evaluation.

a. Submission of Information. Bidders are cautioned that it is each bidder's and/or individual's sole responsibility to submit information related to the evaluation categories, and the City is under no obligation to solicit such information if it is not included with the RFP. Failure of Bidder or individual to submit such information may cause an adverse impact on the evaluation of the specific RFP.

b. Bidder Review of RFP. Bidders are responsible for examining and being familiar with all specifications, terms, conditions, provisions, and instructions of the RFP and their responses. Failure to do so will be at the will not be a determinative factor when awarding the contract for services.

Oral Non-Binding. Any non-written representations, explanations, or instructions given by City staff or City agents are not binding and do not form a part of, or alter in any way, the RFP, a written agreement pertinent to the RFP, or the awarding of the contract.

Lobbying Prohibited. Proponents are prohibited from directly or indirectly communicating with City Council members regarding qualifications or any other matter related to the eventual award of a contract for the services requested under this RFP. Proponents are prohibited from contacting any city staff members regarding their qualifications or the award of a contract, unless in response to an inquiry from a staff member. Communications are to be limited to the City representative listed on Page 4 of the RFP. Any violation will result in immediate disqualification of the proponent from the selection process.

RFP SPECIFICATIONS

Modification or Withdrawal of Proposal. RFPs cannot be altered or amended after the submittal deadline. RFPs may be modified prior to the deadline only by providing a written notice (including by fax or email) to the Finance Department Representative at the address or telephone number shown herein. An RFP may also be withdrawn by providing the same notice or the agents identify is made known and the agent signs a receipt reflecting the RFP is being withdrawn. **HOWEVER, IN THE EVENT OF WITHDRAWAL, THE SUBMITTER WILL NOT BE ALLOWED TO RESUBMIT.** This provision does not change the common law right of a firm or individual to withdraw an RFP due to

a material mistake in the RFP.

Inquiries. In order to ensure fair and objective evaluation, all questions related to this RFP should be addressed only to craigl@cityofsherman.com.

RFP Interpretation; Addendum. Any interpretations, corrections, or changes to this RFP will be made by addenda through:
www.ci.sherman.tx.us

www.publicpurchase.com

Submitters shall acknowledge receipt of all addendums in their Proposal submittal.

INFORMATION REGARDING CONTRACT

There will be a written contract executed for services as needed. The contracted firm will be selected based on the highest final score and any other criteria as outlined within the RFP. In the event that negotiations are conducted, and an agreement cannot be reached, the City reserves the right to enter into negotiations with the next highest ranked proponent without the need to repeat the formal solicitation process. After negotiation with the top-ranked bidder and upon staff recommendation, a contract will be defined, and the contract will be presented to the Sherman City Council. The Sherman City Council will make the final award of a contract for the services to be performed in accordance with this RFP. Submission of an RFP indicates acceptance by the firm of the conditions contained in this Request for Proposal unless clearly and specifically noted in the RFP submitted and confirmed in the contract between the City of Sherman and the firm selected. The City of Sherman reserves the right without prejudice to reject any or all Proposals.

CONTRACT TERM

The contract term shall be for one (1) year with the option for four (4) renewals and will begin upon the effective date of February 20, 2023, or the begin date specified in the contract award, whichever is later, through February 19, 2024.

PRICE ADJUSTMENTS

After the pricing schedule has been established in the initial agreement, requests for price increases and/or decreases must be made in writing and submitted by an authorized representative of the Awarded Vendor to the City of Sherman Finance Department. Vendor must submit supportive documentation for increase request. Price adjustments are at the discretion of the City and adjustments shall be approved at the City's discretion, with City Manager approval, as needed.

The City prefers that price adjustments be based on unadjusted percent change for the preceding year in the CPI-W under the expenditure category mutually agreed upon by City and Vendor, which is provided by the U.S. Bureau of Labor Statistics. Any other sources to support a request for price adjustment must be mutually agreed upon by City and Vendor.

CONTRACT CHANGES

The City may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in any of the following:

a. Description of services to be performed

b. Time of performance (i.e. hours of day, days of week, etc.)

c. Place of performance of the services

d. Correction of errors of a general administrative nature or other mistakes, the correction that does not affect the scope of the contract or does not result in expense to the Contractor.

If any such changes causes an increase or decrease in the cost of, or time required for, performance of any part of the work under this contract, whether or not changed by the order, the City will make an equitable adjustment to the contact price, the delivery schedule, or both, and will modify the contract. The Contractor must submit any "Proposal for adjustment" under this clause within 30 days from the date of receipt of the written order. However, if the City decides that the facts justify it, the City may receive and act upon a Proposal submitted before final payment of the contract.

Contractor References

Customer Name: Shelby County Airport

Address: 265 Weathervane Raod Calera, AL 35040

Contact: Terry Franklin Telephone #: 205-670-6352

Scope of work performed: Supply Aviation Fuels, Quality Control and Marketing for airport

Length of Service: February 2018- present

Customer Name: Raleigh Executive Jetport

Address: 700 Road Sullivan Road Sanford, NC

Contact: Bob Heuts Telephone #: 919-708-3065

Scope of work performed: Supply aviation fuels, supply trucks and all miantenace, auality control , Maintenance on fuel farms, Self Serve Point of sale install, Marketing and advertising

Length of Service: June 2011-present

Customer Name: Horizon Aviation

Address: 2801 Airport Drive Chesapeake, VA

Contact: Kelly Holland Telephone #: 757-421-9000

Scope of work performed: Supply Aviation fuels, maintenace on fuel farms,lease trucks and provide maintenace on all trucks, filter changes, Quality control, Advertising/marketing

Length of Service: Feb 2012-present

Exhibit C
City's Insurance Requirements

I. GENERAL INSURANCE REQUIREMENTS –

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

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

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

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

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

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

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

insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance.

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

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

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

___ 11. Other Insurance Requirements (State Below):

Exhibit D

Affidavit of No Prohibited Interest

THE STATE OF North Carolina §

THE COUNTY OF Bladen §

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

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

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

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

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

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

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

_____ Other:_____.

x None of the Above.

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

Signed this 23 day of January, 2023.

Tori Martin/Area Division Manager
Signature of Official/Title

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

Sworn to and subscribed before me on this 25 day of January, 2023

Melody Priest
Notary Public in and for the State of NC
My commission expires: 3-18-26

MELODY PRIEST NOTARY My Commission Exp. 3-18-26 PUBLIC BLADEN COUNTY NC

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

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

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

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

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

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

tSupply Aviation Fuels, Quality Control and Marketing for airportto

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

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

***

(2) the vendor:

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

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

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

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

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

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

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

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

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

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

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

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

(1) the date that the vendor:

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

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

(2) the date the vendor becomes aware:

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

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

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

TEXAS ETHICS FORM 1295 & VERIFICATION FORM 2270

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

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

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

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

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

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

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

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

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

   Governmental Entity

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

   Contract ID Number: **2023-03**

   Description of Goods and Services to be provided: **Aviation Fuel Supplier for the Sherman Municipal Airport**

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

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

VERIFICATION REQUIRED BY TEXAS GOVERNMENT CODE CHAPTER 2270

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

1. Does not boycott Israel; and,

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

SIGNED BY: _____

Print Name & Title: Tori Martin- Aviation Division Manager

Firm Name: Campbell Oil Company

Date Signed: 1/23/2023

NOTARIZATION

THE STATE OF North Carolina)
)
COUNTY OF Bladen)

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

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

_____
NOTARY PUBLIC IN AND
FOR THE STATE OF _____

The following definitions apply to Texas Government Code Section 2270.001:

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

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

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

VERIFICATION REQUIRED BY TEXAS GOVERNMENT CODE CHAPTER 2270

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

1. Does not boycott Israel; and,

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

SIGNED BY: Tori Martin

Print Name & Title: Tori Martin- Aviation Division Manager

Firm Name: Campbell Oil Company

Date Signed: 1/23/2023

NOTARIZATION

THE STATE OF North Carolina)
)
COUNTY OF Bladen)

BEFORE ME, the undersigned notary public on this day personally appeared January 25, 2023, on behalf of Campbell Oil Company (Company), who, being duly sworn, stated under oath that he/she has read the foregoing verification required by Texas Government Code Section 2270.002 and said statements contained therein are true and correct.

SWORN TO AND SUBSCRIBED before me on the 25 day of Jan., 2023.

Melody Priest
NOTARY PUBLIC IN AND
FOR THE STATE OF NC

MELODY PRIEST NOTARY PUBLIC BLADEN COUNTY NC My Commission Exp. 3-18-26

The following definitions apply to Texas Government Code Section 2270.001:

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

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

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

ACKNOWLEDGEMENT LETTER

THE STATE OF TEXAS

COUNTY OF _____

I certify that I have read all of the specifications and general RFP requirements and do here by certify that all items submitted meet specifications. I certify that my responses and the information provided are true and correct to the best of my personal knowledge and belief and that I have made no willful misrepresentations in this Questionnaire, nor have I withheld any relevant information in my statements and answers to questions. I am aware that any information given by me in this questionnaire may be investigated and I hereby give my full permission for any such investigation and I fully acknowledge that any misrepresentations or omissions in my responses and information may cause my response to this solicitation to be rejected.

Campbell Oil Company

Company's Name

Signature, Authorized Representative of Respondent

Aviation Division Manager

Title

Supply Aviation fuels, maintenace on fuel farms,lease trucks and provide maintenace onall trucks filter changes, Quality control, Adve

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

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

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

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

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

OFFICE USE ONLY
Date Received

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

Campbell Oil Company

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

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

_____

Name of Officer

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

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

☐ Yes ☐ No

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

☐ Yes ☐ No

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

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

7 _____ 3-16-23

Signature of vendor doing business with the governmental entity — Date

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 5.**

Meeting Date: 03/20/2023

Prepared By: Jim Cross, Water Systems Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7049***

Awarding Bids to and Authorizing Execution of Contracts with Multiple Vendors for the Annual Supply of Chemicals for the Sherman Water Treatment Plant

Issue:

To consider awarding contracts to multiple vendors for an annual supply of chemicals to be used at the Sherman Water Treatment Plant

Background:

At the January 17, 2023 meeting, the City Council authorized a request to advertise for the solicitation of public bids for various chemicals for our water operations. This year, the City received bids from ten (10) vendors. In order to gain maximum benefit for the City, each type of chemical is considered separately for awarding purposes; thus, the staff recommends awarding contracts to seven different vendors based on the lowest responsive price for each of the chemicals.

Origination:

Production Services

Financial Consideration:

Funding is available in the Water Production budget for fiscal year (FY) 2022-2023 for the purchase of these chemicals.

Staff Recommendation:

It is recommended that the Council award the contracts for chemicals to the vendors identified in the attached pricing summary.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 7049
Supply Contract
Bid Tabulation

RESOLUTION NO. 7049

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF CONTRACTS WITH MULTIPLE VENDORS FOR THE ANNUAL SUPPLY OF CHEMICALS FOR THE SHERMAN WATER TREATMENT PLANT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That bids are hereby awarded to DPC Industries, Inc., Brenntag Southwest, Inc., Shrieve Chemical, Chemrite, Inc., Univar Solutions USA, Inc., Chemtrade Chemicals US, LLC., and Thornton, Musso, and Bellemin, Inc., Inc. for an annual supply of chemicals to be used at the Sherman Water Treatment Plant in accordance with the City's specifications; and that the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute contracts of sale with DPC Industries, Inc., Brenntag Southwest, Inc., Shrieve Chemical, Chemrite, Inc., Univar Solutions USA, Inc., Chemtrade Chemicals US, LLC., and Thornton, Musso, and Bellemin, Inc. for said annual supply of chemicals to be used at the Sherman Water Treatment Plant, in accordance with all contract documents attached hereto and made a part hereof for all purposes. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2022-2023 budget.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 20th day of March 2023.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____ **BY:** _____

LINDA ASHBY, CITY CLERK **DAVID PLYLER, MAYOR**

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

BY: _____

RYAN D. PITTMAN, CITY ATTORNEY

SUPPLY CONTRACT

THE STATE OF TEXAS §

COUNTY OF GRAYSON §

KNOW ALL MEN BY THESE PRESENTS:

THIS AGREEMENT, made and entered into by and between the CITY OF SHERMAN, a municipal corporation of the State of Texas, hereinafter called "CITY", and _____, hereinafter called "SUPPLIER",

WITNESSETH:

SUPPLIER agrees to sell and will deliver to CITY, and CITY agrees to purchase from SUPPLIER, on an as-needed basis, chemicals specified as _____ for use at the Sherman Water Treatment Plant as described in the Invitation to Bid and incorporated herein for all purposes. As consideration for this contract, SUPPLIER agrees to sell and deliver such chemicals at the prices specified therein in the Invitation to Bid during the contract period beginning on March 20, 2023, and ending on March 19, 2024.

Reference is hereby made to the specifications and requirements of the Invitation to Bid prepared by CITY and the Bid Proposal submitted by SUPPLIER on February 14, 2023 in answer to CITY's Invitation to Bid. All of the specifications and requirements of CITY's Invitation to Bid, are incorporated herein by reference and are part of this contract for all purposes.

SUPPLIER hereby agrees to deliver ordered chemicals to CITY at the Sherman Water Treatment Plant located at 243 La Cima Drive, Sherman, Texas, within four (4) business days from the date of order placement. CITY reserves the right on or before initiation of order to reasonably restrict days and hours for delivery. CITY will pay SUPPLIER for chemicals delivered within thirty (30) days from the date of the receipt of invoice.

CITY retains the right to reject without restriction all or any chemicals delivered by SUPPLIER which fails to comply with the specifications as set forth in the Invitation to Bid and the Bid Proposal submitted by SUPPLIER. Upon written notice by City to Supplier of non-conforming delivered chemicals which fail to comply with specifications, SUPPLIER shall have three (3) business days from notice of rejection to replace the non-conforming chemicals. CITY shall on notice receive credit for all charges related to non-conforming chemicals delivered. Supplier shall have twenty (20) days from notice of CITY's rejection of non-conforming chemicals to remove non-conforming chemicals from the Sherman Water Treatment Plant at SUPPLIER's expense in default of which, CITY may, at its election, return to SUPPLIER non-conforming chemicals delivered to the CITY thirty (30) days from notice to the SUPPLIER. In the event of CITY's return of non-conforming chemicals, CITY shall be entitled to recover all costs and expense relating to reloading, removal and return of rejected non-conforming chemicals from SUPPLIER. CITY is expressly authorized to contract for return in default of SUPPLIER's removal of non-conforming chemical

supply pursuant to this agreement. City assumes no liability for loss or damage to non-conforming items delivered to CITY under this provision and SUPPLIER agrees to release and hold harmless CITY from any claim or liability relating to SUPPLIER's delivery of non-conforming items pursuant to this contract.

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

Amendment of Contract. This agreement may not be changed, varied or altered except by an instrument in writing, duly executed on behalf of CITY and by SUPPLIER.

Assignment of Contract. No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and specifically, but without limitation, moneys that may become due and moneys that are due may be assigned without such consent (except to the extent that the effect by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Contract.

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

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

Conflicts. If there are any conflicts between the Contract and the Invitation to Bid, the provisions in the Contract prevail over the provisions in the Invitation to Bid.

Supplier's Warranty. SUPPLIER expressly represents and warrants its compliance with all applicable laws, ordinances and regulations in its operations and material delivered under this Agreement including, but not limited to AWWA standards and NSF60 requirements. SUPPLIER further expressly represents and warrants its compliance with all applicable regulation of hazardous substances as may be present in, used, manufactured, handled, created, stored or delivered to CITY incidental to this Agreement. CITY has no duty to inspect or examine material furnished by SUPPLIER under this Agreement. CITY is entitled to fully rely on material as represented by and specified of SUPPLIER under this Agreement.

Supplier's Indemnity of City. SUPPLIER agrees to indemnify, defend and hold harmless CITY against all claims, damages and liabilities of whatever nature, foreseen or unforeseen under any environmental, hazardous substance law or other law including, but not limited to the following:

a) All fees incurred in defending any action or proceeding brought by any individual, public or private entity arising from materials furnished or incidental to this Agreement. SUPPLIER's liability for fees shall include, but not be limited to legal fees, environmental consultants, engineers, surveyors and expert witnesses.

b) Any diminution in property value attributable to:
   i.) breach of warranty under this Agreement or,
   ii.) any cleanup, detoxification, remediation or other response action taken or incidental to any material the subject of this Agreement as may be imposed by Federal, State, local government or Court order.

Notices under this. Agreement. All notices under this Agreement require written notice delivered to CITY or SUPPLIER at the address indicated on this agreement or as otherwise noticed by the party in writing.

Applicable Laws and Venue. This agreement shall be construed in accordance with the laws of the State of Texas, shall be deemed performable and enforceable in the State of Texas, with venue in Grayson County, Texas.

IN WITNESS WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of SUPPLIER and on behalf of CITY, City of Sherman, by its City Manager and attested by its City Clerk, effective the _____ day of _____ 2023.

SUPPLIER:

_____

BY: _____
NAME: _____
TITLE: _____
ADDRESS: _____
_____

ATTEST:

BY: _____
NAME: _____
TITLE: _____

CITY:
CITY OF SHERMAN, TEXAS

BY: _____
ROBBY HEFTON,
CITY MANAGER
220 W. MULBERRY
SHERMAN, TEXAS, 75090

ATTEST:

BY: _____
LINDA ASHBY,
CITY CLERK

APPROVED:

_____
ABERNATHY,
ROEDER, BOYD &
HULLETT, P.C.
CITY ATTORNEY

City of Sherman

Water Treatment Chemical Bid Tabulation

February 14, 2023; 2:00 PM

Bidder	1		2		3		4		5		6		7	
	Liquid Chlorine: (150-lb Cylndrs)		Liquid Chlorine: (1-Ton Contnrs)		Liquid Ammonia,26 Be (29.4 wt%) (Bulk Shipments)		Potassium Permanganate Free Flowing (55 lbs Drums)		Hydrochloric Acid, 22 °Be (36 wt%) (Bulk Shipment)		Sodium Hydroxide, 25 wt% (Bulk Shipment)		Aluminum Sulfate (Alum) 48 wt% (Bulk Shipment)	
	per unit	total cost	per unit	total cost	per unit	total cost	per unit	total cost	per unit	total cost	per unit	total cost	per unit	total cost
Brenntag Southwest, Inc.			1.2950	$ 129,500.00									1.4500	$ 108,750.00
Chemrite, Inc.							3.4500	$ 20,493.00						
Chemtrade Chemicals US, LLC													0.9722	$ 72,915.00
Pennco, Inc.														
Shannon Chemical Corporation							7.3400	$ 43,599.60						
Thornton, Musso & Bellemin, Inc.														
TR International Trading Co.											1.7300	$ 173,000.00	1.1900	$ 89,250.00
Univar USA, Inc.											1.6856	$ 168,560.00	1.7700	$ 132,750.00
Shrieve Chemical Co.					2.2200	$ 22,200.00			2.3800	$ 238,000.00	1.9800	$ 198,000.00		
DPC Industries	1.4961	$ 145,869.75	1.2502	$ 125,020.00							1.8620	$ 186,200.00		

City of Sherman

Water Treatment Chemical Bid Tabulation

February 14, 2023; 2:00 PM

Bidder	8		9		10		11		12		13		14	
	Fluorosilicic Acid, 24 wt% (Bulk Shipment)		Sodium Chloride, 96wt% Food Grade (50 lb Bags)		Liquid Copper Sulfate (55-Gallon Drum)		Sodium Bisulfite (55-Gallon Drum)		Citric Acid (55-Gallon Drum)		Sodium Hypochlorite (55-Gallon Drum)		Sodium Metabisulfite (50-lb Bags)	
	per unit	total cost	per unit	total cost	per unit	total cost	per unit	total cost	per unit	total cost	per unit	total cost	per unit	total cost
Brenntag Southwest, Inc.			0.3950	$ 6,320.00	6.8900	$ 30,316.00	4.4800	$ 22,400.00	14.9600	$ 8,377.60	3.1500	$ 15,750.00	1.3300	$ 665.00
Chemrite, Inc.					8.5500	$ 37,620.00			18.1600	$ 10,169.60				
Chemtrade Chemicals US, LLC														
Pennco, Inc.	3.1700	$ 15,850.00												
Shannon Chemical Corporation									27.7700	$ 15,551.20				
Thornton, Musso & Bellemin, Inc.					12.2500	$ 53,900.00			14.2500	$ 7,980.00				
TR International Trading Co.					11.2500	$ 49,500.00								
Univar USA, Inc.	3.0000	$ 15,000.00	0.6420	$ 10,272.00							4.7500	$ 23,750.00		
Shrieve Chemical Co.							5.5500	$ 27,750.00	15.3700	$ 8,607.20	3.2500	$ 16,250.00	0.9900	$ 495.00
DPC Industries														

City of Sherman

Water Treatment Chemical Bid Tabulation

February 14, 2023; 2:00 PM

Bidder		15 Calcium Hypochlorite (73%) (Granular - 100-lb Bucket)		16 Calcium Hypochlorite (65%) (3" Tablets - 55-lb Bucket)	
		per unit	total cost	per unit	total cost
Brenntag Southwest, Inc.					
Chemrite, Inc.		2.5500	$ 1,530.00		
Chemtrade Chemicals US, LLC					
Pennco, Inc.					
Shannon Chemical Corporation					
Thornton, Musso & Bellemin, Inc.					
TR International Trading Co.					
Univar USA, Inc.					
Shrieve Chemical Co.					
DPC Industries					

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 6.**

Meeting Date: 03/20/2023

Prepared By: Jana Garner, Grants Coordinator

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7050***

Authorizing Submission of a Grant Application to Firehouse Subs Foundation to Fund the Purchase of Rifle Plate Carriers and Body Armor Plates for the Sherman Police Department

Issue:

Seeking approval to submit application for Rifle Plate Carriers and Body Armor Plates, through the Firehouse Subs Foundation

Background:

The Sherman Police Department plans to use the grant funding to purchase rifle plate carriers and body armor plates as added protection for officers

Origination:

Sherman Police Department

Financial Consideration:

There are no matching funds requirements for this grant

Staff Recommendation:

The staff recommends submitting the application to the Firehouse Subs Foundaiton and accepting if awarded

Alternatives:

Should the Council decline this grant opportunity, other funding opportunities will be explored

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Attachments

Resolution No. 7050

Firehouse Subs FAQs

RESOLUTION NO. 7050

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF A GRANT APPLICATION TO FIREHOUSE SUBS FOUNDATION TO FUND THE PURCHASE OF RIFLE PLATE CARRIERS AND BODY ARMOR PLATES FOR THE SHERMAN POLICE DEPARTMENT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, The City Council of the City of Sherman, Texas, finds it in the best interest of the citizens of Sherman, Texas, that the purchase of rifle plate carriers and body armor plates for the Sherman Police Department; and

WHEREAS, the City Council understands there is no matching requirement for said project by the Firehouse Subs Foundation Grant application; and

WHEREAS, the City Council agrees that in the event of loss or misuse of the Firehouse Subs Foundation funds, the City of Sherman assures that the funds will be returned to the Firehouse Subs Foundation in full.

WHEREAS, the City Council designates the City Manager as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the City.

NOW THEREFORE, BE IT RESOLVED that City Council of the City of Sherman approves submission of the grant application for rifle plate carriers and body armor plates to the Firehouse Subs Foundation.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS this 20th of March 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Firehouse Subs Public Safety Foundation
Grant Application

SAMPLE

Congratulations! Your organization has met Firehouse Subs Public Safety Foundation's pre-qualification criteria to be considered for a grant.

STOP HERE & PRINT THIS PAGE.
You will not be able to return to this page.

Thank you for your interest in Firehouse Subs Public Safety Foundation, where we are committed to giving back to communities by supporting first responders and public safety organizations with lifesaving equipment and funding resources.

PLEASE APPLY EARLY

IMPORTANT: A maximum of 600 grant applications are accepted on a quarterly basis. Once the maximum number of applications is met, the site will close for the remainder of the quarter.

- *Applications are considered on a quarterly basis ALL approvals and denials will be emailed to applicants within two months after the grant deadline. Please do not email our Foundation regarding the status of your application.*
- **DO NOT** send email inquiries to the Firehouse Subs Care Center or through the Firehouse Subs EMS survey.
- **DO NOT** phone the Firehouse Subs main office or Firehouse Subs restaurants with grant inquiries.

The grant process is a partnership. We greatly appreciate your cooperation and compliance.

SAMPLE

APPLICATION GUIDELINES AND REQUIRED ATTACHMENTS

STOP HERE & PRINT THIS PAGE.
You will not be able to return to this page.

Please prepare the following attachments before you continue. We cannot consider your application if any of the required information is missing.

- **Background/History**
  - Brief history of your department or organization, and how this grant will benefit your community

- **Vendor Equipment Quote/Bid**

You must provide an official vendor quote with the following information for your grant request to be considered. Submitted quotes MUST meet the requirements below, please read carefully:

  - Vendor sales representative first and last name must be included on quote ○ Vendor email address must be included on quote
  - The name & *physical* address of your organization must be included
  - The first and last name of a contact person from your organization must be included ○ Only one vendor quote can be submitted. Your application will not be considered if more than one quote is submitted.
  - Quotes must be itemized ○ Online quotes will not be accepted
  - Must be dated within six months of the application deadline ○ Must contain *only* the item(s) pertaining to your grant request
  - The total dollar amount and equipment quantities in the vendor quote ***MUST MATCH*** the total that your department is requesting on the application
  - Include sales tax and freight charges, if applicable. Firehouse Subs Public Safety Foundation will not be responsible for additional shipping costs or tax not included in the quote.
  - Maintenance plans and extended warranties are not permissible
  - Firehouse Subs Public Safety Foundation will not be responsible for restocking fees or costs related to errors within your quote

Note: When requesting a quote/bid from a vendor, please share our quote requirements and notify them that you are applying for a grant from our Foundation.

Most Recent Financial Information

Financials must show revenue and expenses and list the name of your organization, city or county. One of the following options must be submitted:

  - A recent - within one month - Balance Sheet which consists of Assets and Liabilities ○ A recent - within one month - Profit & Loss Statement also called an Income Statement ○ A current year annual budget showing projected income and expenses ○ A previous year audit or 990

- **Equipment Inventory**

Inventory documentation must list the name of your organization.

  - Equipment inventory is required for first responder organizations only. If your organization does not have apparatus, vehicles or specialized equipment, please attach a document noting that the organization does not have any applicable inventory.

SAMPLE

- First Responder Organizations: Please include a list of apparatus, vehicles and other specialized equipment. The lists we receive vary in length depending on the size and type of organization. (For example, include items such as vehicles, extrication equipment, breathing devices, and personal protective equipment/PPE)

- **Internal Revenue Service Form W-9 (Rev. October 2018)** ○ *Please contact your accounting department or treasurer to obtain a completed W-9 form. Your application will not be considered if any of the following sections of your W-9 are missing.*
  - Name as shown on your income tax return
  - Entity Name, *if different from line 1*
  - Federal Tax Classification (including Other explanation if required) ▪ Exempt payee code (if any)
  - Address
  - City, State & Zip Code
  - Employer ID Number (EIN)
  - Signed by an official of the organization
  - Dated no more than one year from the submission date of this application

CLICK HERE to preview samples of completed W-9 forms.

FREQUENTLY ASKED QUESTIONS & TIPS

STOP HERE & PRINT THIS PAGE. You will not be able to return to this page.

Please Apply Early. A maximum of 600 applications are accepted on a quarterly basis. Please **do not** contact area restaurants or Firehouse Subs Care center with grants questions.

What does the Firehouse Subs Public Safety Foundation support?

Our Mission is to impact the lifesaving capabilities, and the lives of local heroes and their communities by providing lifesaving equipment and prevention education tools to first responders, non-profits and public safety organizations. All requests must fall within our funding guidelines via firehousesubsfoundation.org/about-us/funding-areas.

Are there items that your Foundation does not support?

All requests must fall within our funding guidelines found on our website via firehousesubsfoundation.org/about-us/funding-areas. Examples of items that are not supported by our board of directors include:

- body cameras
- building exhaust removal systems
- crash data boxes
- dash cams
- drones and drone accessories
- exercise equipment
- guns/firearms/use of force equipment, riot gear, laser pointers (designators) & tasers
- inflatable bounce houses
- license plate readers
- Narcan & TruNar analyzers
- Cardiac Science Powerheart G3 AEDs & Philips FR3 AEDs
- Polar Breeze thermal rehabilitation systems

SAMPLE

- portable message signs
- power load stretchers
- promotional items including apparel, costumes & Pluggie the fire plug/Sparky the Fire Dog robots
- radar detectors
- recording devices
- refurbished equipment
- security systems & surveillance equipment
- stop sticks
- throw bots
- traffic road barriers

Who can apply for this grant?
Fire Departments, law enforcement, EMS, municipal & state organizations, public safety organizations, nonprofits and schools are encouraged to apply for lifesaving equipment.

If my organization has received a grant award from Firehouse Subs Public Safety Foundation in the past, when can we reapply?
We ask that grant recipients wait a minimum of two years from the date of approval before reapplying.

Does the Foundation provide reimbursements for purchased equipment?
No. If your organization has already purchased the equipment and is seeking reimbursement, please do not apply.

What are the most common reasons a grant application is marked incomplete?

- Quote is missing the required contact information and/or is not itemized
- Financials are outdated and/or do not include both revenues and expenses
- Alternate contact information is the same contact information as the main contact information
- The name of the organization is missing on the inventory and/or financials • W9 form is missing the required information

Can my organization submit multiple grant applications?
The Foundation does not accept more than one grant request per organization each quarter. If your organization receives a grant, please wait a minimum of two years from the date of approval to apply again.

Is the Firehouse Subs Public Safety Foundation grant a matching grant? There are no matching funds involved in our organization's grants program.

If my request is more or less than $20,000 will it be considered?
$15,000-$25,000 is a guideline. Requests exceeding $50,000 will be denied.

What financial information should we provide?
Financials must show revenue and expenses and list the name of your organization, city or county. One of the following options must be submitted: ○ A recent - within one month - Balance Sheet which consists of Assets and Liabilities ○ A recent - within one month - Profit & Loss Statement also called an Income Statement ○ A current year annual budget showing projected income and expenses ○ A previous year audit or 990

SAMPLE

What is needed for the required vendor quote/bid attachment?
You must provide an official vendor quote with the following information for your grant request to be considered. Submitted quotes MUST meet the requirements below, please read carefully:

- Vendor sales representative first and last name must be included on quote ○ Vendor email address must be included on quote
- The name & *physical* address of your organization must be included
- The first & last name of a contact person from your organization must be included ○ Only one vendor quote can be submitted. Your application will be marked incomplete if more than one quote is submitted.
- Quote must be itemized ○ Online quotes will not be accepted
- Must be dated within six months of the application deadline ○ Must contain *only* the item(s) pertaining to your grant request
- The total dollar amount and equipment quantities in the vendor quote ***MUST MATCH*** the total that your department is requesting on the application
- Include sales tax if applicable and freight charges, if applicable. Firehouse Subs Public Safety Foundation will not be responsible for additional shipping costs or sales tax not included in the submitted quote.
- The cost of maintenance plans and extended warranties are not permissible
- Firehouse Subs Public Safety Foundation will not be responsible for restocking fees or costs related to errors within your quote

Note: When requesting a quote/bid from a vendor, please share our quote requirements and notify the vendor that you are applying for a grant from our Foundation.

What inventory information should I provide?
Equipment inventory is required for first responder organizations only. If your organization does not have apparatus, vehicles or specialized equipment, please attach a document noting that the organization does not have any applicable inventory, and include the name of your organization on the document.

For first responders: The inventory documentation must list the name of your organization. Please include a list of apparatus, vehicles and other specialized equipment, if applicable. The lists we receive vary in length depending on the size and type of organization. (For example, include items such as vehicles, extrication equipment, breathing devices, and personal protective equipment/PPE).

If my department is located more than 60 miles from a Firehouse Subs restaurant, should I still apply?
Our Foundation focuses its resources in areas served by Firehouse Subs restaurants, however, we recognize the need of rural and volunteer departments throughout the country, and will consider applications outside of the 60-mile guideline.

When can we expect to find out if our grant has been approved or denied?
Grant award notifications will be emailed to ALL applicants within two months after the grant deadline. Please do not contact the Foundation, restaurants or the Firehouse Subs Care Center with questions regarding your grant status.

Does Firehouse Subs Public Safety Foundation fund requests for "use of force"?
Firehouse Subs Public Safety Foundation does not accept grant requests for "use of force" items such as guns, tasers, riot gear, or firearm simulators.

SAMPLE

Does the Foundation only work with specific equipment vendors?
No, the Firehouse Subs Public Safety Foundation does not endorse any specific equipment vendor or brand. Our goal is to provide the equipment that best fits the needs of our recipients, at the best possible price, to enable us to help more organizations.

Does the Foundation fund requests for refurbished equipment? We do not accept grant requests for refurbished or pre-owned equipment.

Does the Foundation fund requests for patent-pending equipment? We do not accept grant requests for patent-pending products.

Does the Foundation accept requests for partial funding?
We will consider requests for partial funding, however, the balance of funds must be secured and outlined within your grant request. Documentation of partial funding must be included as part of your background/history attachment.

We are unable to provide any additional assistance due to the volume of applications received daily. For technical questions, please email Foundation@FirehouseSubs.com.

Firehouse Subs Public Safety Foundation Scholarships Program FAQs

How can an individual apply for a Firehouse Subs Public Safety Foundation scholarship?

The scholarship program is open to community members as well as Firehouse Subs employees planning to enroll in a part-time or full-time firefighter, law enforcement or emergency medical (paramedic or EMT) program at an accredited two- or four-year college, university or vocational technical school for the upcoming academic year. Click here to learn more.

How can accredited schools apply for scholarship funding?

Accredited schools can apply for scholarship funding in support of firefighter, law enforcement or emergency medical (paramedic or EMT) programs by completing the online grant applications via grants.firehousesubs.com.

We are unable to provide any additional assistance due to the volume of applications received daily. For technical questions, please email Foundation@FirehouseSubs.com.

SAMPLE

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 1.**

Meeting Date: 03/20/2023
Prepared By: Tom Pruitt, Utility Engineer
Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS
Repair and Rework of the Tuck #1 Trinity Well under Emergency Designation

Issue:

To allow the repair and rework of the Tuck #1 Trinity Well under Emergency Designation

Background:

The Tuck #1 Trinity water well has been removed from service. After inspecting and performing a TV survey of the well, it was found in need of repairs. The motor was found to be worn out, as well as the submersible pump. This type of well has 1,120 feet of cable that descends to the motor and pump. This well pumps an average of 350 gallons per minute of water, which translates into 0.50 million gallons per day. This is about 4.2% of the City's ground water capacity.

Origination:

Engineering Department

Financial Consideration:

The City staff's estimated cost to repair the well is approximately $395,720.00. The City's Utility Fund will be utilized to fund the repairs.

Staff Recommendation:

It is recommended that the emergency repair to the Tuck #1 Trinity Well under Emergency Designation be approved and that the City Manager be authorized to execute any required contract documents.

Alternatives:

As may be directed by the City Council

Attachments

Quote
Agreement
Location Map

WEISINGER INCORPORATED
PO Box 909 • Willis, TX 77378
936-756-7721 • 281-353-8484 • 936-756-7723 fax
www.weisingerinc.com

March 6, 2023

City of Sherman
243 La Cima Dr.
Sherman, TX 75090

Attn: Oscar Canales

Ref: Tuck 1 Trinity

Mr. Canales:

As requested, we are pleased to provide the following quotation which is in accordance with our understanding of your requirements.

Scope of Services and Materials

- New 10L30/20, 1800 rpm submersible pump end	*$53,050.00*
- New 125 HP, Hitachi, 3/60/460 volt, 1800 rpm motor	*$59,540.00*
- 1115 ft. of new 6” x 20’, 8-Rd, threaded and coupled column pipe at $65.00 per foot	*$72,475.00*
- 1120’ of New 350MCM/ 3C WG Paige Hydroflex cable with splice kits	*$162,680.00*
- 2 new 6”, 8-Rd check valves	*$8,600.00*
- 1120’ of New 1/4" stainless steel airline complete with water level detector kit	*$1,200.00*
- Miscellaneous items to make operational	*$1,200.00*
- Provide the necessary labor and equipment to haul, install the pumping equipment in the well, and test the well	*$29,965.00*
- Contract Bonds	*$7,010.00*

Total of Scope of Services and Materials $395,720.00

Note: Leadtime on pumping equipment is ~2 – 3 weeks

Thank you for the opportunity to offer you our services as we await your response.

Sincerely,

Randy Hagen

AGREEMENT

THIS AGREEMENT is by and between the CITY OF SHERMAN, TEXAS, a home-rule municipality (the "CITY"), and WEISINGER, INCORPORATED, a corporation (the "CONTRACTOR"). CITY and CONTRACTOR are sometimes referred to collectively as the "parties" or individually as a "party."

CITY and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

Article 1. **WORK**

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents and shall furnish all personnel, labor, equipment, supplies and all other items necessary to provide the services and deliverables as specified by the terms and conditions of the Contract Documents. The Work project is generally described as follows:

Tuck #1 Trinity Emergency Repair – Emergency Designation

Article 2. **ENGINEER**

The Project has been designed by City of Sherman Engineering Department, Sherman, Texas, who is hereinafter called ENGINEER and who is to act as CITY'S representative, assume all duties and responsibilities and have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

Article 3. **CONTRACT TIME**

3.1 The Work will be substantially completed and ready for final payment within 60 calendar days from the date when the Contract Time commences to run, as provided in the Special Conditions.

3.2 Liquidated Damages. CITY and CONTRACTOR recognize that time is of the essence of this Agreement and that CITY will suffer financial loss and actual damages if the Work is not completed within the time specified above, plus any extensions thereof allowed in accordance with the Special Conditions. The parties also recognize the delays, expense and difficulties involved in proving in a legal or arbitration proceeding the actual loss and damages suffered by CITY if the Work is not completed on time. The exact amount of such loss and damages will be difficult to ascertain. Accordingly, instead of requiring any such proof, CITY and CONTRACTOR agree that CONTRACTOR shall pay CITY $ 20.00 for each calendar day in which the Work is not completed, not as a penalty but as liquidated damages for the loss and damages that would be suffered by CITY as a result of delay for each and every calendar day that the CONTRACTOR shall have failed to have completed the Work as required herein

Article 4. **CONTRACT PRICE**

CITY shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents in current funds as follows:

At the unit prices shown on the Quote included in the Contract Documents.

Article 5. **PAYMENT PROCEDURES**

CONTRACTOR shall submit Applications for Payment in accordance with the Special Conditions. Applications for Payment will be processed by ENGINEER, as provided in the Special Conditions.

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

The CITY shall retain 5% of the amount of each payment until final completion and acceptance of all Work covered by the Contract Documents. When the Work is substantially complete, the retained amount may be reduced to 2%, at the CITY'S discretion.

Article 6. **INTEREST**

If the contract amount of this contract is less than $5,000,000, no interest will be paid to the CONTRACTOR on retained money. When the contract amount exceeds $5,000,000, no interest will be paid unless required by law.

Article 7. **CONTRACTOR'S REPRESENTATIONS**

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

7.1 CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that, in any manner, may affect cost, progress, performance or furnishing of the Work.

7.2 CONTRACTOR has carefully studied all reports of explorations and tests of subsurface conditions and drawings of physical conditions, if any, which are contained or identified in the Contract Documents, and accepts the determination set forth in the Contract Documents of the extent of the technical data contained in such reports and drawings upon which CONTRACTOR is entitled to rely.

7.3 CONTRACTOR has obtained and carefully studied (or assumes responsibility for obtaining and carefully studying) all such examinations, investigations, explorations, tests, reports and studies in addition to, or to supplement, those referred to above, which pertain to the subsurface or physical conditions at or contiguous to the site, or otherwise may affect the cost, progress, performance or furnishing of the Work as CONTRACTOR considers necessary for the performance or furnishing of the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are, or will be, required by CONTRACTOR for

such purposes.

7.4 CONTRACTOR has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of all Underground Facilities, whether indicated in the Contract Documents, or not. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect of said Underground Facilities are, or will be, required by CONTRACTOR in order to perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents.

7.5 CONTRACTOR has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.

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

7.7 CONTRACTOR has reviewed and fully agrees to the limitation of liability provisions included in the Special Conditions.

7.8 CONTRACTOR certifies that they are eligible to be awarded government contracts. CONTRACTOR also certifies that any agreement entered into with a subcontractor will contain a clause stating that the subcontractor is eligible to be awarded government contracts.

Article 8. **CONTRACT DOCUMENTS**

The "Contract Documents," which comprise the entire agreement between CITY and CONTRACTOR concerning the Work, consist of the following:

8.1 This Agreement
8.2 Certifications Required by Texas Law
8.3 Suspension and Debarment Certification
8.4 Agenda Item
8.5 Request for Quotation
8.6 Quotation
8.7 Form 1295, Certificate of Interested Parties
8.8 Certificate of Insurance
8.9 Performance Bond and POA
8.10 Payment Bond and POA
8.11 Notice to Proceed
8.12 Maintenance Bond and POA
8.13 Closeout Documents
8.14 Davis-Bacon Wage Determinations
8.15 Special Conditions
8.16 General Conditions of Agreement
Technical Specification prepared or issued by City of Sherman 3/15/2023

8.17 The following, which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto:

> All written Amendments, change orders, and other documents amending, modifying, or supplementing the Contract Documents pursuant to the Special Provisions. The parties understand and agree that deviations or modifications to the scope of Work described in the Contract Documents, in the form of one or more written Contingency Change Allowance or also change orders, may be authorized from time to time by CITY ("Change Orders"). "Extra" work, "claims" invoiced as "extra" work or "claims" which have not been issued as a duly executed, written Change Orders by the Sherman City Manager or his designee will not be authorized for payment and/or shall not become part of this Agreement. A duly executed, written Change Order shall be preceded by the City Council's authorization for the City Manager to execute said Change Order. CONTRACTOR agrees that CITY'S project managers are authorized to issue Contingency Allowance Authorization but CITY'S project managers, superintendents and/or inspectors not authorized to issue verbal or written Change Orders.

There are no contract Documents other than those listed above in this Agreement. The Contract Documents may only be amended, modified or supplemented, as outlined in this Contract.

Article 9. **INDEMNITY**

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

FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE.

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

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

Article 10. **LIABILITY**

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

Article 11. **TERMINATION**

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

CITY is entitled to terminate this Agreement immediately on breach of any term or provision of the Contract Documents by CONTRACTOR. If at any time during the term of this Agreement, CONTRACTOR shall fail to commence the work in accordance with the provisions of the Contract Documents or fail to diligently perform the work in an efficient, timely and careful manner and in strict accordance with the provisions of the Contract Documents, then CITY shall have the right to terminate this Agreement. Any such act by CITY shall not be deemed a waiver of any other right or remedy of CITY.

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

Article 12. **MISCELLANEOUS**

12.1 Terms used in the Agreement will have the meanings indicated in the Special Conditions.

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

12.3 CONTRACTOR acknowledges and agrees that the existence of a prohibited interest during the term of this Agreement will render this Agreement voidable. CONTRACTOR further acknowledges and agrees that it also is aware of, and will abide by, the vendor disclosure requirements set forth in Chapter 176 of the Texas Local Government Code, as amended.

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

12.5 The parties acknowledge and agree that, in executing and performing this Agreement, CITY has not waived, nor shall be deemed to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

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

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

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

12.9 Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.

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

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

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

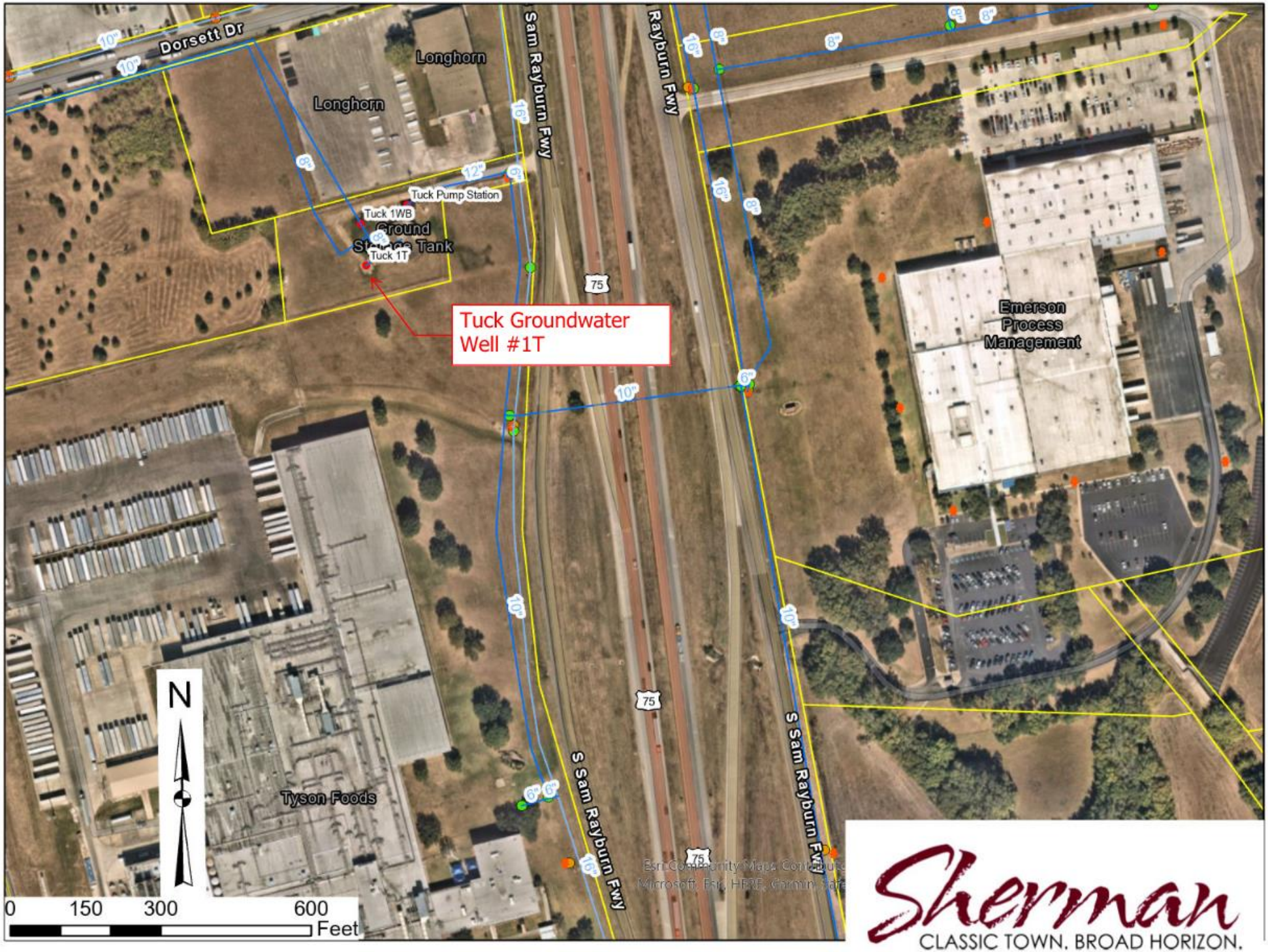
12.13 CITY and CONTRACTOR each binds itself, its partners, successors, assign, and legal representatives to the other party hereto, its partners, successors, assign and legal representatives in respect of all covenants, agreements and obligations contained in the Contract Documents.

Article 13. **OTHER PROVISIONS**

None.

IN WITNESS WHEREOF, CITY and CONTRACTOR have signed this Agreement in multiple copies. One counterpart each has been delivered to CITY, CONTRACTOR and ENGINEER. All portions of the Contract Documents have been signed or identified by CITY and CONTRACTOR or by ENGINEER on their behalf. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement (the "Effective Date").

CITY: CITY OF SHERMAN, TEXAS	CONTRACTOR: WEISINGER, INCORPORATED
_____	_____
By: _____	By: _____
Date: _____	Date: _____
	(Corporate Seal)
Attest: _____	Attest: _____
Address for giving notices:	Address for giving notices:
_____	_____
_____	_____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Sherman
CLASSIC TOWN. BROAD HORIZON.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 2.**

Meeting Date: 03/20/2023

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Receive Semi-Annual Report on the Sherman Cultural District

Issue:

To receive the Sherman Cultural District semi-annual report from Ginger Nye, the current President of the Sherman Cultural District

Background:

This update will provide the City Council with an overview of the Cultural District's activities and accomplishments during the September 2022 - February 2023 period as well as upcoming events they have planned.

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

Semi-Annual Report

Sherman CULTURAL DISTRICT

Sherman SCD—An Official Texas Cultural District

March 2023 Report

ACTIVITY SUMMARY (Sept 2022—Feb'23)

- Grant proposal awarded in support of 2023 Sherman Jazz Classic — planning is ongoing for April 14-16—a full weekend!
- 13 Advisory Board and committee meetings
- Successful Sher-Town Taco Tour—raised $3,000+ in support of SCD

And thanks to our partners, we celebrated:

- Sherman Arts Fest
- Downtown Sherman NOW's annual Stroll on the Square
- Sherman Community Players' fall season
- Sherman Symphony fall concert and Christmas Pops
- Sherman Christmas Parade
- MLK events

We're inviting you to Jazz up your Weekend!

SCD's Advisory Board has been immersed in planning for the Sherman Jazz Classic! The weekend line-up of music features top community jazz bands with guest artists and ensembles including Brave Combo and Memphis Brass—all day Saturday at historic Kidd-Key Auditorium. Also on Saturday, visitors can enjoy the immersive musical experience of the Sherman Jazz Museum's world-class collection of jazz memorabilia.

Other events of the weekend include the *Douglass Distributing* Speakeasy Gala on Friday, Jazz After Dark at Old Iron Post on Friday and Saturday nights, High School Jazz Band Showcase Saturday morning at the Mayor Stage, and Sunday Gospel Jazz Brunch.

Special thanks goes to Bill & Susan Collins for the spectacular music line-up and special access to the Museum for the Speakeasy Gala (title sponsor Douglass Distributing); Sherry & Robert Little for the bands at Old Iron Post; presenting sponsors First United Bank, Sherman Main Street, Utter-Pike Wealth Management; and Texoma Financial Services, Knight Furniture, Snelling, and Cary & Kevin Wacker. The weekend is supported in part by a grant from Texas Commission on the Arts.

JAZZ BAND LINE-UP

FEATURING
Brave Combo | Memphis Brass | Gainesville Swing Orchestra | Maxwell Hall Jazz Band | Greater Texoma Jazz Orchestra | Joshua Experience | Dallas Jazz Orchestra | Texins Jazz Orchestra | Rebel Alliance Jazz Ensemble | Smokin' Aces | James Dering & Friends | Mr. PC | Three River Jazz
+High School Jazz Band Showcase
Antique cars * Art show* Food & shopping
Full schedule at www.shermanarts.org

2022-2023 Cultural District Advisory Council:
Ginger Nye, Chair; Leslie Whelan, Vice Chair; Linda Walker, secretary; Holly Doncaster, Veronica Ezell, Jason Lewis, Emilie Nielson, Jody Perry, Lucas Ridley, Rev. Elias Soriano, Sarah Wright, Karen Tooley
Ex-officio: Daron Holland, Sarah McRae - Treasurer, Terrence Steele, Cary Wacker.

Program support from **Austin College** and **Texas Commission on the Arts.** ▶ Texas Commission on the Arts

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 3.**

Meeting Date: 03/20/2023

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Accept Annual Audit Report for Year Ended September 30, 2022 from Pattillo, Brown and Hill, LLP

Issue:

To receive a presentation from Pattillo, Brown and Hill, LLP of Sherman, Texas, and accept the audit report for the year ended September 30, 2022

Background:

On February 15, 2023, the Council Audit Committee, City Manager and Director of Finance met with the City's external auditor to discuss the results of the independent audit for the year ended September 30, 2022. The auditors gave an unmodified audit opinion, meaning that, in their opinion, the financial statements are fairly presented in accordance with established accounting standards. The financial statements reflect that the operating results for the year ended September 30, 2022 were generally in line with expected results, and that overall financial performance was on par with the budget. There were no material findings arising out of the audit. After discussion, the Council Audit Committee recommended the report be presented to the entire Council.

Origination:

City Manager Robby Hefton
Finance Director Mary Lawrence

Financial Consideration:

None

Staff Recommendation:

The staff recommends that the Council accept the audit report as recommended by the Council Audit Committee.

Alternatives:

None recommended

Attachments

ACFR 2021
SAS 114 Letter
Single Audit 2021

Sherman

CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Annual Comprehensive Finance Report
Year Ended September 30, 2021

Prepared by:

Department of Finance

Mary Lawrence, Finance Director

Tammy Davis, Controller

CITY OF SHERMAN, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2021

Prepared by:

Department of Finance
Mary Lawrence, Finance Director
Tammy Davis, Controller

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CITY OF SHERMAN, TEXAS

SEPTEMBER 30, 2021

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INTRODUCTORY SECTION

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Sherman
CLASSIC TOWN. BROAD HORIZON.

MAYOR
DAVID PLYLER
DEPUTY MAYOR
PAMELA L. HOWETH

CITY COUNCIL
JUSTON DOBBS
DARON HOLLAND
HENRY MARROQUIN
JOSH STEVENSON
SHAWN TEAMANN

CITY MANAGER
ROBBY HEFTON

March 7, 2022

The Honorable David Plyler, Mayor
Members of the City Council, and
Citizens of the City of Sherman, Texas

The Annual Comprehensive Financial Report of the City of Sherman, Texas, (the City) for the fiscal year ended September 30, 2021, is hereby submitted as mandated by the City Charter. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable to reader to gain the maximum understanding of the City's financial activities have been included.

To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse and to compile sufficient, reliable information for the preparation of the financial statements in conformity with Generally Acceptable Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement. Within this framework, management believes that the City's transactions are properly recorded, and the financial report is complete and reliable in all material respects.

The City of Sherman's financial statements have been audited by Pattillo, Brown & Hill, LLP, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involves examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. As a result of the audit, an unmodified opinion on the City's financial statements for the fiscal year ended September 30, 2021, was issued. An unmodified opinion represents the highest level of audit assurance issuable for financial statements. The independent auditor's report is located at the front of the financial section of this report.

Management Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

CITY OF SHERMAN PROFILE

The City of Sherman was founded in 1846 and is located in North Central Texas, 65 miles north of the Dallas/Fort Worth Metroplex. Sherman was named in honor of General Sidney Sherman, a Texas revolutionist, famous for creating the Texas Independence Slogan, "Remember the Alamo." The City's geographic corporate boundaries encompass 47 square miles. The additional municipal extraterritorial jurisdiction included for the purpose of planning and control, covers approximately 63 square miles. Sherman is the county seat of Grayson County. The 2020 Census reported a population of 43,645 individuals in Sherman, a 13.3% increase over 2010. Substantial, steady growth trends are expected to continue. The City of Sherman is included within the Sherman/Denison Standard Metropolitan Statistical Area and is defined as a regional trade zone by the Bureau of Economic Analysis.

Sherman operates as a home-rule city in a Council/Manager form of government. A home-rule city may do anything authorized by its charter that is not specifically prohibited or preempted by the Texas Constitution or state or federal law. Policy making and legislative authority are vested in the City Council, which consists of five Council members, a Deputy Mayor and Mayor. The City Council is responsible for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager and Municipal Judge. The City Manager is the chief administrative officer. The Mayor and two Council seats have no geographic restriction other than the candidates must reside in the City of Sherman. The four remaining Council seats represent specific districts and candidates must reside in those districts. However, voting for all Council seats is at-large and non-partisan. All City officials are elected to staggered three-year terms and are eligible to serve for a maximum of four consecutive terms in any combination of offices. Presiding over all meetings of the City Council, the Mayor is recognized as the head of the City government.

The City provides a full range of services. These include police and fire protection, ambulance service, sanitation service, environmental health, animal shelter and control services, community development, building inspections, traffic control, parks, a library, water and sewer services, drainage, streets, a municipal airport, recreational activities, tourism services and programs for youth and senior citizens.

Sherman Economic Development Corporation (SEDCO) is a discretely presented component unit. SEDCO was established in 1996 for purposes set forth in Section 4A, Article 5190.6, Vernon's Texas Civil Statues, known as the Development Corporation Act of 1979. SEDCO administers a special 3/8-cent sales tax for economic development. Even though SEDCO is a legally separate entity, the City appoints all SEDCO board members, can remove board members at will, must approve SEDCO's budget and plan of work, and financially benefits the City by promoting, assisting and enhancing economic development in the City.

The City Charter mandates that a proposed budget be presented to the City Council fifty days prior to the end of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. Direction for the budget is given by the City Council five months before year end. A proposed budget is developed by staff and submitted to the City Council in June each year for review.

The City Council is required to hold a public hearing and to adopt a final budget no later than September 25th. The City Manager may move part or all of any unencumbered appropriation balance among the various departments within each fund, provided that total expenditures do not exceed total appropriations for that fund. In the case where additional expenditures are required within a fund, the City Council, by resolution, may increase that fund's appropriations. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

The City's major thoroughfares, US Highways 75 and 82, intersect in Sherman and allow access to major metropolitan areas in the southwest. Sherman is the largest city within the tri-county area and a primary city for business, retail, government and professional services for the region. The BNSF industrial rail spur serves the industrial park. Private air service is available at the North Texas Regional Airport with its 9,000-foot runway, and at the Sherman Municipal Airport. Due to Sherman's convenient location, excellent transportation options and abundant water supply, more than 30 manufacturers have selected Sherman as the site for one of their plants. The City's impressive industrial base includes manufacturing facilities of major national firms that produce electronic components, food products, pvc products, lumber, railroad components, precision valves, electricity, and many other products. SEDCO has been successful in attracting new employers to the area and aiding in the expansion of existing employers.

The largest project affecting economic growth was announced in November 2021, as Texas Instruments (TI) selected its current location in the City of Sherman for a 4.7 million square-foot semiconductor fabrication plant to produce state-of-the-art, 300mm wafers for use in consumer electronics and other purposes. The plant, which is slated to begin production by 2025, will employ more than 3,000 high paying positions and contribute billions of dollars to the Grayson County economy. TI plans to complete the project in four phases, with an investment totaling over $29.4 billion, by 2030. Activity in the first two phases has already begun. At full build out, the fabrication plant will be the largest electronics production facility in Texas.

In addition to direct benefits of property and sales tax revenue, water and sewer revenue, hotel/motel revenue during the construction phases, the addition of high-paying jobs and the community reputation in the US and global technology circles, the City anticipates indirect benefits as well, including the "spillover" effect for complementary primary job creation and TI's complementary effect with other existing high-tech employers in the area which could lead to Sherman becoming known as a "tech-corridor" worldwide.

The City has entered into tax abatement agreements and Chapter 380 economic incentive agreements with TI for each scheduled phase, but the major focus for fiscal year 2022 will involve preparing for TI's significant water and wastewater infrastructure needs. To address the general needs of a growing city, as well as the upcoming TI project, Sherman plans to investment approximately $150 million in

water and wastewater infrastructure improvements and expansion over the next five to six years.

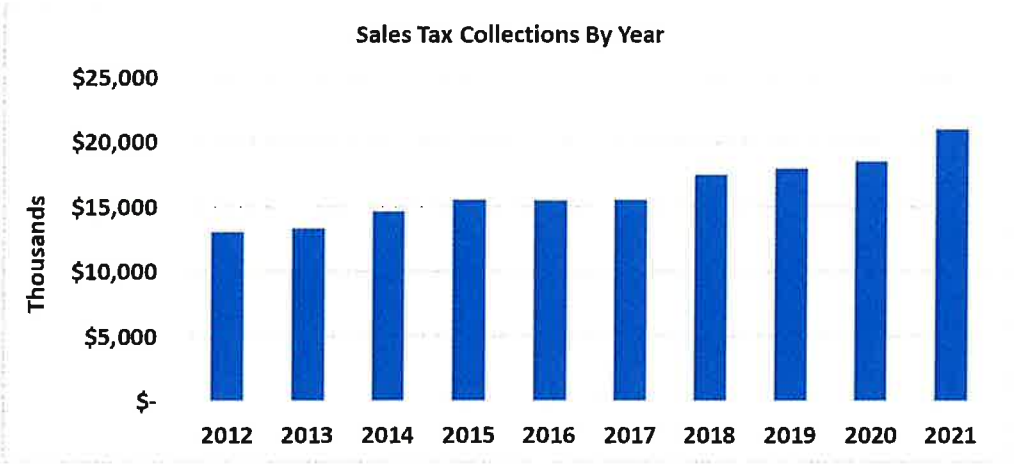
In anticipation of Sherman's future growth, there are currently four active planned developments:

- **Bel-Air Village** – Plans include 280 acres east of US Highway 75 and south of FM 1417 (Vietnam Veterans Parkway) to include 3,000 multi-family units, 1,900 single family homes and 4.5 acres of commercial/retail space.
- **Heritage Ranch** – This development consists of 420 acres along US Highway 82 between FM 1417 and Travis Street with 138 acres zoned for residential, 15 acres zoned for commercial activities and 112 acres zoned for entertainment.
- **Shepherd Place** – Plans for this development include 503 acres located at the southwest corner of Shepherd Drive and US Highway 75. This development includes 1,820 multi-family units, 1,359 single family units and 113 acres of mixed commercial/retail space.
- **The Village** – This area comprises 620 acres south of FM 1417 between Moore Street, West Travis and West OB Groner Road and plans for 1,500 multi-family units, 1,500 single family homes and a mix of commercial, office and retail space.

The City has recently invested more than $40 million in local infrastructure improvements, most notably the construction of West Travis Street, which includes a new bridge, constructed by the Texas Department of Transportation (TxDOT), connecting east Sherman to the Crossroads medical and retail/commercial development, the new Sherman High School, and the new Sherman Police Headquarters (currently under construction). In addition, TxDOT continues the $170 million expansion project of US Highway 75 with a completion date expected to be in late 2023.

The City of Sherman is also proceeding with plans for a new 80 bed hospital (with room to expand up to 160 beds) at the Sherman Crossroads development to address the impending healthcare demand created by the City's organic growth and the upcoming TI investment. The state-of-the-art hospital will include emergency facilities and enhanced services focusing on patient comfort and high-quality healthcare. Construction on the new hospital is expected to begin in 2022 with completion in 2024.

In addition to the exciting new projects previously, Sherman enjoys a diverse tax base due to its industrial park and major retail shopping centers with revenues increasing year over year for about the past ten years. By far, retailers are the biggest generators of sales tax at about 57% of sales tax revenue in fiscal year 2021. Approximately half of the retail sales tax comes from non-Sherman residents. The next largest generator of sales tax is food service at 11%.



The City also experienced growth in the property tax base by about 12% from new property added to the tax roll and an increase in the values of existing properties. About half of Sherman's taxable value is from commercial/industrial property. The City expects to see continued growth in both sales and property taxes.

Unemployment in Sherman was 4.1% at the end of the fiscal year, which is lower than the unemployment rate for the State of Texas (4.9%) and the national unemployment rate (4.6%) for the same time period.

Due to the City's sound financial policies and growing economy, the City has a credit rating of AA from Standard and Poor's and A+ for its debt issued through the Greater Texoma Utility Authority. The City also has an abundant supply of water for industrial, commercial and residential use through a combination system of ground wells and surface water from Lake Texoma. Educational opportunities are available at Austin College, Grayson College, and Sherman ISD. Nearby Lake Texoma is also a recreational draw to the area. Despite a fire at Kelly Square in October 2021, Sherman's downtown area continues see a renewed interest for restaurants and retail stores.

LONG-TERM FINANCIAL PLANNING

The City is focused on managing its growth in strategic directions with a long-term vision. Equally important items include maintaining sustainable levels of existing services through funding for staffing and performing sufficient repairs and maintenance for existing infrastructure. Now more than ever, multi-year planning for capital projects is imperative with properly timed infrastructure development. The City has committed to updating its Comprehensive Master Plan in fiscal year 2022 and incorporating information from other plans either completed recently (Parks Master Plan) or are being completed concurrently (Water and Wastewater Master Plan). Staff will be updating the Transportation Master Plan, as well, in fiscal year 2022, for incorporation into the final Comprehensive Master Plan document. As major changes in the local economy or other unforeseen events occur, plans are subject to change. Therefore, these plans are meant to be a planning tool and do not commit the City Council to action in future years.

The City's Charter requires submission of a five-year capital improvement program to the City Council in conjunction with the submission of the annual budget. This plan is used to identify needed capital projects and to coordinate the financing and timing of those projects. Only the first year of the five-year program is funded. The next four years are considered planning years and are subject to appropriation in the following years. The fiscal year 2022 budget includes $30 million in the General Improvement Fund primarily for street projects and construction of the new police headquarters. The Utility Improvement Fund includes projects totaling $16.1 million for modifications and repairs for the Ida Road Ground Storage Tank, replacement of the 12' water main along Texoma Parkway, construction of the sewer in northwest Sherman, adding backup generators at the Water Treatment Plant and Texoma Pump Station, and other smaller utility projects. Major utility improvements are funded through debt issued by the Greater Texoma Utility Authority on behalf of and paid by the City through contractual debt payments. The Capital Improvement Plan is available on the City's website.

MAJOR INITIATIVES

The City's primary focus in 2021 was a continued emphasis on infrastructure development related to residential and commercial growth. In 2021, the City completed the construction of West Travis Street, completed the Park Avenue extension and realignment, contributed $2.0 million to the Texas Department of Transportation for the City's portion to widen FM 1417 to six lanes, purchased land and performed architectural and engineering work in preparation for construction to the new police headquarters.

The City supports growth by building infrastructure and incentivizing the right kind of growth as those opportunities arise. Tax abatements, Chapter 380 Agreements, and SEDCO are all part of attracting builders, retailers and industries to Sherman.

RELEVANT FINANCIAL POLICIES

As part of the budget process, the financial policy of the City is used to support the mission of the City to provide high quality municipal services that meet the citizens' needs in a responsible, efficient and effective manner. Included in the policy is direction on the budget, internal controls, reserves, debt, deposits, and maintenance of equipment and infrastructure. The implementation of these policies in the budget process is part of the published budget document.

The City's financial policy authorizes only the City Council, by resolution, to increase appropriations. One amendment was approved by the City Council in fiscal year 2021, increasing revenues by $36.1 million and expenditures by $6.0 million primarily related to debt proceeds from the 2021 Certificates of Obligation issued in May 2021 and related spending, as well as remaining items for the Coronavirus Aid, Relief and Economic Security (CARES) Act grant revenue and expenses through the Texas Department of Emergency Management, increased sales tax revenue, plus expenses related to fleet purchases and operations. The size of the budget amendment was a reflection of the rate of growth and change the City experienced during fiscal year 2021.

The City has also adopted policies on long-term debt, investments, and fund balance. The long-term debt policy calls for specific limitations on amount of debt that may be issued by year and in total. It also requires the City to benchmark its total debt with other cities.

The City's investment policy is adopted annually by the City Council. The Public Funds Investment Act governs the policy, but the City is more restrictive than what is allowed under the Act. The $60 million portfolio is managed by the Director of Finance who reports quarterly to the City Council. More information on the investments may be found in the notes to the financial statements.

The City's fund balance policy sets the minimum funds balance at 60 days for the General Fund, Utility Fund and the Solid Waste Fund, on a budgetary basis. Only the Solid Waste Fund was below this target. The ongoing challenges in this fund will continue to be evaluated each year during the budget process.

FUTURE ECONOMIC OUTLOOK

The selection of Sherman as Texas Instrument's home to their $29.4 billion state-of-the-art, 4.7 million square-foot semiconductor fabrication plant is a "game changer" for the City. Sales tax revenues are expected to continue increasing and the City expects to issue a growing number of commercial and residential permits. Four planned developments projects and new hospital in Sherman will help meet upcoming additional needs for housing, commercial/retail, entertainment and healthcare.

Looking forward, the City continues to anticipate a growing tax base with ancillary business interests related to the TI project, new industries, businesses, and people finding Sherman an attractive place to work and live.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sherman for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2020. This was the thirty-fifth consecutive year that the City of Sherman earned this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current Comprehensive Annual Financial Report continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of the Comprehensive Annual Financial Report on a timely basis

requires a great deal of cooperation. In recognition of that, the Finance Department gratefully acknowledges the leadership and support of the City Council and City Manager. Furthermore, for their cooperation, the other departments within the City of Sherman have the Finance Department's appreciation. Also, the efforts of our external audit firm are invaluable.

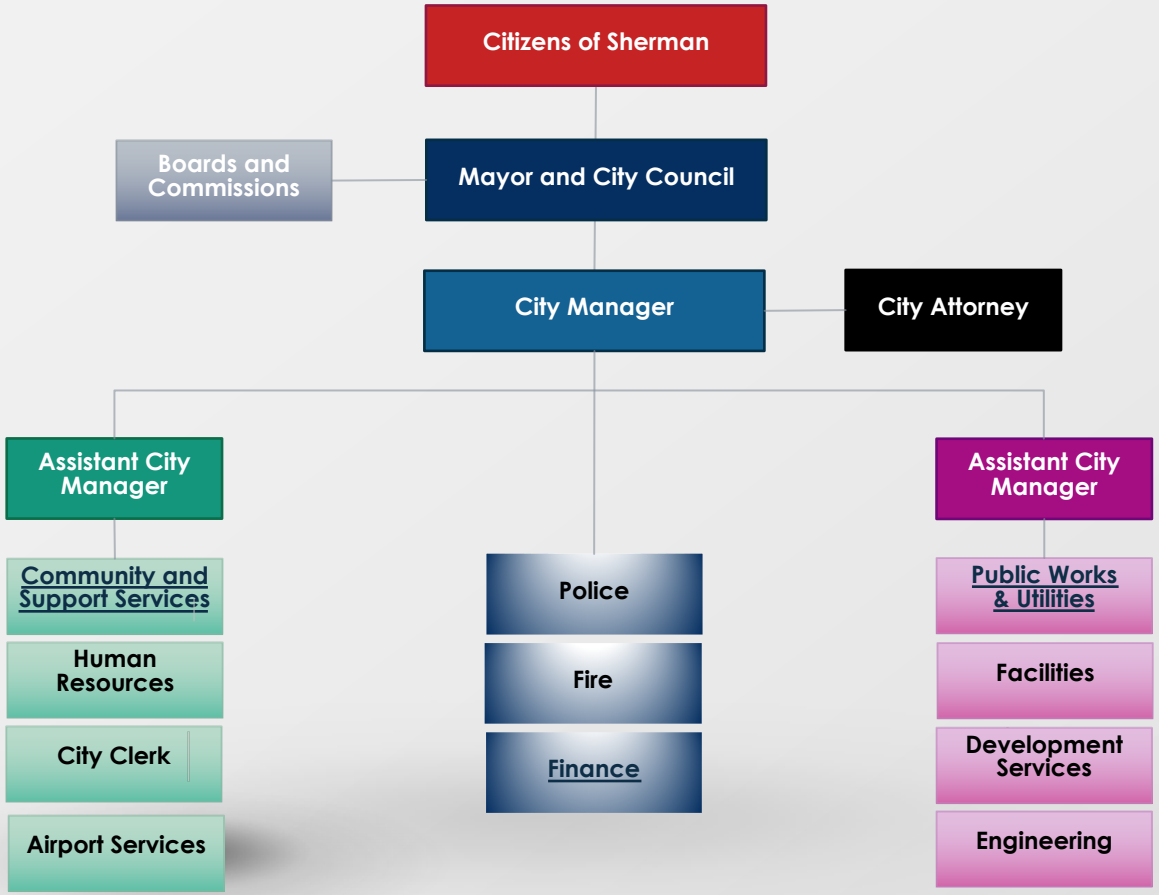
Respectfully submitted,

Robby Hefton, City Manager

Mary Lawrence, Finance Director

CITY OF SHERMAN, TEXAS

CITY OF SHERMAN ORGANIZATION CHART



Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OFFICIALS AS OF SEPTEMBER 30, 2021

Elected Officials

Mayor	David Plyler
Deputy Mayor	Daron Holland
Councilmember, At-Large, Place #1	Willie Steele
Councilmember, At-Large, Place #2	Sandra Melton
Councilmember, District #1	Shawn C. Teamann
Councilmember, District #2	Josh Stevenson
Councilmember, District #3	Pamela L. Howeth

Appointed Officials

City Manager	Robby Hefton
City Attorney	The Law Firm of Abernathy, Roeder, Boyd & Hullett, P.C.

Department Directors

Assistant City Manager	Clint Philpott, P.E.
Assistant City Manager	Terrence R. Steele
Director of Finance	Mary Lawrence, C.P.A.
Director of Development Services	Rob Rae, A.I.C.P.
Director of Engineering	Wayne Lee, P.E.
Fire Chief	Danny Jones
Police Chief	Zachary Flores

Tulsa
Santa Fe
Oklahoma City
Amarillo
OKLAHOMA
NEW MEXICO
SHERMAN
Lubbock
LLANO ESTACADO (STAKED PLAIN)
Dallas
Fort Worth
Ciudad Juárez
Midland
Odessa
TEXAS
Austin
Houston
San Antonio
Chihuahua
COAHUILA
Brownsville
Monterrey

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Sherman
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

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PATTILLO, BROWN & HILL, L.L.P.
401 West State Highway 6
Waco, Texas 76710
254.772.4901 | pbhcpa.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the City Council
Sherman, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sherman, Texas, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Sherman, Texas' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

OFFICE LOCATIONS
TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

AICPA GAQC Member

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sherman, Texas, as of September 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and OPEB information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Sherman, Texas' basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2022, on our consideration of the City of Sherman, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Sherman, Texas' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Sherman, Texas' internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 7, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of the City of Sherman, Texas (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. The information presented here should be considered in conjunction with the letter of transmittal at the front of this report and the financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Sherman exceeded its liabilities and inflows of resources at the close of the most recent fiscal year by $47.7 million (net position). Of this amount, $45.2 million represents net investment in capital assets, $6.5 million is restricted for specific uses with the remainder identified as, which may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position increased $1.9 million or 4.1% from last fiscal year's net position. The increase was due primarily to the sale of land near the new Sherman High School at FM 1417 and West Travis Street.

- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balance of $60.6 million, an increase of $30.5 million in comparison with the prior year. Approximately 26% of this total amount, $16.1 million, is available for spending at the government's discretion (unassigned fund balance). $40 million or 66% of fund balance in the City's governmental funds is restricted for general improvements of infrastructure and facilities.

- As of the end of the current fiscal year, the City's proprietary funds, excluding internal service funds, reported combined ending net position of $25.9 million. Approximately 5.3% of this total amount, $1.4 million, is in unrestricted net position.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees (business-type activities). The governmental activities of the City include general government, public safety, streets, sanitation, community services, and community development. The business-type activities of the City include water, wastewater, and solid waste services.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate entity for which the City is financially accountable, the Sherman Economic Development Corporation (SEDCO). Financial information for this component unit is reported separately from the financial information presented for the primary government itself. Complete financial statements for SEDCO are available upon request from SEDCO or the City's Finance Department.

The government-wide financial statements begin on page 14 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

  Because the focus of governmental funds is more narrow than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

  The City maintains three (3) major governmental funds, and seventeen (17) nonmajor governmental funds. Information for the major funds (General Fund, Debt Service Fund, and General Improvement Fund) is presented separately in the governmental fund statement of revenues, expenditures, and changes in fund balances. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements beginning on page 90 of this report.

  The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

  The City's governmental fund financial statements begin on page 18 of this report.

- **Proprietary Funds.** The City maintains two types of proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements and account for its water and wastewater, and solid waste operations. Internal Service Funds are used to accumulate and allocate costs internally among the City's various functions. The City uses Internal Service Funds to account for its equipment services, information technology, self-funded health insurance, and fleet replacement. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

  Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and wastewater operations and for solid waste operations, both of which are considered to be major funds of the City. Internal Service Funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the Internal Service Funds are provided in the form of combining statements beginning on page 115 of this report.

  The basic proprietary fund financial statements begin on page 24 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 29 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning budgetary compliance of the City's general fund and the City's progress in funding its obligation to provide pension benefits and other post-employment benefits (OPEB) to its employees. Required supplementary information begins on page 66 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules begin on page 90 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by $47.7 million at the close of the most recent fiscal year.

By far, the largest portion of the City's net position reflects its net investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The overall net position of the City of Sherman increased by $1.9 million, or 4.1% from the prior fiscal year. The increase was due primarily to the sale of land near the new Sherman High School at FM 1417 and West Travis Street.

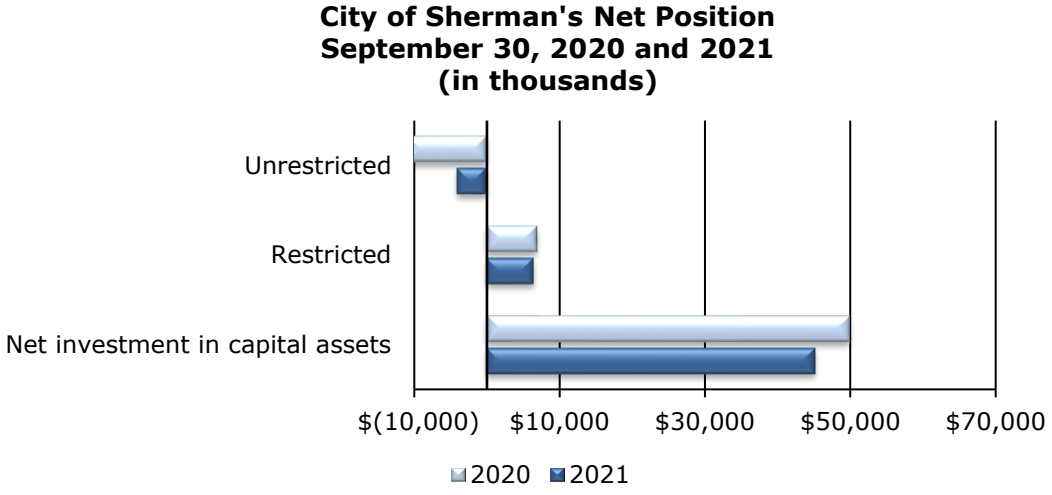
During fiscal year 2021, the City continued its plan to fund upcoming capital projects related to current and expected growth with debt issuances of $30.1 million in certificates of obligation and $2.2 million in tax notes. Additionally, the City received $4.2 million in grant funds which represents half of the allocation from the Coronavirus State and Local Fiscal Recovery Fund through the American Rescue Plan Act. The debt issuance and grant funding primarily account for the increase in current assets from the prior year. Correlating increases in total liabilities of $29.7 million were attributed to the debt issuances during the current fiscal year.

The City's current net position, along with last fiscal year's numbers, are presented for comparison in the following table.

CITY OF SHERMAN'S NET POSITION
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Current and other assets	$ 66,479	$ 33,424	$ 12,352	$ 8,488	$ 78,831	$ 41,912
Capital assets	90,741	92,369	26,863	28,774	117,604	121,143
Total assets	**157,220**	**125,793**	**39,215**	**37,262**	**196,435**	**163,055**
Deferred outflows of resources	**4,202**	**4,560**	**1,105**	**1,180**	**5,307**	**5,740**
Long-term liabilities	122,769	98,236	6,701	7,759	129,470	105,995
Other liabilities	11,117	9,083	6,250	2,090	17,367	11,173
Total liabilities	**133,886**	**107,319**	**12,951**	**9,849**	**146,837**	**117,168**
Deferred inflows of resources	**5,670**	**4,588**	**1,491**	**1,156**	**7,161**	**5,744**
Net investment in capital assets	20,738	23,785	24,504	26,167	45,242	49,952
Restricted	6,525	6,942	-	-	6,525	6,942
Unrestricted	(5,397)	(12,281)	1,374	1,270	(4,023)	(11,011)
Total net position	**$ 21,866**	**$ 18,446**	**$25,878**	**$27,437**	**$47,744**	**$45,883**

A portion of the City's net position, $6.5 million, represents resources that are subject to external restrictions on how they may be used. At the end of the current fiscal year, all categories of net position were positive except for Unrestricted Net Position in Governmental Activities.



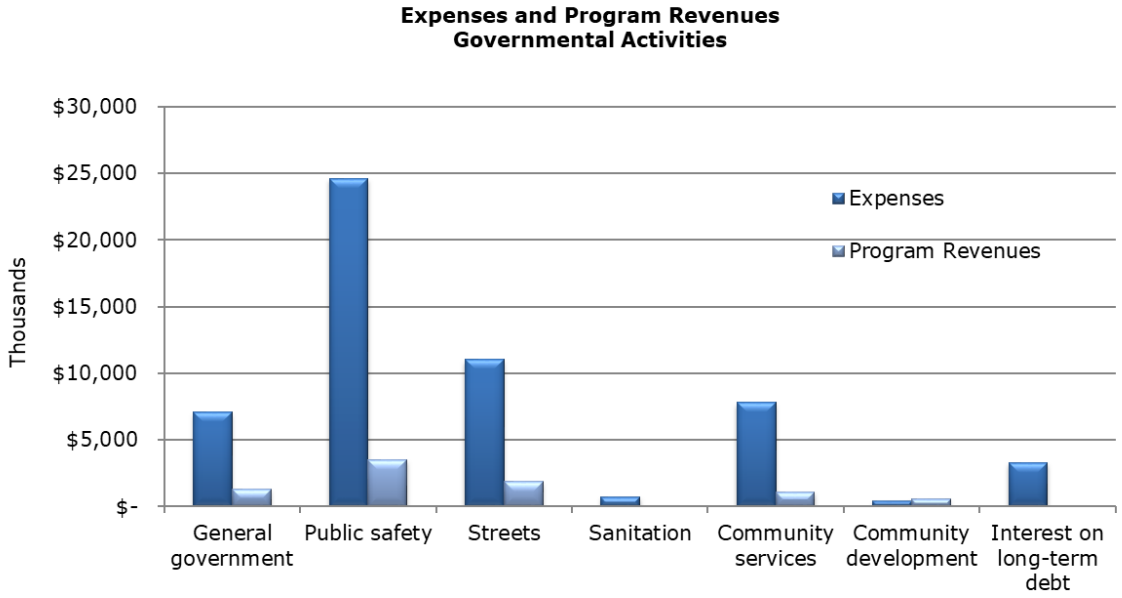
The City's condensed changes in net position, along with last fiscal year's numbers, are presented for comparison in the following table.

CITY OF SHERMAN'S CHANGES IN NET POSITION
(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Revenues						
Program revenues:						
Changes for services	$ 5,898	$ 6,908	$ 31,343	$ 30,335	$ 37,241	$ 37,243
Operating grants and contributions	2,251	1,254	-	-	2,251	1,254
Capital grants and contributions	348	2,984	600	2,129	948	5,113
General revenues:						
Property taxes	17,627	16,272	-	-	17,627	16,272
Sales taxes	21,564	18,696	-	-	21,564	18,696
Other taxes	3,651	3,446	-	-	3,651	3,446
Other	3,611	874	115	1,255	3,726	2,129
Total revenues	**54,950**	**50,434**	**32,058**	**33,719**	**87,008**	**84,153**
Expenses						
General government	7,089	7,071	-	-	7,089	7,071
Public safety	24,623	25,886	-	-	24,623	25,886
Streets	11,044	10,492	-	-	11,044	10,492
Sanitation	732	959	-	-	732	959
Community services	7,808	7,281	-	-	7,808	7,281
Community development	441	441	-	-	441	441
Interest on long-term debt	3,319	2,678	-	-	3,319	2,678
Water and sewer service	-	-	24,360	24,960	24,360	24,960
Solid waste service	-	-	5,731	6,600	5,731	6,600
Total expenses	**55,056**	**54,808**	**30,091**	**31,560**	**85,147**	**86,368**
Increases (decreases) in net position before transfers	(106)	(4,374)	1,967	2,159	1,861	(2,215)
Transfers	3,526	2,599	(3,526)	(2,599)	-	-
Change in net position	**3,420**	**(1,775)**	**(1,559)**	**(440)**	**1,861**	**(2,215)**
Net position, beginning	18,446	20,221	27,437	27,877	45,883	48,098
Net position, ending	**$ 21,866**	**$ 18,446**	**$ 25,878**	**$ 27,437**	**$ 47,744**	**$ 45,883**

Governmental Activities

Governmental activities increased the City's net position by $3.4 million. Primary factors attributing to the increase compared to the prior year include sales tax growth of 15.3% or $2.9 million and general property tax growth of 8.3% or $1.4 million due to increased valuations and additions to the tax roll. Expenses in governmental activities were overall similar to the prior year, yet charges for services were lower compared to the prior year due to a one-time $1.7 million reimbursement from the Sherman Economic Development Corporation for participation in infrastructure projects related to industry. Engineering inspection fees were up $0.5 million in fiscal year 2021 from development growth, and program revenue for community services was up by $0.3 million due to activities through the Parks and Recreation Department, including the public swimming pool (The Splash) and sports leagues, which were unavailable to the public in fiscal year 2020 due to the coronavirus pandemic.

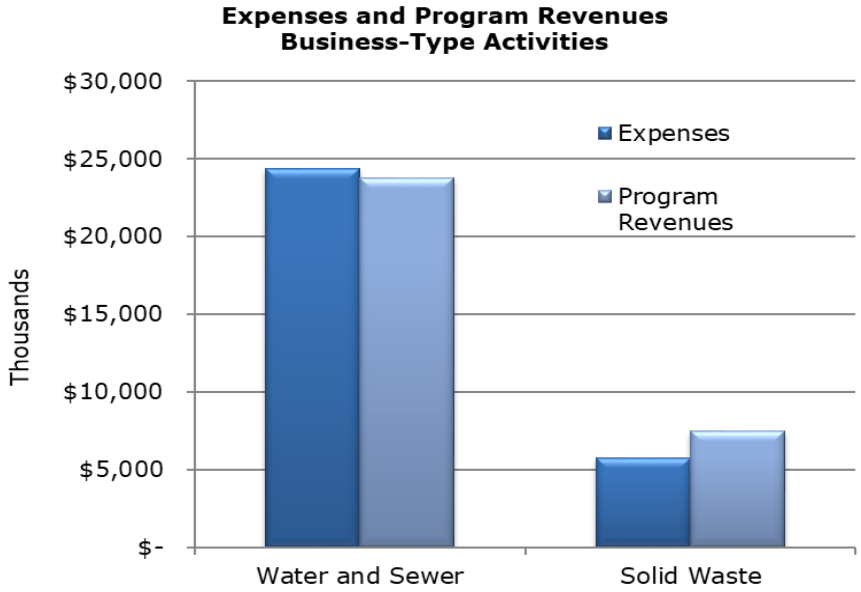


Business-type Activities

Results for the current fiscal year in the City's business-type activities decreased the City's net position by $1.6 million, with operations similar to the prior year. Net position from Water and Sewer activities for fiscal year 2021 decreased $2.4 million due in part to effects from the severe winter storm of February 2021 which saw temperatures below freezing for over seven days, resulting in widespread power outages and disruptions in the City's water production and distribution process. Not only did the down time impact service in the water and sewer fund, but costly repairs were necessary once the full effect of the winter storm was realized. Additionally, the Sherman City Council approved a $30 water credit for residents as part of relief efforts. Prior to the winter storm, a utility rate study was initiated to assess the City's future needs.

Net position related to Solid Waste activities increased $0.8 million primarily due to a distribution to member cities from the City's landfill joint venture in the Texoma Area Solid Waste Authority.

The City's business-type activities expenses and program revenues are presented in the following chart.



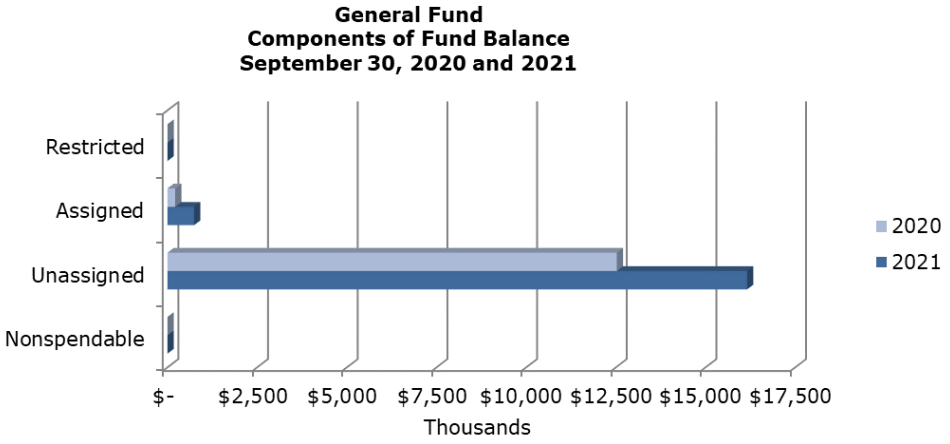
FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City of Sherman uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

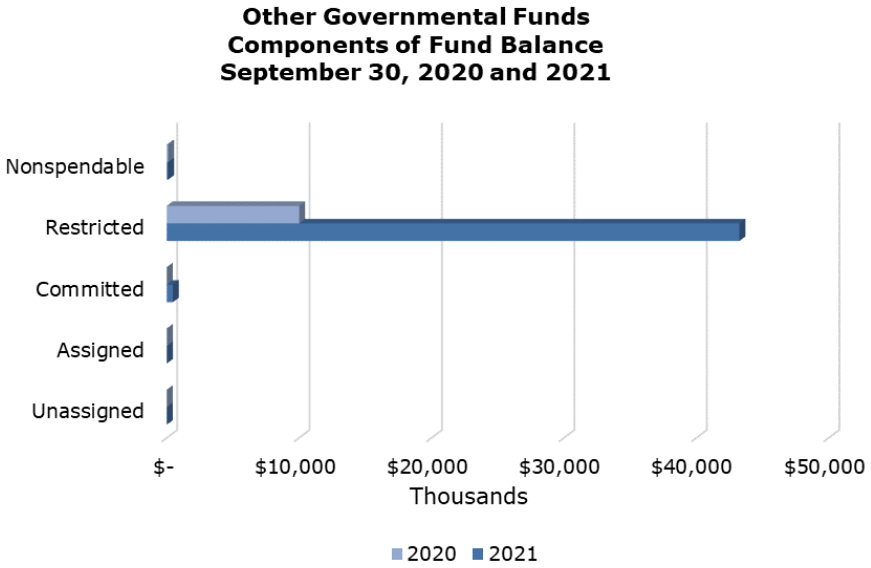
Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Sherman itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

At September 30, 2021, the City's governmental funds reported combined fund balances of $60.6 million, which is $30.5 million more than the prior year due to proceeds from the issuance of certificates of obligation. Approximately 26.6% of the governmental fund balances, or $16.1 million, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is: 1) not in spendable form ($0.1 million), 2) committed for particular purposes ($0.5 million), 3) restricted for particular purposes ($43.2 million), or 4) assigned for particular purposes ($0.7 million).



The General Fund is the chief operating fund of the City of Sherman. At the end of the fiscal year, unassigned fund balance of the general fund was $16.2 million. Total fund balance increased by $4.2 million from the prior fiscal year to $16.9 million, primarily due to better than expected sales tax performance. Unassigned fund balance represents approximately 38% of total general fund expenditures, which is about the same percentage as total fund balance to expenditures.



The General Improvement Fund, a major fund, increased $26.7 million during the fiscal year, ending the year at a fund balance of $36.4 million. The increase was due primarily to the issuance of certificates of obligation and the sale of land near the new Sherman High School. Expenditures of $7.2 million in fiscal year 2021 included $2.0 million to the Texas Department of Transportation for the City's portion to widen FM 1417 to six lanes, $1.8 million for the Park Avenue extension and realignment, $1.3 million related to the new police headquarters and $0.9 million for West Travis Street.

The Debt Service Fund, also a major fund, ended the year at a fund balance of $0.4 million. General property taxes of $4.7 million were allocated to this fund to cover principal and interest payments of approximately $5.75 million.

The remaining governmental funds ended the year with a fund balance of $6.9 million, a decrease of $0.4 million from the prior year, with similar activity in both years.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City has two proprietary funds, the Water and Sewer Fund, and the Solid Waste Fund.

Unrestricted net position of the Water and Sewer Fund at the end of the year was $1.4 million and had decreased by $0.6 million or 30% due in part to effects from the severe winter storm of February 2021 which saw temperatures below freezing for over seven days, resulting in widespread power outages and disruptions in the City's water production and distribution process. Not only did the down time impact service in the water and sewer fund, but costly repairs were necessary once the full effect of the winter storm was realized. Additionally, the Sherman City Council approved a $30 water credit for residents as part of relief efforts. Prior to the winter storm, a utility rate study was initiated to assess the City's future needs.

Unrestricted net position of the Solid Waste Fund increased by $0.7 million. Operations in the Solid Waste Fund were similar to the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget

The original budget was amended by the City Council during fiscal year 2021, increasing revenues by $36.1 million and expenditures by $6.0 million primarily related to debt proceeds from the 2021 Certificates of Obligation issued in May 2021 and related spending, as well as remaining items for the Coronavirus Aid, Relief and Economic Security (CARES) Act grant revenue and expenses through the Texas Department of Emergency Management, increased sales tax revenue, plus expenses related to fleet purchases and operations. The size of the budget amendment was a reflection of the rate of growth and change the City experienced during fiscal year 2021.

Final budget compared to actual results

A review of actual expenditures in the General Fund compared to appropriations in the final budget yielded two significant budget variances. Law Enforcement Services experienced a variance of $381,090 in personnel costs which were less than budgeted, primarily due to staffing vacancies. Civil service testing was limited during fiscal year 2021 due to the coronavirus pandemic. The Street Department also ended fiscal year 2021 with a savings of $269,016 in personnel costs due to unfilled positions related to coronavirus challenges.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to $118 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery, equipment, vehicles, park facilities, roads, bridges, and the water and wastewater treatment plants. The City's total investments in net capital assets decreased in the current fiscal year by $3.5 million or approximately 2.9%.

Major capital asset events during fiscal year 2021 included the following:

- New and continuing projects included the Park Avenue extension and realignment, work related to the new police headquarters, and the final phase of the extension of West Travis Street from US Hwy 75 to FM 1417.

- Construction projects in progress at the end of fiscal year 2021 included new street design and construction in developing areas, new police headquarters, ballfields, bridge repairs, wastewater treatment plant and lift station improvements and water system extension and improvements.

- Various machinery and equipment were acquired totaling approximately $2.1 million. Governmental activities included replacing a fire engine, ambulance, brush truck, and a pickup truck for the fire department, patrol vehicles and equipment for law enforcement, adding four pickup trucks for the development services department, a dump truck, trailer, box blade, bucket truck, chipper truck and two pickup trucks for the street department, a utility vehicle, excavator and dump trailer for cemetery and grounds maintenance departments, a trailer for animal services and an SUV for the neighborhood services department. Business type activities included purchasing a pickup truck and a 15-yard dump truck for water treatment and distribution, as well as a transit van and pickup truck for wastewater pretreatment and water quality departments, and two solid waste collection trucks and trailers.

- Depreciation totaled $8.7 million for governmental activities, including internal service funds and $3.1 million for business-type activities.

CITY OF SHERMAN'S CAPITAL ASSETS, NET OF DEPRECIATION
(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Land	$ 7,556	$ 6,807	$ 383	$ 347	$ 7,939	$ 7,154
Buildings	9,404	9,364	1,096	1,283	10,500	10,647
Other improvements	49,007	42,396	16,441	18,562	65,448	60,958
Machinery and equipment	13,503	14,446	2,011	2,008	15,514	16,454
Other assets	83	109	6,432	6,459	6,515	6,568
Construction in progress	11,188	19,247	500	115	11,688	19,362
Total Assets	**$ 90,741**	**$ 92,369**	**$ 26,863**	**$ 28,774**	**$117,604**	**$121,143**

Additional information on the City's capital assets can be found in the notes on pages 41 through 43 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had total contractually obligated long-term debt of $81.9 million. In fiscal year 2021 the City issued $30.1 million of governmental certificates of obligation to fund general improvements. These obligations are to be repaid from general tax revenues of the General Fund and property taxes. Property taxes and a limited pledge of the net revenues of the water and sewer system secure the certificates of obligation even through repayment is expected to be made solely from general tax revenues. The City also issued $2.2 in tax notes for the purchase of equipment for departments in the general fund and the solid waste fund which will be repaid from property taxes.

CITY OF SHERMAN'S OUTSTANDING DEBT
(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Bonds	$ 7,386	$ 8,250	$ -	$ -	$ 7,386	$ 8,250
Capital leases	2,668	3,331	158	282	2,826	3,613
Certificates of obligation, net of premium	94,549	66,837	-	-	94,549	66,837
Other long-term payables	-	-	2,201	2,326	2,201	2,326
Tax notes	1,795	-	-	-	1,795	-
Total Debt	**$106,398**	**$ 78,418**	**$ 2,359**	**$ 2,608**	**$108,757**	**$ 81,026**

Long-term debt for the City increased by $27.7 million or 34.2%, due to issuances of $30.1 million in certificates of obligation and $2.2 million in tax notes. Principal payments on outstanding debt totaled $4.6 million in fiscal year 2021.

The City of Sherman maintains a "AA" rating from Standard & Poor's for general obligation debt and a rating of "A+" for its debt issued through the Greater Texoma Utility Authority.

As part of the budget process, City staff compares the debt limit allowed under the City charter to debt outstanding. At the beginning of the 2021 fiscal year, the City had 39.7% of allowable bonded debt outstanding. After the issuance of certificates of obligation in May 2021, the allowable bonded debt outstanding was 70.4%, with 29.6% remaining allowable for certificates of obligation.

Additional information on the City's long-term debt can be found in the notes on pages 43 through 47 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In November 2021, Texas Instruments (TI) selected its current location in the City of Sherman for a 4.7-million-square-foot semiconductor fabrication plant to produce state-of-the-art, 300 mm wafers for use in consumer electronics and other purposes. The plant, which is slated to begin production by 2025, will employ more than 3,000 people and contribute billions of dollars to the Grayson County economy. TI plans to complete the project in four phases, with an investment totaling over $29.4 billion, by 2030. Activity in the first two phases has already begun.

Although the TI project was unknown during the regular budget process for fiscal year 2022, the City began planning for this significant investment immediately. In addition to direct benefits of property and sales tax revenue, water and sewer revenue, hotel/motel revenue during the construction phases, the addition of high-paying jobs and the community reputation in the US and global technology circles, the City anticipates indirect benefits as well: the "spillover" effect for complementary primary job creation and TI's complementary effect with other existing high-tech employers in the area which could lead to Sherman becoming known as a "tech-corridor" worldwide.

The City has entered into tax abatement agreements and Chapter 380 economic incentive agreements with TI for each scheduled phase, but the major focus for fiscal year 2022 will involve preparing for TI's significant water and wastewater infrastructure needs. The City is confident it will be able to provide such services when they are needed by TI.

Prior to the TI announcement, the following economic factors affecting the City were considered in developing the 2021-2022 fiscal year budget.

- General Fund revenues are expected to be more than fiscal year 2021. Property values and property tax revenue are projected to increase about 8%. The property tax rate is unchanged at .489/$100. Sales tax revenue is budgeted to increase about 3.6% after considering the one-time events in fiscal year 2021. Tax notes will be used to finance equipment purchases of about $1.7 million. Fund balance is projected to be $10.4 million or 83 days of operating expenses at the end of FY2022. New positions consist of a civil engineer, an engineering inspector, a motorcycle officer, two building inspectors and a cemetery maintenance worker.

- Utility Fund revenue is expected to increase in fiscal year 2022 due to a 4.2% utility rate increase as a result of the recommendation from a utility rate study. One new position is budgeted to address inflow and infiltration. Various fleet and equipment critical to operations are budgeted. Fund balance at the end of FY2022 is projected to be about $4.2 million, or about 60 days of operating expenses.

- Solid Waste Fund revenue from services is not expected to increase in fiscal year 2022. However, another distribution of $700,000 in fiscal year 2022 from the City's joint venture in the Texoma Area Solid Waste Authority landfill is expected and considered critical to this fund. Fund balance is projected to be $1.3 million, or 60 days of operating expenditures.

- The $30.6 million budget of the General Improvement Fund primarily consists of funding for a new police headquarters ($17.2 million), street projects funded by debt and impact fees, and smaller projects for parks and other departments funded by the General Fund and by the sale of city property in fiscal year 2021. Major projects include Moore Street, Bel Air Boulevard, right-of-way and design of FM 1417 south of Hwy 56, a match for a federal grant for a new bridge on South Travis Street, and a match for a Texas Department of Transportation grant for airport improvements. Reserves of about $3.0 million are expected at the end of fiscal year 2022 primarily consisting of unspent debt proceeds.

- The Utility Improvement Fund budget includes projects that will be funded by debt issued by the Greater Texoma Utility Authority on behalf of the City, existing reserves and impact fees. Projects totaling $17.4 million include the continuation of the construction of the northwest sewer lift station near the intersection of Highway 82 and Highway 289, a waterline to service Legacy Village/Bel Air developments, a waterline that will enable the City to sell to Marilee Special Utility District, a wastewater line for concentrate disposal from the water treatment plant, the last phase of a water line replacement on Texoma Parkway, major rehabilitation of the Ida Road ground storage tank, backup generators at the water and wastewater treatment plants, water and sewer line replacements and other system improvements. Utility Improvement Fund reserves are expected be about $127,000 at the end of fiscal 2022.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of Sherman, Finance Department, P.O. Box 1106, Sherman, Texas 75091-1106.

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BASIC
FINANCIAL STATEMENTS

CITY OF SHERMAN, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2021

	Governmental Activities	Business-type Activities	Total	Component Unit
ASSETS				
Current assets:				
Cash	$ 19,499,335	$ 425,365	$ 19,924,700	$ 10,892,166
Pooled and temporary investments	41,038,453	7,592,048	48,630,501	2,954,708
Receivables, net	5,293,145	4,344,964	9,638,109	897,534
Inventories, at cost	171,506	451,272	622,778	-
Prepayments and deposits	4,880	10,158	15,038	12,400
Internal balances	471,412	(471,412)	-	-
Total current assets	66,478,731	12,352,395	78,831,126	14,756,808
Noncurrent assets:				
Capital assets:				
Non-depreciable assets	18,743,717	7,283,435	26,027,152	9,101,598
Other capital assets, net	71,997,253	19,579,352	91,576,605	6,646
Total noncurrent assets	90,740,970	26,862,787	117,603,757	9,108,244
Total assets	$ 157,219,701	$ 39,215,182	$ 196,434,883	$ 23,865,052
DEFERRED OUTFLOWS OF RESOURCES				
Pension plan - TMRS	$ 3,113,283	$ 818,616	$ 3,931,899	$ 38,112
OPEB - Retiree health plan	663,684	174,512	838,196	8,125
OPEB - TMRS supplemental death benefit	425,160	111,793	536,953	5,205
Total deferred outflows of resources	$ 4,202,127	$ 1,104,921	$ 5,307,048	$ 51,442
LIABILITIES				
Current liabilities:				
Accounts payable	$ 2,028,032	$ 765,331	$ 2,793,363	$ 54,556
Accrued expenses payable	922,926	348,620	1,271,546	3,541
Accrued interest payable	843,840	-	843,840	-
Unearned revenue	9,711	4,218,221	4,227,932	-
Landfill closure costs	-	39,468	39,468	-
Customers' deposits payable	178,872	240,002	418,874	-
Current portion of bonds, capital leases, certificates of obligation, tax notes and other long-term payables	7,133,186	637,885	7,771,071	-
Total current liabilities	11,116,567	6,249,527	17,366,094	58,097

The accompanying notes are an integral part of these financial statements.

	Governmental Activities	Business-type Activities	Total	Component Unit
LIABILITIES (Continued)				
Long-term liabilities:				
Accrued compensated absences	3,775,171	-	3,775,171	-
Capital lease obligations payable	1,984,358	31,930	2,016,288	-
General obligation bonds	6,501,228	-	6,501,228	-
Certificates of obligation	91,562,760	-	91,562,760	-
Tax notes	1,462,126	-	1,462,126	-
Net pension liability	10,106,118	2,657,335	12,763,453	123,717
Total OPEB liability - retiree health plan	5,887,481	1,548,073	7,435,554	72,073
Total OPEB liability - TMRS supplemental death benefit	1,489,776	391,727	1,881,503	18,238
Other long-term payables	-	2,072,143	2,072,143	-
Total long-term liabilities	122,769,018	6,701,208	129,470,226	214,028
Total liabilities	$ 133,885,585	$ 12,950,735	$ 146,836,320	$ 272,125
DEFERRED INFLOWS OF RESOURCES				
Pension plan - TMRS	$ 4,048,873	$ 1,064,623	$ 5,113,496	$ 49,565
OPEB - Retiree health plan	1,363,723	358,581	1,722,304	16,694
OPEB - TMRS supplemental death benefit	257,260	67,645	324,905	3,149
Total deferred inflows of resources	$ 5,669,856	$ 1,490,849	$ 7,160,705	$ 69,408
NET POSITION				
Net investment in capital assets	20,738,117	24,503,817	45,241,934	9,108,244
Restricted for:				
Cemetery maintenance:		-		
Expendable	1,904,329	-	1,904,329	
Nonexpendable	100,000	-	100,000	
Cafeteria plan	11,162	-	11,162	-
Infrastructure and facilities improvements	3,684,445	-	3,684,445	-
Law enforcement support	732,516	-	732,516	-
Airport and tourism	93,283	-	93,283	-
Economic development	-	-	-	14,466,717
Unrestricted	(5,397,465)	1,374,702	(4,022,763)	-
Total net position	$ 21,866,387	$ 25,878,519	$ 47,744,906	$ 23,574,961

CITY OF SHERMAN, TEXAS

STATEMENT OF ACTIVITIES

YEAR END SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 7,088,978	$ 1,323,308	$ 145,589	$ -
Public safety	24,622,926	3,136,475	1,110,613	839
Streets	11,044,202	278,846	-	347,102
Sanitation	731,701	75,302	-	-
Community services	7,807,883	1,083,710	411,343	-
Community development	441,208	-	583,959	-
Interest on long-term debt	3,318,977	-	-	-
Total governmental activities	55,055,875	5,897,641	2,251,504	347,941
Business-type activities:				
Water and sewer service	24,359,919	23,877,936	-	599,686
Solid waste service	5,730,346	7,465,978	-	-
Total business-type activities	30,090,265	31,343,914	-	599,686
Total primary government	$ 85,146,140	$ 37,241,555	$ 2,251,504	$ 947,627
Component unit:				
Economic development	$ 272,757	$ -	$ -	$ -
Administration	1,415,628	-	-	-
Total component unit	$ 1,688,385	$ -	$ -	$ -
General revenues:				
Taxes				
General property				
City sales				
Franchise				
Nonproperty				
Investment income				
Miscellaneous				
Gain on sale of capital assets				
Transfers - internal activity				
Total general revenues and transfers				
Change in net position				
Net position, beginning				
Net position, ending				

The accompanying notes are in intergel part of these financial statements.

Net (Expense) Revenue and Change in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Unit
$(5,620,081)	$ -	$(5,620,081)	$ -
(20,374,999)	-	(20,374,999)	-
(10,418,254)	-	(10,418,254)	-
(656,399)	-	(656,399)	-
(6,312,830)	-	(6,312,830)	-
142,751	-	142,751	-
(3,318,977)	-	(3,318,977)	-
(46,558,789)	-	(46,558,789)	-
-	117,703	117,703	-
-	1,735,632	1,735,632	-
-	1,853,335	1,853,335	-
$(46,558,789)	$ 1,853,335	$(44,705,454)	$ -
$ -	$ -	$ -	$(272,757)
-	-	-	(1,415,628)
$ -	$ -	$ -	$(1,688,385)
$ 17,626,781	$ -	$ 17,626,781	$ -
21,563,812	-	21,563,812	4,976,264
2,876,387	-	2,876,387	-
774,963	-	774,963	-
324,976	13,737	338,713	42,753
240,582	100,730	341,312	-
3,045,886	-	3,045,886	647,847
3,525,719	(3,525,719)	-	-
49,979,106	(3,411,252)	46,567,854	5,666,864
3,420,317	(1,557,917)	1,862,400	3,978,479
18,446,070	27,436,436	45,882,506	19,596,482
$ 21,866,387	$ 25,878,519	$ 47,744,906	$ 23,574,961

CITY OF SHERMAN, TEXAS

BALANCE SHEET
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2021

	General	General Improvement	Debt Service
ASSETS			
Cash	$ 6,630,797	$ 6,970,926	$ 432,723
Pooled and temporary investments	6,804,609	29,793,588	-
Receivables (net of allowances for uncollectibles):			
Interest	9,635	2,858	-
Intergovernmental	156,925	-	-
Accounts	441,549	-	-
Taxes	4,104,102	-	73,276
Prepayments and deposits	250	-	-
Due from other funds	940,882	-	-
Total assets	$ 19,088,749	$ 36,767,372	$ 505,999
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts payable	$ 1,139,620	$ 372,238	$ -
Accrued wages payable	477,148	-	-
Customer deposits	1,824	-	-
Due to other funds	-	-	-
Total liabilities	1,618,592	372,238	-
Deferred inflows of resources:			
Unavailable revenue	566,058	-	70,083
Total deferred inflows of resources	566,058	-	70,083
Fund balances:			
Nonspendable:			
Prepayments and deposits	250	-	-
Endowment	-	-	-
Restricted for:			
Cafeteria plan	11,162	-	-
Law enforcement support	-	-	-
Airport and tourism	-	-	-
Infrastructure and facilities improvement	-	36,385,666	-
Debt service	-	-	435,916
Cemetery maintenance	-	-	-
Committed to:			
New street development	-	-	-
Assigned for:			
Public charities	44,022	-	-
General improvements	-	9,468	-
Subsequent year's budget	510,669	-	-
Unassigned	16,337,996	-	-
Total fund balance	16,904,099	36,395,134	435,916
Total liabilities, deferred inflows of resources and fund balances	$ 19,088,749	$ 36,767,372	$ 505,999

The accompanying notes are an integral part of these financial statements.

Nonmajor Governmental	Total Governmental
$ 2,883,833	$ 16,918,279
4,439,115	41,037,312
-	12,493
269,930	426,855
108,698	550,247
110,444	4,287,822
-	250
-	940,882
$ 7,812,020	$ 64,174,140
$ 224,069	$ 1,735,927
8,862	486,010
177,048	178,872
469,470	469,470
879,449	2,870,279
50,000	686,141
50,000	686,141
-	250
100,000	100,000
-	11,162
732,516	732,516
93,283	93,283
3,693,913	40,079,579
-	435,916
1,904,329	1,904,329
461,770	461,770
-	44,022
-	9,468
-	510,669
(103,240)	16,234,756
6,882,571	60,617,720
$ 7,812,020	$ 64,174,140

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CITY OF SHERMAN, TEXAS

RECONCILIATION OF THE GOVERNMENTAL
FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2021

Total fund balances - governmental funds	$	60,617,720
Amounts reported for governmental activities in the statement of net position are different because:		
Internal Service Funds are used to charge the costs of certain activities such as fleet maintenance, information technology and insurance to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the statement of net position.		8,341,852
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		
Governmental capital assets		162,184,262
Less: accumulated depreciation	(	83,273,292)
Long-term liabilities that pertain to governmental funds are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Included with amounts related to long-term liabilities is the deferred charge on bond refunding. Included with amounts related to the net pension liability are deferred outflows of resources and deferred inflows of resources that are attributable to the multiple-employer pension plan. Balances at year-end are:		
Bonds payable	(	7,385,756)
Certificates of obligation	(	94,548,889)
Compensated absences	(	5,924,939)
Net pension liability	(	9,591,919)
OPEB - Retiree health plan	(	5,587,927)
OPEB - TMRS supplemental death benefit	(	1,413,976)
Deferred outflow of resources - pension plan		2,954,880
Deferred outflow of resources - OPEB retiree health plan		629,916
Deferred outflow of resources - TMRS supplemental death benefit		403,528
Deferred inflow of resources - pension plan	(	3,842,867)
Deferred inflow of resources - OPEB retiree health plan	(	1,294,337)
Deferred inflow of resources - TMRS supplemental death benefit	(	244,170)
Various other items necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting, including:		
Accrued interest payable	(	843,840)
Unavailable revenue - property taxes		284,406
Unavailable revenue - court fines		141,567
Unavailable revenue - ambulance fees		260,168
Net position of governmental activities	$	21,866,387

The accompanying notes are an
integral part of these financial statements.

CITY OF SHERMAN, TEXAS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

YEAR ENDED SEPTEMBER 30, 2021

	General	General Improvement	Debt Service
REVENUES			
Taxes:			
General property	$ 12,445,529	$ -	$ 4,663,048
City sales	21,563,812	-	-
Franchise	2,876,387	-	-
Nonproperty	166,708	-	-
Licenses and permits	810,670	-	-
Intergovernmental	1,922,483	-	-
Charges for services	3,062,485	-	-
Fines and forfeitures	336,442	-	-
Investment income (loss)	35,504	7,553	2,119
Donations	8,713	-	-
Miscellaneous	240,406	-	2,576
Total revenues	43,469,139	7,553	4,667,743
EXPENDITURES			
Current:			
General government	7,165,907	-	-
Public safety	24,529,901	-	-
Streets	3,897,857	2,792,323	-
Sanitation	709,899	-	-
Community services	5,729,479	-	-
Community development	-	-	-
Capital outlay	346,465	4,374,166	-
Debt service:			
Principal	-	-	3,125,000
Interest	-	-	2,624,486
Debt issuance costs and agent fees	-	155,273	4,700
Total expenditures	42,379,508	7,321,762	5,754,186
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,089,631	(7,314,209)	(1,086,443)
OTHER FINANCING SOURCES (USES)			
Issuance of bonds	-	29,025,000	-
Premium on issuance of debt	-	1,130,384	-
Sale of general capital assets	-	3,647,497	-
Transfers in	3,927,975	250,000	1,070,491
Transfers out	(860,000)	-	-
Total other financing sources (uses)	3,067,975	34,052,881	1,070,491
NET CHANGE IN FUND BALANCES	4,157,606	26,738,672	(15,952)
FUND BALANCES, BEGINNING	12,746,493	9,656,462	451,868
FUND BALANCES, ENDING	$ 16,904,099	$ 36,395,134	$ 435,916

The accompanying notes are an integral part of these financial statements.

Nonmajor Governmental	Total Governmental
$ 514,493	$ 17,623,070
-	21,563,812
-	2,876,387
608,255	774,963
-	810,670
605,669	2,528,152
1,240,548	4,303,033
46,511	382,953
275,611	320,787
43,257	51,970
72,505	315,487
3,406,849	51,551,284
-	7,165,907
220,545	24,750,446
-	6,690,180
-	709,899
1,346,657	7,076,136
446,280	446,280
883,052	5,603,683
-	3,125,000
-	2,624,486
-	159,973
2,896,534	58,351,990
510,315	(6,800,706)
-	29,025,000
-	1,130,384
-	3,647,497
210,000	5,458,466
(1,072,747)	(1,932,747)
(862,747)	37,328,600
(352,432)	30,527,894
7,235,003	30,089,826
$ 6,882,571	$ 60,617,720

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CITY OF SHERMAN, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2021

Total net change in fund balance - governmental funds	$ 30,527,894
Amounts reported for governmental activities in the statement of activities are different because:	
Internal Service Funds are used to charge the costs of certain activities such as fleet maintenance, information technology and insurance to individual funds. The change in net position of the Internal Service Funds is reported with governmental activities.	225,866
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation. This is the amount of capital assets recorded in the current period.	5,950,785
Depreciation on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in the governmental funds.	(6,264,770)
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of refunding transactions, premiums, discounts, and similar items when debt is issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Issuance of debt	(29,025,000)
Premium on debt issuance	(947,407)
Amortization of deferred charge on bond refunding	(178,354)
Principal paid - bonds payable	810,000
Principal paid - certificates of obligation	2,315,000
Certain expenses related to employee compensation and benefits are reported in the statement of activities but do not require the use of financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in compensated balances	(303,857)
Change in net pension liability	1,406,646
Change in OPEB obligation - Retiree health plan	128,362
Change in OPEB obligation - TMRS supplemental death benefit	(94,107)
Various other items necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting, including:	
Miscellaneous transactions involving capital assets	(674,898)
Change in accrued interest payable	(457,855)
Change in unavailable revenue - property taxes	3,711
Change in unavailable revenue - court fines	(96,488)
Change in unavailable revenue - ambulance fees	94,789
Change in net position of governmental activities	$ 3,420,317

The accompanying notes are an integral part of these financial statements.

CITY OF SHERMAN, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

SEPTEMBER 30, 2021

	Business-type Activities Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
ASSETS				
Current assets:				
Cash	$ -	$ 425,365	$ 425,365	$ 2,581,056
Pooled and temporary investments	7,389,575	202,473	7,592,048	1,141
Receivables (net of allowances for uncollectibles):				
Interest	20,306	-	20,306	-
Accounts	2,629,417	809,946	3,439,363	15,728
Unbilled accounts	782,471	102,824	885,295	-
Inventories, at cost	451,272	-	451,272	171,506
Prepaid items	10,158	-	10,158	4,630
Total current assets	11,283,199	1,540,608	12,823,807	2,774,061
Capital assets				
Non-depreciable assets	7,280,435	3,000	7,283,435	55,250
Other capital assets, net	18,962,018	617,334	19,579,352	11,774,750
Total noncurrent assets	26,242,453	620,334	26,862,787	11,830,000
Total assets	37,525,652	2,160,942	39,686,594	14,604,061
DEFERRED OUTFLOWS OF RESOURCES				
Pension plan - TMRS	645,524	173,092	818,616	158,403
OPEB - retiree health plan	137,612	36,900	174,512	33,768
OPEB - supplemental death benefit	88,155	23,638	111,793	21,632
Total deferred outflows of resources	871,291	233,630	1,104,921	213,803

The accompanying notes are an integral part of these financial statements.

	Business-type Activities Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
LIABILITIES				
Current liabilities:				
Accounts payable	$ 506,765	$ 258,566	$ 765,331	$ 292,105
Accrued expenses payable:				
Accrued wages payable	273,842	74,778	348,620	62,951
Landfill closure and postclosure care costs	-	39,468	39,468	-
Claims payable	-	-	-	373,965
Due to other funds	471,412	-	471,412	-
Unearned revenue	4,218,221	-	4,218,221	9,711
Customers' deposits payable	190,963	49,039	240,002	-
Current portion of long-term liabilities:				
Capital lease obligations	126,294	-	126,294	683,815
Accrued compensated absences	282,807	100,181	382,988	95,903
Tax notes	-	-	-	333,043
Other long-term payables	128,603	-	128,603	-
Total current liabilities	6,198,907	522,032	6,720,939	1,851,493
Long-term liabilities (net of current portion):				
Capital lease obligations payable	31,930	-	31,930	1,984,358
Net pension liability	2,095,454	561,881	2,657,335	514,199
Tax notes	-	-	-	1,462,126
Total OPEB liability - retiree health plan	1,220,740	327,333	1,548,073	299,554
Total OPEB liability - supplemental death benefit	308,898	82,829	391,727	75,800
Other long-term payables	2,072,143	-	2,072,143	-
Total long-term liabilities	5,729,165	972,043	6,701,208	4,336,037
Total liabilities	11,928,072	1,494,075	13,422,147	6,187,530
DEFERRED INFLOWS OF RESOURCES				
Pension plan - TMRS	839,514	225,109	1,064,623	206,006
OPEB - retiree health plan	282,761	75,820	358,581	69,386
OPEB - supplemental death benefits	53,342	14,303	67,645	13,090
Total deferred outflows of resources	1,175,617	315,232	1,490,849	288,482
NET POSITION				
Net investment in capital assets	23,883,483	620,334	24,503,817	7,366,658
Unrestricted	1,409,771	(35,069)	1,374,702	975,194
Total net position	$ 25,293,254	$ 585,265	$ 25,878,519	$ 8,341,852

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CITY OF SHERMAN, TEXAS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
OPERATING REVENUES				
Water sales	$ 14,039,893	$ -	$ 14,039,893	$ -
Sewer sales	7,857,841	-	7,857,841	-
Solid waste service	-	7,465,978	7,465,978	-
Laboratory fees	123,444	-	123,444	-
Service connections and penalties	742,594	-	742,594	-
Utility tap fees	90,950	-	90,950	-
Charges for services	318,306	-	318,306	11,614,860
Property taxes	-	-	-	400,950
Miscellaneous	59,163	41,567	100,730	19,238
Total operating revenues	23,232,191	7,507,545	30,739,736	12,035,048
OPERATING EXPENSES				
Personnel services	6,321,196	1,557,586	7,878,782	1,503,012
Contractual services	10,564,687	2,322,760	12,887,447	5,619,588
Supplies	1,069,003	227,387	1,296,390	851,996
Maintenance and repair	2,885,685	44,164	2,929,849	1,436,953
Vehicle usage	464,350	1,504,731	1,969,081	-
Depreciation	2,981,082	73,718	3,054,800	2,393,823
Total operating expenses	24,286,003	5,730,346	30,016,349	11,805,372
OPERATING INCOME (LOSS)	(1,053,812)	1,777,199	723,387	229,676
NONOPERATING REVENUES (EXPENSES)				
Gain (loss) on sale of assets	-	-	-	73,287
Investment income	12,936	801	13,737	4,189
Interest expense	(73,916)	-	(73,916)	(81,286)
Intergovernmental	457	704,451	704,908	-
Total nonoperating revenues (expenses)	(60,523)	705,252	644,729	(3,810)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(1,114,335)	2,482,451	1,368,116	225,866
CONTRIBUTIONS AND TRANSFERS				
Capital contributions	599,686	-	599,686	-
Transfers in	438,000	120,000	558,000	-
Transfers out	(2,300,000)	(1,783,719)	(4,083,719)	-
Total contributions and transfers	(1,262,314)	(1,663,719)	(2,926,033)	-
CHANGE IN NET POSITION	(2,376,649)	818,732	(1,557,917)	225,866
NET POSITION, BEGINNING	27,669,903	(233,467)	27,436,436	8,115,986
NET POSITION, ENDING	$ 25,293,254	$ 585,265	$ 25,878,519	$ 8,341,852

The accompanying notes are an integral part of these financial statements.

CITY OF SHERMAN, TEXAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	$ 27,646,342	$ 7,483,437	$ 35,129,779	$ -
Cash received for interfund services	-	-	-	11,994,823
Cash paid for supplies and materials	(14,696,848)	(4,101,257)	(18,798,105)	(2,713,317)
Cash paid for premiums, claims and administrative	-	-	-	(4,951,533)
Cash paid for personnel services	(6,486,258)	(1,764,442)	(8,250,700)	(1,588,458)
Net cash provided (used) by operating activities	6,463,236	1,617,738	8,080,974	2,741,515
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash received from other governments	457	-	457	-
Transfers from other funds	438,000	120,000	558,000	-
Transfers to other funds	(2,300,000)	(1,783,719)	(4,083,719)	-
Net cash provided (used) by noncapital financing activities	(1,861,543)	(1,663,719)	(3,525,262)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of assets	-	-	-	73,287
Acquisition of capital assets	(973,644)	(169,373)	(1,143,017)	(1,404,835)
Proceeds from issuance of long-term debt	-	-	-	1,132,286
Principal retirement of long-term debt	(248,908)	-	(248,908)	(350,000)
Interest paid on long-term debt	(73,916)	-	(73,916)	(81,286)
Capital contributions	599,686	704,451	1,304,137	-
Net cash provided (used) by capital and related financing activities	(696,782)	535,078	(161,704)	(630,548)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and investment income received	8,961	801	9,762	4,189
Purchases of investments	(8,954,337)	(200,022)	(9,154,359)	-
Proceeds from sale of investments	4,675,910	-	4,675,910	-
Net cash provided (used) by investing activities	(4,269,466)	(199,221)	(4,468,687)	4,189
NET INCREASE (DECREASE) IN CASH	(364,555)	289,876	(74,679)	2,115,156
CASH, BEGINNING	364,555	135,489	500,044	465,900
CASH, ENDING	$ -	$ 425,365	$ 425,365	$ 2,581,056

The accompanying notes are an integral part of these financial statements.

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income	$(1,053,812)	$ 1,777,199	$ 723,387	$ 229,676
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	2,981,082	73,718	3,054,800	2,393,823
(Increase) decrease in:				
Accounts receivable (net)	424,339	(32,420)	391,919	35,662
Unbilled receivables	(229,566)	3,565	(226,001)	-
Inventories	(94,362)	-	(94,362)	(34,619)
Prepaid items	-	-	-	2,308
Deferred outflows of resources	42,678	32,351	75,029	2,424
Increase (decrease) in:			-	
Accounts payable	(90,173)	(2,215)	(92,388)	135,038
Accrued wages payable	10,064	(13,840)	(3,776)	(2,463)
Estimated liability for claims	-	-	-	140,960
Accrued compensated absences	17,954	(1,631)	16,323	13,795
Due to other funds	471,412	-	471,412	(74,393)
Unearned revenue	4,218,221	-	4,218,221	(1,494)
Customer deposits	1,157	4,747	5,904	-
Net pension liability	(480,222)	(200,866)	(681,088)	(120,085)
Net OPEB	(54,292)	(58,894)	(113,186)	(14,704)
Deferred inflows of resources	298,756	36,024	334,780	35,587
Total adjustments	7,517,048	(159,461)	7,357,587	2,511,839
Net cash provided (used) by operating activities	$ 6,463,236	$ 1,617,738	$ 8,080,974	$ 2,741,515

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Sherman, Texas (the City) was founded by an act of the First Texas Legislature in 1846 and was incorporated as a general law City on December 7, 1858. In 1915, the City was reorganized as a home rule City with the adoption of a new City Charter. The new charter established a Council-Manager form of government. The general governmental functions include law enforcement, fire and other public safety activities, streets, sanitation, public improvements, public charities, parks and recreation, library services, zoning and general administrative services. Enterprise Funds are used to account for the operations of its water, sewer and solid waste systems.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles (GAAP) generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for the local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants in the publication entitled, *Audits of State and Local Governmental Units.*

A. Financial Statement Presentation

The basic financial statements are prepared in conformity with GAAP, which requires the government-wide financial statements to be prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities, business-type activities and activities of its discretely presented component unit on the statement of net position and statement of activities. The City's statement of net position includes both noncurrent assets and noncurrent liabilities of the City. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets, including infrastructure.

In addition to the government-wide financial statements, the City has prepared fund financial statements, which use the modified accrual basis of accounting and the current financial resources measurement focus for the governmental funds. The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Management's Discussion and Analysis provides an analytical overview of the City's financial activities. In addition, a budgetary comparison statement is presented that compares the original adopted and final amended general fund budgets with actual results. The City does not have any major special revenue funds.

B. Financial Reporting Entity

The City is governed by an elected mayor and a six-member council. As required by GAAP, these financial statements present the City (the primary government) and the entities for which the City is considered to be financially accountable (component units). Discretely presented component units are reported in a separate column in the basic financial statements in order to emphasize that they are legally separate from the City.

The City's financial reporting entity comprises the following:

Primary Government:	City of Sherman
Discrete Component Unit:	Sherman Economic Development Corporation (SEDCO)

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units with the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- The organization is legally separate (can sue and be sued in their own name);
- The City appoints a voting majority of the organization's board;
- The City is able to impose its will on the organization;
- The organization has the potential to impose a financial benefit / burden on the City; and
- There is fiscal dependency by the organization on the City.

These factors make the organization meet the criteria for being presented as a component unit.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation. Currently, the City presents no blended component units.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. The following component unit is discretely presented into the reporting activity type of the City's report.

Sherman Economic Development Corporation – (SEDCO) is a nonprofit industrial development corporation organized for the purpose of promoting, assisting and enhancing economic development activities for the City as provided by the Development Corporation Act of 1979. SEDCO is managed by a board of directors composed entirely of persons appointed by and serving at the pleasure of the Sherman City Council. The City is also financially accountable for SEDCO because the City Council approves SEDCO's budget, levies sales taxes (SEDCO's primary source of revenue), and approves any debt issuances. Sales taxes are collected under Section 4A of the Development Corporation Act of 1979 for these purposes. SEDCO began its operations on April 1, 1996. A copy of SEDCO's audit report can be obtained by contacting their offices at 307 West Washington, Sherman, Texas 75090.

Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Audited financial statements are available from the respective organizations. Related organizations are described as follows:

Housing Authority of the City of Sherman (Authority) – Administers federal programs to provide low-rent housing to qualified City residents. The five-member board of the Authority is appointed by the Mayor. The City Council has no significant influence over the management, budget or policies of the Authority. The Authority reports independently.

Greater Texoma Utility Authority (GTUA) – Assists local governments in the development of water, sewer and solid waste facilities. The City appoints 3 members to GTUA's 9-member Board of Directors. The City financed certain water and sewer facilities through debt issued by GTUA and the City is contractually obligated to make sufficient payments to GTUA for annual debt service requirements of that debt. The City has no significant influence over the operations of GTUA, as its scope benefits other entities beside the City. GTUA reports independently.

Texoma Area Solid Waste Authority (TASWA) – Developed and operates a municipal solid waste landfill for the benefit of the City and other local governments in Grayson and Cooke Counties. The Mayor serves as one of five members of TASWA's Board of Directors. The City has an ongoing financial responsibility to TASWA and has pledged to pay fees established by TASWA in order for TASWA to pay its operating and debt service obligations. However, the City has no significant influence over TASWA's administration or operation. TASWA reports independently.

C. Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (general government, public safety, streets, sanitation, community services and community development) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment, and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenue (property taxes, sales taxes, franchise taxes, intergovernmental revenues, and interest income).

Separate funds-based financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of applicable fund category and for the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a separate column in the applicable fund financial statements.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are franchise fees and administrative charges between the City's Enterprise Funds and the General Fund and charges of the Internal Service Funds to the City's other operating funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include charges to customers for services, and operating and capital grants and contributions. General revenues include all taxes and internally generated resources.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as nonoperating in the financial statements.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

E. Fund Types and Major Funds

Governmental Funds

The focus of governmental fund measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The City reports the following major governmental funds:

General Fund – reports the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

General Improvement Fund – accounts for projects planned as part of the City's five-year capital improvement program.

Debt Service Fund – to account for the payment of principal and interest on long-term debt.

Proprietary Funds

The focus of proprietary funds measurement is upon determination of operating income, changes in net position, financial position, and cash flows, which is similar to businesses. The City reports the following major Enterprise Funds:

Water and Sewer Fund – accounts for the provision of water and sewer services to the residents of the City.

Solid Waste Fund – accounts for the solid waste collection function of the City.

Other Fund Types

Additionally, the City reports the following fund type:

Special Revenue Funds – account for the proceeds of specific revenue sources that are restricted by law or committed by governing authority for specified purposes, other than debt service or capital projects. They are funded through taxes, grants, or donations.

Capital Projects Funds – account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Permanent Fund – used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizenry. The Perpetual Care Fund of the cemetery is the City's only permanent fund.

Internal Service Funds – used to account for the financing of goods or services provided by one department to other departments within the City on a cost-reimbursement basis. These services include fleet management, information technology, self-funded health and dental insurance, and fleet replacement. These are proprietary funds that are reported with governmental activities in the government-wide financial statements.

F. Assets, Liabilities, and Net Position or Equity

Cash and Investments

Cash of all funds is pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month-end. An individual fund's pooled cash and cash investments are available upon demand and are considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities not included in the common pooled accounts that are purchased with a maturity of 90 days or less are also considered to be "cash equivalents."

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period and those expected to be collected during a 60-day period after the close of the City's fiscal year.

Taxable property includes real property and certain personal property situated in the City. Certain properties of religious, educational and charitable organizations, including the federal government and the State of Texas, are exempt from taxation. Additionally, there are other exemptions as noted below in arriving at the total assessed valuation of taxable property. The valuations are subject to countywide revaluation every five years. The effective tax rate is based upon the previous year's total assessed valuation.

	2021 Tax Roll	2020 Tax Roll
Total assessed value	$ 4,972,377,540	$ 4,442,247,607
Less exemptions for:		
Individuals over 65/disabled	87,472,969	88,147,460
Community housing	3,300,000	3,322,189
Productivity valuations of open land space	108,704,423	88,654,461
Homestead cap exemption	66,573,618	47,090,303
Veterans exemption	32,794,646	28,353,055
Pollution control exemption	22,590,402	16,344,385
Freeport exemptions	116,126,760	94,958,354
Exempt	418,168,156	361,071,806
Abatement	279,182,548	294,237,452
Wind/solar power	315,448	210,926
Net assessed value	$ 3,837,148,570	$ 3,419,857,216
Tax rate (per $100 valuation)	$ 0.4890	$ 0.4890

Inventories

Inventories consist of supplies and fuels held for consumption and are valued at cost on a first-in, first-out basis. Expenditures/expenses are recorded when consumed rather than when purchased.

Prepayments and Deposits

Certain payments to vendors reflect costs applicable to future accounting periods and are recognized as prepayments and deposits in both the government-wide and fund financial statements. The cost of these items is recorded as expenditures / expenses when consumed / provided rather than when paid.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the fund level balance sheets / statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Transactions between Funds

Transactions between funds, which would have been treated as revenues, expenditures, or expenses if they involved organizations external to the government unit, are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expenses in the fund reimbursed. All other nonreciprocal transactions between funds which are not reimbursements and where the funds do not receive equivalent goods or services for the transaction are classified as transfers.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at acquisition value at the time received. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

During fiscal year 2007, the City completed its inventory of general infrastructure assets (i.e., streets and storm water drains), beginning with assets put in use in 1980. The City was able to estimate the historical cost for the initial reporting of these assets through back-trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each year, including infrastructure assets, they are capitalized and reported at historical cost.

Assets capitalized have an original cost of $5,000 or more and over three years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Assets	Years
Buildings	20 - 50
Water and sewer system	30 - 50
Machinery and equipment	5 - 10
Improvements	20
Other assets	10

Compensated Absences

The City's policy allows employees to accumulate earned but unused vacation leave up to the number of days equal to a one-year accrual. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. Vacation accrual is considered a current liability since it must be used within a year or paid at separation, whichever is earlier.

The City's policy allows employees to accumulate earned but unused sick leave on an unlimited basis. For non-civil service employees, accumulated sick leave lapses when the employees leaves the City and no monetary obligation exists. Civil service employees are entitled to be paid up to 135 and 90 days for fire and police civil service employees, respectively. An estimated portion of the sick leave liability is included in the current liability for compensated absences based on past experience.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to / deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for employees, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits

TMRS Supplemental Death Benefits Fund

The City participates in the Texas Municipal Retirement System Supplemental Death Benefit Fund (TMRS SDBF), which is an optional single-employer defined benefit life insurance plan that is administered by TMRS. It provides death benefits to active and, if elected, retired employees of participating employers. Contribution rates are determined annually for each participating municipality as a percentage of that City's covered payroll. The death benefit for retirees is considered an other postemployment benefit (OPEB). The OPEB program is an unfunded trust because the SDBF trust covers both actives and retirees and is not segregated. The Total OPEB Liability of the plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the Total OPEB Liability, deferred inflows and outflows of resources, and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Retiree Insurance Plan

The City, through its substantive commitment to provide other post-employment benefits (OPEB) provides retiree medical coverage to eligible employees. To be eligible, a City employee retiring at age 62 or over must have at least 5 years of service with the City. City employees retiring before age 62 must have at least 20 years of service with the City. Retirees are required to pay the premium cost for both single and dependent coverage. The City also subsidizes certain retirees and dependents as a result of prior commitments. The plan qualifies as a single-employer defined benefit plan and is accounted for in the City's Insurance Fund and in the fund where the retiree last worked. A separate financial statement is not issued for the plan.

Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position applying to a future period and will not be recognized as an outflow of resources, either expenses or expenditures, until that time. The City reports the following items qualifying for this category:

- Deferred charges on refunding reported in the statements of net position - A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price and is amortized over the shorter of the life of the refunded or refunding debt.

- Difference in expected and actual pension and OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions related to the pension and OPEB plan – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Pension and OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position applying to a future period and will not be recognized as an inflow of resources, or revenues, until that time. The City reports the following items qualifying for reporting in this category:

- Difference in expected and actual pension and OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.
- Changes in actuarial assumptions related to the OPEB plan – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Deferred unavailable revenues reported on the balance sheet of the governmental funds - A deferred amount is recorded for the billed revenues not yet collected or available. These amounts are deferred and recognized as inflow of resources in the period the amounts become available.

Long-term Obligations

In the government-wide, proprietary and component unit financial statements, long-term debt and other long-term obligations are reported as liabilities. In the fund financial statements, long-term liabilities are not recorded in the governmental funds, as the payment of the obligations will not be made by current financial resources. The governmental fund financial statements recognize the proceeds of debt as other financing sources.

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form - prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by an ordinance of the City Council – the government's most binding form of commitment. Those committed amounts cannot be used for any other purpose unless the City Council removes the specified use by taking the same type of action imposing the commitment.

Assigned fund balance. This classification includes amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council authorizes an assignment of fund balance by directing the City Manager to assign the amounts or by delegating the authority to assign the amounts to the City Manager, such as for funds given to the City for a specific charitable purpose. Since no formal City Council action is taken for authorization of an assignment, no additional action is taken for its removal.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

The City uses restricted amounts first when both restricted and unrestricted fund balance are available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when the expenditures are made.

The City's Fund Balance policy is to spend the funds with the most constraints first. Restricted fund balance is spent first, then committed fund balance, then assigned fund balance, and last of all, unassigned fund balance. The policy also sets 60 days of expenditures as the minimum amount of fund balance for the General, Utility and Solid Waste Funds. Furthermore, when fund balance falls below 60 days, the City will implement a replenishment plan. The policy also allows the City Council to use unassigned fund balance for capital needs to offset difficult economic times, to stabilize fluctuations in cash flow requirements, and to provide for emergencies.

Net Position

Net position represents the difference between (a) assets and deferred outflows of resources, and (b) liabilities and deferred inflows of resources. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as needed.

Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates. Actual amounts could differ from those estimates.

G. New Accounting Pronouncements

Significant new accounting standards issued by the Governmental Accounting Standards Board (GASB) not yet implemented by the City include the following:

Statement No. 87, *Leases* – This Statement will improve the accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities previously classifies as operating leases. It establishes a single model for lease accounting based on the principle that leases are financing the right to use an underlying asset. Under the Statement a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resource, enhancing the relevance and consistency of information about leasing activities. This Statement will become effective for the City in fiscal year 2022.

Statement No. 96, *Subscription-Based Information Technology Arrangements* – This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. GASB 96 will become effective for the City for Fiscal Year 2024.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budget Policy and Practice

The City follows the procedures outlined below in establishing budgetary data reflected in the financial statements:

Annual budgets are legally adopted for all funds of the City. Fifty (50) days prior to the end of the fiscal year, the City Manager is required to submit to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes the proposed expenditures/expenses and the proposed method to finance them.

Dates for public hearings, the purpose of which are to obtain taxpayers' comments, are set by the City Council at the time the budget is submitted to that body. The City Council may add to, subtract from or change appropriations, but may not change the form of the proposed budget. Any changes must be within the revenue and reserves estimated as available by the City Manager. Prior to September 25 of each year, the budget is legally enacted through the passage of an ordinance.

At any time during the fiscal year, the City Manager may move part or all of any unencumbered appropriation balance among the various departments or programs within each fund. In the case where additional appropriations are required within a fund, the City Manager must seek approval of the City Council, who may, by resolution, increase that fund's appropriation.

Budget Basis of Accounting

The City prepares its annual budget on a basis (budget basis), which differs from generally accepted accounting principles (GAAP basis). The budget and all transactions are presented in accordance with the City's method (budget basis) in the Schedule of Revenues, Expenditures and Changes in Fund Balances –Budget and Actual – General Fund to provide a meaningful comparison of actual results with the budget. The major differences between budget and GAAP basis in the General Fund are that encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a reservation of fund balance (GAAP) and unrealized investment gain (loss) is recognized for GAAP basis only.

B. Deficit Fund Equity

The TIRZ#7 Fund has a deficit fund balance of $103,240. The deficit will be addressed as part of the development of the Fiscal Year 2021-2022 budget.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

Cash at September 30, 2021, as reported in the Statement of Net Position, consists of the following items:

	Primary Government	Component Unit
Petty Cash	$ 6,030	$ 805
Bank Deposits:		
Demand Accounts	18,418,216	7,876,700
Time Accounts	1,500,454	3,014,661
Total Cash and Deposits	$ 19,924,700	$ 10,892,166

Custodial Credit Risk is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government Obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. At September 30, 2021, the City's deposit balance of $19,924,700 and the Sherman Economic Development Corporation, a discretely presented component unit, balance of $10,892,166 were both collateralized by FDIC insurance and with letters of credit issued by the Federal Home Loan Bank in the name of the respective entity.

Investments

The following schedule summarizes the City's investments as of September 30, 2021:

Investment Type	Fair Value	Credit Rating	Weighted Average Maturity (Days)
Primary government			
U.S. Treasury	$ 994,219	AA+	99
Texas Subdivisions Municipal Obligations	3,300,662	A3 to AA+	235
U.S. Agencies	6,502,900	AA+	509
TexStar	1,111,176	AAAm	39
TexPool	34,742,184	AAAm	34
Common trust funds (corporate)	1,979,360	NR	6
Total primary government	48,630,501		
Component unit			
TexPool	2,954,708	AAAm	34
Total component unit	2,954,708		
Total Investments	$ 51,585,209		

The City has investments with two public funds investment pools as of September 30, 2021: the Texas Local Government Investment Pool (TexPool) and the Texas Short-term Asset Reserve Program (TexStar). These pools have been organized in conformity with the Interlocal Cooperation Act and the Public Funds Investment Act of the Texas Government Code. The Comptroller maintains oversight responsibility and has established an advisory board composed of both participants in the pool and other persons who do not have a business relationship with pool. The Advisory Board members review the investment policy and management fee structure.

Both pools state all investments at amortized cost, which generally approximates the fair value of the securities. Both pools submit their information to Standard & Poor's for ratings review. Deposits in this fund are not subject to custodial credit risk. The City does not have any limitations or restrictions on withdrawals from these pools.

In 1956, the City established a trust fund with the purpose to hold investments to provide income for the perpetual upkeep of the City's cemetery. The investments of the trust fund are administered by the trust company affiliated with a non-depository bank. The City's investments in the trust fund at September 30, 2021, are comprised of money market funds, exchange-traded funds and corporate equity and bond mutual funds. The investments are insured and held by the trustee in the City's name. The City has not imposed any restrictions on the investments selected by the trustee. These investments are carried at fair value as determined by market quotes.

Credit Risk is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. Investing is performed in accordance with the City's investment policy adopted by the City Council complying with state law and the City charter. City funds may be invested in: 1) fully insured time deposits; 2) obligations of the United States Treasury; 3) obligations of Agencies or Instrumentalities of the United States; 4) obligations of the State of Texas, or its political subdivisions, rated no lower than A; 5) investment pools with a continuous rating no lower than AAA; and 6) repurchase agreements. Under the City policy, the City may not invest in collateralized mortgage obligations, mutual funds, commercial paper and investment pools rated lower than AAA or who invest in prohibited investments under the City policy.

Custodial Credit Risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. For direct investments, the City policy provides that investments and investment collateral is held by a third party custodian with whom the City has a current custodial agreement in the City's name.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City's policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. However, the City's policy provides that investments to be purchased must have final maturities of five years or less.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investments in a single issuer. The City's policy does not place a limit on the amount that may be invested in any one issuer. This risk does not apply to U. S. Government Securities or investments in an external investment pool.

Foreign Currency Risk is the risk that an investment denominated in the currency of a foreign country could reduce its U. S. dollar value as a result of changes in foreign currency exchange fees. As of September 30, 2021, the City was not exposed to foreign currency risk.

Investments - Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs or quoted prices in markets that are not active; and Level 3 inputs are significant unobservable inputs.

The following schedule summarizes the City's investments that are measured at fair value on a recurring basis as of September 30, 2021:

		Fair Value Measurements Using		
Investment Type	Fair Value 9/30/2021	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
U.S. Treasury	$ 994,219	$ 994,219	$ -	$ -
Texas Subdivisions Obligations	3,300,662	-	3,300,662	-
U.S. Agencies	6,502,900		6,502,900	
Common trust funds	1,979,360	1,979,360	-	-
Total	$ 12,777,141	$ 2,973,579	$ 3,300,662	$ -

Each of the City's investments are categorized as Level 2, but the perpetual care cemetery trust is classified as Level 1. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets where there isn't sufficient activity, and/or where price quotations vary substantially either over time or among market makers (some brokered markets, for example), or in which little information is released publicly. Level 2 inputs other than quoted prices that are observable for the asset(s) may include observable and commonly quoted interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks, default rates, inputs that are derived principally from or corroborated by observable market data, and similar information. A Level 2 designation requires that all inputs and/or adjustments are observable and documentable in the marketplace.

B. Receivables

Amounts recorded as receivable as of September 30, 2021, for the City's individual major funds, internal service funds, and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	General Improvement	Debt Service	Water and Sewer	Solid Waste	Internal Service	Nonmajor
Receivables:							
Interest	$ 9,635	$ 2,858	$ -	$ 20,306	$ -	$ -	$ -
Intergovernmental	156,925	-	-	-	-	-	269,930
Accounts	2,068,218	-	-	3,473,888	961,770	15,728	111,933
Taxes	4,328,750	-	146,553	-	-	-	110,444
Gross receivables	6,563,528	2,858	146,553	3,494,194	961,770	15,728	492,307
Less: allowance for uncollectibles	(1,851,317)	-	(73,277)	(62,000)	(49,000)	-	(3,235)
Net total receivables	$ 4,712,211	$ 2,858	$ 73,276	$ 3,432,194	$ 912,770	$ 15,728	$ 489,072

The Water and Sewer Fund and the Solid Waste Fund accounts receivable include unbilled charges for services rendered at September 30, 2021.

Governmental funds report unavailable revenue (a deferred inflow of resources) in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of unavailable revenue reported in the governmental funds were as follows:

	General	Debt Service	Nonmajor Governmental	Total
Delinquent property taxes receivables	$ 214,323	$ 70,083	$ -	$ 284,406
Court fines	141,567	-	-	141,567
Ambulance fees	210,168	-	-	210,168
Grants	-	-	50,000	50,000
Total governmental funds	$ 566,058	$ 70,083	$ 50,000	$ 686,141

C. Capital Assets

Capital asset activity for the year ended September 30, 2021, was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Reclassifications/ Transfers	Ending Balance
Governmental activities, excluding internal service funds:					
Capital assets, not being depreciated:					
Land	$ 6,751,670	$ 1,380,286	$(631,599)	$ -	$ 7,500,357
Construction in progress	19,246,682	1,653,035	(9,711,607)	-	11,188,110
Total assets not being depreciated	25,998,352	3,033,321	(10,343,206)	-	18,688,467
Capital assets, being depreciated:					
Buildings	14,765,398	559,758	(16,815)	-	15,308,341
Improvements other than buildings	104,796,226	11,736,666	-	-	116,532,892
Machinery and equipment	10,175,990	319,202	(247,462)	-	10,247,730
Other assets	1,393,387	13,445	-	-	1,406,832
Total capital assets being depreciated	131,131,001	12,629,071	(264,277)	-	143,495,795
Less accumulated depreciation:					
Buildings	(5,465,651)	(509,725)	14,684	-	(5,960,692)
Improvements other than buildings	(62,411,038)	(5,191,504)	-	-	(67,602,542)
Machinery and equipment	(8,045,525)	(535,817)	206,294	-	(8,375,048)
Other assets	(1,307,286)	(27,724)	-	-	(1,335,010)
Total accumulated depreciation	(77,229,500)	(6,264,770)	220,978	-	(83,273,292)
Total capital assets being depreciated, net	53,901,501	6,364,301	(43,299)	-	60,222,503
Governmental activities, excluding internal service funds, capital assets, net	$ 79,899,853	$ 9,397,622	$(10,386,505)	$ -	$ 78,910,970

	Beginning Balance	Increases	Decreases	Reclassifications/ Transfers	Ending Balance
Internal service funds:					
Capital assets, not being depreciated:					
Land	$ 55,250	$ -	$ -	$ -	$ 55,250
Total Assets not being depreciated:	55,250	-	-	-	55,250
Capital assets, being depreciated:					
Buildings	201,401	-	-	-	201,401
Improvements other than buildings	12,926	70,023	-	-	82,949
Machinery and equipment	24,004,631	1,776,548	(189,214)	-	25,591,965
Other assets	115,289	7,650	-	-	122,939
Total capital assets being deprecated	24,334,247	1,854,221	(189,214)	-	25,999,254
Less: accumulated depreciation:					
Buildings	(136,294)	(8,198)	-	-	(144,492)
Improvements other than buildings	(2,298)	(3,670)	-	-	(5,968)
Machinery and equipment	(11,690,369)	(2,361,892)	89,828	-	(13,962,433)
Other assets	(91,548)	(20,063)	-	-	(111,611)
Total accumulated depreciation	(11,920,509)	(2,393,823)	89,828	-	(14,224,504)
Total capital assets being depreciated, net	12,413,738	(539,602)	(99,386)	-	11,774,750
Internal service fund capital assets, net	12,468,988	(539,602)	(99,386)	-	11,830,000
Governmental activities capital assets, net	$ 92,368,841	$ 8,858,020	$(10,485,891)	$ -	$ 90,740,970

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets, not being depreciated:				
Land	$ 347,242	$ 35,000	$ -	$ 382,242
Water rights	6,400,892	-	-	6,400,892
Construction in progress	115,067	484,116	(98,882)	500,301
Total assets not being depreciated	6,863,201	519,116	(98,882)	7,283,435
Capital assets, being depreciated:				
Buildings	4,159,700	-	-	4,159,700
Improvements other than buildings	58,418,466	342,463	-	58,760,929
Machinery and equipment	8,747,730	380,320	-	9,128,050
Other assets	154,200	-	-	154,200
Total capital assets being depreciated	71,480,096	722,783	-	72,202,879
Less accumulated depreciation:				
Buildings	(2,877,404)	(186,244)	-	(3,063,648)
Improvements other than buildings	(39,855,497)	(2,464,193)	-	(42,319,690)
Machinery and equipment	(6,740,376)	(376,450)	-	(7,116,826)
Other assets	(95,450)	(27,913)	-	(123,363)
Total accumulated depreciation	(49,568,727)	(3,054,800)	-	(52,623,527)
Total capital assets being depreciated, net	21,911,369	(2,332,017)	-	19,579,352
Business-type activities capital assets, net	28,774,570	(1,812,901)	(98,882)	26,862,787
Total primary government	$ 121,143,411	$ 7,045,119	$(10,584,773)	$ 117,603,757
Component unit				
Capital assets, not being depreciated:				
Land and improvements	$ 6,979,190	$ 2,170,171	$(47,763)	$ 9,101,598
Total assets not being depreciated	6,979,190	2,170,171	(47,763)	9,101,598
Capital assets, being depreciated:				
Equipment	39,747	-	(21,257)	18,490
Accumulated depreciation	(29,103)	(3,798)	21,057	(11,844)
Total capital assets being depreciated, net	10,644	(3,798)	(200)	6,646
Total component unit	$ 6,989,834	$ 2,166,373	$(47,963)	$ 9,108,244

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 137,925
Public safety	730,885
Streets	4,453,998
Sanitation	40,659
Community services	901,303
Internal service funds	2,393,823
Total depreciation expense - governmental activities	$ 8,658,593
Business-type activities:	
Water and sewer	$ 2,981,082
Solid waste	73,718
Total depreciation expense - business-type activities	$ 3,054,800

D. Long-term Debt

The following schedule summarizes the changes in long-term debt during the year ended September 30, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Certificates of obligation	$ 64,280,000	$ 29,025,000	$ 2,315,000	$ 90,990,000	$ 2,820,000
Premium	2,556,954	1,130,384	128,449	3,558,889	166,129
Total certificates of obligation	66,836,954	30,155,384	2,443,449	94,548,889	2,986,129
Bonds payable	7,705,000	-	810,000	6,895,000	830,000
Premium	545,284	-	54,528	490,756	54,528
Total bonds payable	8,250,284	-	864,528	7,385,756	884,528
Tax notes	-	1,980,000	350,000	1,630,000	300,000
Tax note premium	-	198,203	33,034	165,169	33,034
Capital leases payable	3,331,056	-	662,883	2,668,173	683,815
Compensated absences	5,703,190	3,278,576	2,960,924	6,020,842	2,245,671
Governmental activities long-term liabilities	$ 84,121,484	$ 35,612,163	$ 7,314,818	$ 112,418,829	$ 7,133,177
Business-type activities					
Capital leases payable	$ 282,270	$ -	$ 124,046	$ 158,224	$ 126,294
Other long-term debt	2,325,608	-	124,862	2,200,746	128,603
Compensated absences	366,665	656,567	640,244	382,988	382,988
Business-type activities long-term liabilities	$ 2,974,543	$ 656,567	$ 889,152	$ 2,741,958	$ 637,885

Interest expense totaled $2,738,805 and $73,916 for governmental and business-type activities, respectively. No interest was capitalized during the year ended September 30, 2021.

Certificates of Obligation

Certificates of obligation are comprised of the following issues at September 30, 2021:

Governmental activities

$2,840,000 Combination Tax and Tax Increment Revenue Certificates of Obligation, Series 2004, due in annual installments of $75,000 to $240,000 through 2023, interest at 4.44% to pay contractual obligations incurred for public works projects in the Sherman Tax Increment Financing Reinvestment Zone Number One.	$ 470,000
$6,970,000 Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2016, due in annual installments of $290,000 to $455,000 through 2036, interest at 2.0% to 3.0%, to pay contractual obligations for public works projects.	5,775,000
$18,110,000 Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2017, due in annual installments of $625,000 to $1,295,000 through 2037, interest at 3.0% to 5.0%, to pay contractual obligations for public works projects.	16,135,000
$3,900,000 Tax and Municipal Drainage Utility System Revenue Certificates of Obligation, Series 2017A, due in annual installments of $130,000 to $260,000, interest at 2% to 4% to pay contractual obligations for public works projects.	3,330,000
$18,980,000 Combination Tax and Revenue Certificates of Obligation, Series 2018 due in annual installments of $470,000 to $1,155,000, interest at 3.25% to 5% for public works projects.	18,015,000
$19,130,000 Combination Tax and Revenue Certificates of Obligation, Series 2019 due in annual installments of $184,000 to $1,165,000, interest at 3.00% to 5% for street improvements.	18,240,000
$29,025,000 Combination Tax and Revenue Certificates of Obligation, Series 2021 due in annual installments of $390,000 to $1,330,000, interest at 2.00% to 5.00% for a new police department headquarters.	29,025,000
Total governmental activities	$ 90,990,000

Debt service requirements for the certificates of obligation through maturity are as follows:

Year Ending September 30,	Governmental Activities		
	Principal	Interest	Totals
2022	$ 2,820,000	$ 3,227,960	$ 6,047,960
2023	3,145,000	2,907,344	6,052,344
2024	3,040,000	2,759,688	5,799,688
2025	3,180,000	2,616,188	5,796,188
2026	3,335,000	2,465,938	5,800,938
2027-2031	18,940,000	10,049,288	28,989,288
2032-2036	22,285,000	6,700,550	28,985,550
2037-2041	16,595,000	3,618,819	20,213,819
2042-2046	11,275,000	1,410,663	12,685,663
2047-2051	6,375,000	435,088	6,810,088
Total	$ 90,990,000	$ 36,191,526	$ 127,181,526

Bonds Payable

Bonds payable is comprised of the following issue at September 30, 2021:

Governmental Activities

$9,360,000 General Obligation Refunding Bonds, Series 2017, due in annual installments of $65,000 to $955,000 through 2030; interest at 2% to 4%.	$ 6,895,000

Debt service requirements of bonds payable through maturity are as follows:

Year Ending	Governmental Activities		
September 30,	Principal	Interest	Totals
2022	$ 830,000	$ 245,300	$ 1,075,300
2023	860,000	224,550	1,084,550
2024	880,000	198,750	1,078,750
2025	905,000	172,350	1,077,350
2026	955,000	136,150	1,091,150
2027-2029	2,465,000	187,600	2,652,600
Total	$ 6,895,000	$ 1,164,700	$ 8,059,700

Tax Notes

The City issued $1,980,000 of Limited Tax Notes, Series 2021. The note will be used for the purchase of equipment for various City facilities. The interest rates range from 3.125% to 4% and will mature in 2026. In the event of default, an acceleration clause goes into effect and the bonds become immediately due.

Debt service requirements of bonds payable through maturity are as follows:

Year Ending	Governmental Activities		
September 30,	Principal	Interest	Totals
2022	$ 300,000	$ 64,450	$ 364,450
2023	315,000	53,200	368,200
2024	325,000	40,600	365,600
2025	340,000	27,600	367,600
2026	350,000	14,000	364,000
Total	$ 1,630,000	$ 199,850	$ 1,829,850

Capital Leases Payable

Capital leases payable is comprised of the following issue at September 30, 2021:

Business-type activities

$842,000 Capital lease for the purchase of an excavator, wheel loader, forklift, haul truck and trailer, due in quarterly installments of $32,073 through 2023, interest at 1.8%.	$ 158,224

The future minimum lease obligations and the net present value of those minimum lease payments as of September 30, 2021, were as follows:

Year Ending September 30,	Business-Type Activities
2022	128,293
2023	32,073
Total minimum leases payable	160,366
Less: amounts representing interest	2,142
Present value of minimum lease payments	$ 158,224

The assets acquired through capital leases are as follows:

	Business-Type Activities
Asset:	
Machinery and equipment	$ 839,131
Less: accumulated depreciation	(528,028)
Total	$ 311,103

Governmental activities

$2,522,822 Capital lease for the purchase of street department equipment (dump truck, mechanical sweeper, milling machine, roller, wheel excavator, wheel loader, concrete paver and trailer) and a tactical rescue truck for the fire department, due in quarterly installments of $102,739 through 2025, interest at 3.78%☐	$ 1,340,095
$1,418,810 Capital lease for the purchase of street department equipment (motor grader, split drum roller, flip screen attachment, pneumatic roller, paver, & skid steer), due in quarterly installments of $45,391 through 2026, interest at 2.84%	764,439
$794,090 Capital lease for the purchase of a pumper and police vehicles, due in quarterly installments of $41,515 through 2025, interest at 1.78%	563,639
Total	$ 2,668,173

The future minimum lease obligations and the net present value of those minimum lease payments as of September 30, 2021, were as follows:

Year Ending September 30,	Governmental Activities
2022	758,985
2023	758,985
2024	758,985
2025	470,274
2026	90,782
	2,838,011
Less: amounts representing interest	(169,838)
Present value of minimum lease payments	$ 2,668,173

The assets acquired through capital leases are as follows.

	Governmental Activities
Assets:	
Machinery and Equipment	$ 2,522,822
Less: accumulated depreciation	(329,886)
Total	$ 2,192,936

The City's direct borrowings (capital leases) related to governmental and business-type activities are secured with equipment as collateral.

The Tax Increment Revenues Certificates of Obligation, Series 2004 are private placement, related to governmental activities, and are secured with property tax revenue. In the event of default, an acceleration clause goes into effect and the bonds become immediately due.

Other Long-Term Payable

During the year ended September 30, 2006, the City contracted with the U. S. Army Corp of Engineers for the remaining 11,600 acre-feet of water supply storage allocated to the City of Sherman in Lake Texoma. Annual payments are due with interest rates being adjusted at five-year intervals; the current annual payment is $194,532. The balance outstanding at September 30, 2021, is $2,200,746.

Debt service requirements at September 30, 2021, for the long-term payable through maturity are as follows:

Year Ending September 30,	Business-Type Activities Texoma Water Rights Series 2006 Principal	Interest	Totals
2022	$ 128,603	$ 65,929	$ 194,532
2023	132,455	62,076	194,531
2024	136,423	58,108	194,531
2025	140,510	54,021	194,531
2026	144,720	49,812	194,532
2027-2031	791,286	181,370	972,656
2032-2036	726,749	55,408	782,157
Total	$ 2,200,746	$ 526,724	$ 2,727,470

Accrued Compensated Absences

Accrued compensated absences (vested sick and vacation leave) are payable from the fund responsible for the employee's compensation. Of the liability attributed to governmental activities at September 30, 2021, significantly all is payable from the General Fund.

Net Pension Liability and Total Other Post Employment Benefit (OPEB) Liabilities

When these liabilities are liquidated for governmental activities, the General Fund will be primarily responsible.

E. Interfund Transfers and Balances

Transfers between funds during the year were as follows:

	Transfers In						
Transfers Out	General	General Improvement	Debt Service	Nonmajor Governmental	Water and Sewer	Solid Waste	Totals
General fund	$ -	$ 250,000	$ -	$ 210,000	$ 280,000	$ 120,000	$ 860,000
Nonmajor governmental	-	-	1,070,491	-	2,256	-	1,072,747
Water and sewer	2,300,000	-	-	-	-	-	2,300,000
Solid waste	1,627,975	-	-	-	155,744	-	1,783,719
Total	$ 3,927,975	$ 250,000	$ 1,070,491	$ 210,000	$ 438,000	$ 120,000	$ 6,016,466

Transfers were used to 1) allocate funds from the Water and Sewer Fund and Solid Waste Fund for general, administrative and franchise costs; 2) move funds from Construction funds, Stormwater Fund and the Hotel Tax Fund for debt service payments; 3) restore fund balance in the Water and Sewer Fund; 4) transfer funds to the Hotel Tax Fund for various programs; and 5.) fund capital projects in the General Improvement Fund and fleet in the Solid Waste Fund.

Interfund balances at September 30, 2021 consisted of the following receivables and payables:

	Due from Other Funds	
Due to Other Funds	General Fund	Purpose
Nonmajor governmental	$ 469,470	Pooled cash overdraft
Water and Sewer	471,412	Pooled cash overdraft
Total	$ 940,882	

All of the above balances are expected to be repaid within one year.

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. Except for health insurance, the City carries commercial insurance for all risks of loss. The City has not made any significant reductions in insurance coverage from the prior year and there have been no settlements which exceeded insurance coverage during any of the past three fiscal years.

Workers' Compensation, Liability and Property Insurance

The City participates in the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) for workers' compensation claims, liability (general, automobile, law enforcement, and errors/omissions), and property insurance. The TMLIRP is a public entity risk pool currently operating as a common risk management and insurance program. The risk pool is self-sustaining through member contributions and reinsures through commercial companies for claims in excess of pre-determined acceptable risk levels. Each department receives an allocation for the premium amount contributed to the pool. This cost is based on the pool's claims cost, which is adjusted to reflect the City's individual claims experience. Automobile claims are paid up to the actual cash value of the covered automobile. All other insured claims are paid at replacement cost.

B. Health Insurance

The City contracts with an insurance carrier to administer a self-insured health and dental insurance plan. This plan is funded by charges to other funds and charges to employees for extended benefits at their option. For the year ended September 30, 2021, total City and employee contributions to the plan were $5,481,388. Benefit payments, insurance premiums and administrative fees aggregated $5,094,301. The cumulative net position was $511,656 at September 30, 2021.

The transactions of the self-insurance plan are reported in the Insurance Internal Service Fund. The City pays a specified monthly amount for each employee and a portion of an employee's dependent coverage which averages approximately $1,283. The largest portion of this amount is dedicated to the direct payment of claims. The remaining part of the monthly amount is dedicated to the payment of administrative fees and commercial insurance for excess claims. The commercial insurance coverage becomes effective when the claims exceed the maximum amount per employee.

The liability for insurance claims is based on Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Accordingly, the insurance claims liability includes an estimate for incurred but not reported claims. All claims are expected to be settled within one year and have not been discounted due to their short-term nature and the immaterial effect of discounting the liability.

The following presentation shows the changes in claims liabilities for the years ended September 30, 2021 and 2020:

	2021	2020
Amount of claims liability - October 1	$ 233,005	$ 293,259
Incurred claims	4,018,305	4,098,917
Payments on claims	(3,877,345)	(4,159,171)
Amount of claims liability - September 30 (due within one year)	$ 373,965	$ 233,005

C. Landfill Closure and Postclosure Care Costs

The Cities of Sherman and Denison contracted with the Greater Texoma Utility Authority (GTUA) for use of the Dripping Springs landfill. The City owns the permitted area but GTUA is responsible for the operation and maintenance. This landfill was considered full at September 30, 1993, for financial reporting purposes and a liability was recognized by GTUA based on the future landfill closure and postclosure care cost estimates. The City is financially obligated for a portion of these costs related to gas and ground water monitoring. To date, the City has paid $1,111,982. These costs are expected to significantly decline in the near future and long-term costs cannot be reasonably estimated.

D. Commitments

Greater Texoma Utility Authority

The City has entered into various contracts with the Greater Texoma Utility Authority (GTUA), whereby GTUA provides water and sewer services to the City. As part of the contractual agreements, GTUA issues debt for the benefit of the City, the proceeds of which are used to finance construction of water and sewer facilities and infrastructure within the City. Although this debt is not that of the City, the City is contractually obligated for the repayment of principal and interest on the debt through a pledging of water and sewer revenues.

During the year ended September 30, 2021, the City paid $6,218,839 to GTUA in accordance with these contracts. Future payments under these contracts average approximately $6,000,000 per year for the next 20 years.

A summary of the remaining debt service as of September 30, 2021, is as follows:

Year Ending September 30,	Principal	Interest	Totals
2022	$ 4,887,600	$ 1,772,070	$ 6,659,670
2023	4,988,000	1,392,880	6,380,880
2024	5,444,480	1,672,819	7,117,299
2025	5,310,960	1,538,802	6,849,762
2026	5,447,440	1,399,606	6,847,046
2027-2031	25,797,160	4,889,639	30,686,799
2032-2036	20,275,000	2,042,682	22,317,682
2037-2041	7,370,000	559,272	7,929,272
2042-2046	2,400,000	154,550	2,554,550
Total	$ 81,920,640	$ 15,422,320	$ 97,342,960

Following is an excerpt from the audited financial statements of GTUA, reflecting the balances as of and for the year ended September 30, 2021. These assets, deferred outflows of resources, liabilities, and net position are not that of the City but are the City's allocation of resources held by GTUA.

SCHEDULE OF NET POSITION

	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,337,930	$ 167,323
Due from other funds	458,821	439,705
Restricted assets:		
Cash and cash equivalents	20,356,931	27,299,406
Total restricted assets	20,356,931	27,299,406
Total Current Assets	22,153,682	27,906,434
Noncurrent assets:		
Cash and cash equivalents	89,001	45,177
Temporary investments	16,960,000	5,408,740
Interest receivable	51,681	90,128
Capital assets (net)	60,763,154	62,816,324
Total Noncurrent Assets	77,863,836	68,360,369
Total assets	100,017,518	96,266,803
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	218,020	124,269
LIABILITIES		
Current liabilities:		
Accounts payable	208,588	237,762
Retainage payable	95,427	5,790
Accrued interest payable	855,069	851,446
Revenue bonds payable	4,975,000	4,885,000
Total current liabilities	6,134,084	5,979,998
Long-term liabilities:		
Revenue bonds payable	83,366,928	78,187,843
Total liabilities	89,501,012	84,167,841
NET POSITION		
Net investment in capital assets	(8,141,877)	2,174,939
Restricted - debt service	17,383,667	9,441,264
Unrestricted	1,492,736	607,028
Total net position	$ 10,734,526	$ 12,223,231

COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES

	2021	2020
OPERATING REVENUES		
Charges for services	$ 6,128,822	$ 6,752,591
Total operating revenues	6,128,822	6,752,591
OPERATING EXPENSES		
General and administrative	360,081	397,357
Depreciation	5,691,638	4,531,267
Total operating expenses	6,051,719	4,928,624
OPERATING INCOME (LOSS)	77,103	1,823,967
NONOPERATING REVENUE (EXPENSES)	(1,565,808)	(1,720,788)
TRANSFERS IN (OUT)	-	-
CHANGE IN NET POSITION	$(1,488,705)	$ 103,179

Grant Programs

The City participates in several federal and state assisted grant programs. Under the terms of these grants, the City is subject to program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. If future program compliance audits result in questioned or disallowed costs, reimbursements would be made to the grantor agencies. The amounts of expenditures which might be disallowed by the grantor agencies cannot be determined at this time; however, management believes such amounts, if any, would be immaterial.

Encumbrances

The City employs encumbrance accounting under which obligations in the form of purchase orders, contracts and other commitments for the expenditure of funds are reported as committed fund balances since they do not constitute expenditures or liabilities. Appropriations with outstanding commitments or encumbrances are carried into the following year.

The City had the following encumbrances at September 30, 2021:

	General
General government	$ 10,673
Public safety	353,477
Streets	8,094
Sanitation	38,667
Community services	101,795
General improvements	9,468
	$ 522,174

Component Unit

SEDCO entered into incentive agreements with various companies in Sherman to promote economic development. Under these agreements, SEDCO has agreed to pay amounts ranging from $70,000 to $1,900,000 to each of the individual companies if the companies meet certain requirements by a specified date. Total payments for the fiscal year 2021 under these agreements were $205,486. Potential payments for these agreements are estimated at $1,916,000 for the fiscal year ending September 30, 2022.

SEDCO has contracted with the City of Sherman to fund the City's debt service on the construction of certain infrastructure projects, including water and sewer lines along the west and east sides of Highway 75, sewer lines along Highway 289, sewer lines to Blalock Industrial Park, northbound entrance/exit ramps near Highway 75 and FM 1417, and the Northgate Drive extension. During the year ended September 30, 2021, SEDCO paid $655,027 to the City of Sherman in accordance with these contracts. Future payments under this contract average $382,732 over the next 16 years. A summary of the remaining debt service as of September 30, 2021, is as follows:

Year Ending September 30,	Principal	Interest	Total
2022	$ 386,428	$ 216,464	$ 602,892
2023	399,587	166,469	566,056
2024	415,532	152,453	567,985
2025	437,640	138,084	575,724
2026	450,708	122,887	573,595
2027-2031	1,687,143	418,199	2,105,342
2032-2036	948,989	116,518	1,065,507
2037	64,357	2,252	66,609
	$ 4,790,384	$ 1,333,326	$ 6,123,710

Construction Commitments

The City has active construction projects as of September 30, 2021. The projects include new street design and construction in developing areas, Texas Department of Transportation (TxDOT) highway projects within the city limits, new ballfields, bridge repairs, wastewater treatment plant and lift station improvements, water system extension and improvements, and stormwater drainage improvements. At year end, the City's commitments with contractors are as follows:

	Spent-to-Date	Remaining Commitment
Bridge repairs	$ 144,880	$ 17,320
Construction of new city building facilities	144,815	16,287,109
Drainage improvements	234,666	1,494,003
New street design and construction	8,791,828	5,088,166
Wastewater treatment plant and system improvements	182,717	271,775
Water system expansion/extension	228,633	36,450
Grand Total	$ 9,727,539	$ 23,194,823

Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City.

E. Tax Abatements

The City of Sherman is authorized by the Texas Local Government Code to enter into property tax abatement agreements and to offer a range of incentives designed to promote local economic development. For the year ended September 30, 2021, the City abated property taxes of $1,390,535 or 0.26% of the $535,276,576 market valuation of properties under these agreements. In accordance with these laws, the City has passed resolutions that establish guidelines and criteria for the administration of the following programs:

Industrial and Commercial Tax Reinvestment Incentives Texas Local Government Code Chapter 312

The City enters into property tax abatement agreements for industrial and commercial entities as stimulation for economic development in Sherman. The impact is based directly on the number and type of jobs created or retained, wages paid, value and economic life of real and personal property added to the tax rolls, local purchase of products and services, indirect employment gains and the general benefit of furthering the City's economic development. Once the industrial or commercial property is added to the tax rolls, the agreements generally call for five to ten years of property tax abatement ranging from 25%to 100%. Some agreements require commitments to create and maintain certain levels of full-time employment. Recapture provisions vary based on each agreement. Many of these agreements are granted in conjunction with other local taxing entities; however, each is approved separately by their governing boards. All abatements under this program for fiscal year 2021 are presented in the following table.

Economic Development Agreements Texas Local Government Code Chapter 380

The City enters into economic development agreements authorized under Chapter 380 with qualifying companies to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of Sherman. These agreements are tailored to company needs and offer a range of incentives designed to achieve the goals of the program. Grants based on a percentage of City taxes with terms ranging from 36% to 64% for five to ten years have been executed under the program, with no recapture provisions. No grant payments were made under this program for fiscal year 2021.

Residential Tax Abatement Program Texas Local Government Code Chapter 312

The City's Residential Tax Abatement Program provides property tax abatements for development or redevelopment of single-family residential structures within new or existing subdivisions in low-to-moderate income locations as a stimulus for economic development in Sherman. The abatements equal 100% of the property taxes on the added value above the base year value (as determined by the Grayson Appraisal District) for six years, 80% in year seven, 60% in year eight, 40% in year nine and 20% in year ten. There are no provisions for recapturing taxes abated in prior years. Tax abatements for this program have been aggregated for presentation purposes in the following table.

Central Business District Tax Abatement Program Texas Local Government Code Chapter 312

The City enters into property tax abatement agreements to promote development or redevelopment through modernization or new construction of commercial structures with improvements valued in excess of $25,000 in the Central Business District of Sherman. Property tax abatement agreements under this program generally call for abatements of 100% for five years with no provision to recapture taxes abated in prior years. No property tax abatements were granted under this program for fiscal year 2021.

Tax Abatement Program	Purpose	Recapture Provisions	Abated Property Tax Revenue for Fiscal Year 2021
Industrial and Commercial Reinvestment Incentives:			
Panda Sherman Power, LLC	Development and construction of electric generation facility	None	$ 641,293
Texas Instruments	Warehousing equipment	None	190,903
Kaiser Aluminum Fabricated Products, LLC	Building and facility improvements, equipment and machinery	None	51,900
JP Hart Lumber Company	Building, facility improvements, land, equipment and machinery	None	17,128
FinisarSherman RE HOLDCO LLC	Building, facility improvements, land, equipment and machinery	None	423,281
West Moore Solar II LLC	Building, facility improvements, land, equipment and machinery	None	18,973
Total Industrial and Commercial Reinvestment Incentives			1,343,478
Economic Development Agreements Chapter 380 Incentives:			
Riverside(East) Homebuilders, Ltd.	Building, facility improvements, land, equipment and machinery	None	15,017
Highland Homes - Dallas, LLC	Building, facility improvements, land, equipment and machinery	None	10,315
Total Chapter 380 Incentives			25,332
Residential Tax Abatement Program	Residential development and redevelopment in low to moderate income locations	None	21,725
Total Tax Abatements			$ 1,390,535

F. Joint Venture

The City has entered an agreement with the Cities of Denison and Gainesville and the Counties of Grayson and Cooke to form the Texoma Area Solid Waste Authority (TASWA). TASWA was organized in July 2000 for the purpose of aiding, assisting and acting on behalf of the participating entities in the financing, construction, ownership and operation of a Type I Municipal Solid Waste Landfill Facility.

TASWA began operation of the landfill during fiscal year 2006. Under the terms of the agreement, TASWA established fees for the member Cities (Sherman, Denison and Gainesville), who have pledged to deliver a guaranteed annual tonnage to the landfill facility. The fees may be recalculated to include changes in debt service requirements or estimated operational and postclosure expenses. According to its operational plan, there will be no significant accumulation of equity in TASWA by the participating governments.

A copy of TASWA's audited financial statements may be obtained directly from TASWA:

Texoma Area Solid Waste Authority, Inc. 20590 State Highway 56
Whitesboro, Texas 76273-4993 Phone: 903-564-4749

G. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all fulltime employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are the property of the beneficiary.

H. Net Pension and Total OPEB Liabilities and Expenses

Amounts are aggregated into a single net pension liability and total OPEB liabilities, and expenses for certain columns. Below is the detail of the net pension liability and total OPEB liabilities and expenses for governmental and business-type activities.

	Governmental Activities	Business-type Activities	Totals	Component Unit
Deferred Outflows:				
OPEB - Retiree health plan	$ 663,684	$ 174,512	$ 838,196	$ 8,125
OPEB - TMRS supplemental death benefit	425,160	111,793	536,953	5,205
Total Deferred Outflows	$ 1,088,844	$ 286,305	$ 1,375,149	$ 13,330
Net pension liability	$ 10,106,116	$ 2,657,335	$ 12,763,451	$ 123,717
Total OPEB liability:				
OPEB - Retiree health plan	$ 5,887,481	$ 1,548,073	$ 7,435,554	$ 72,073
OPEB - TMRS supplemental death benefit	1,489,776	391,727	1,881,503	18,238
Total OPEB liability	$ 7,377,257	$ 1,939,800	$ 9,317,057	$ 90,311
Deferred Inflows:				
OPEB - Retiree health plan	$ 1,363,723	$ 358,581	$ 1,722,304	$ 16,694
OPEB - TMRS supplemental death benefit	257,260	67,645	324,905	3,149
Total Deferred Inflows	$ 1,620,983	$ 426,226	$ 2,047,209	$ 19,843

	Governmental Activities	Business-type Activities	Totals	Component Unit
Pension expense	$ 1,811,267	$ 439,461	$ 2,250,728	$ 15,217
OPEB expense:				
OPEB - TMRS supplemental death benefit	$ 130,962	$ 30,845	$ 161,807	$ 924
OPEB - Retiree health plan	309,414	63,668	373,082	444
Total OPEB expense	$ 440,376	$ 94,513	$ 534,889	$ 1,368

I. Defined Benefit Pension Plan

Plan Description

The City participates as one of 895 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Comprehensive Annual Financial Report (Annual Report) that can be obtained at *tmrs.com.*

All eligible employees of the city are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The City grants monetary credits for service rendered of a theoretical amount equal to two times what would have been contributed by the employee, with interest. Monetary credits, also known as the matching ratio, are 200% of the employee's accumulated contributions and are only payable in the form of an annuity.

Beginning in 2000, the City granted an annually repeating (automatic) basis monetary credit referred to as an updated service credit (USC) which is a theoretical amount that takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employ match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, initiated in 2006, the City provided on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

Plan provisions for the City were as follows:

	Plan Year 2020	Plan Year 2019
Employee deposit rate	7.0%	7.0%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% repeating, transfers	100% repeating, transfers
Annuity increase (to retirees)	30% of CPI repeating	30% of CPI repeating

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	353
Inactive employees entitled to but not yet receiving benefits	186
Active employees	459
Total	998

Contributions

Member contribution rates in TMRS are either 5%, 6% or 7% of the Member's total compensation, and the city matching percentages are either 100%, 150% or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The city's contribution rate is based on the liabilities created from the benefit plan options selected by the city and any changes in benefits or actual experience over time.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 14.34% and 14.55% in calendar years 2020 and 2021, respectively. The City's contributions to TMRS for the year ended September 30, 2021, were $4,148,565, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The TPL in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall Payroll Growth	2.75% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2109 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset alloca- tion portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
Total	100.0%	

Discount Rate:

The discount rate used to measure the TPL was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2019	$ 155,659,666	$ 139,601,836	$ 16,057,830
Changes for the year:			
Service cost	4,499,305	-	4,499,305
Interest	10,371,517	-	10,371,517
Difference between expected and actual experience	(1,535,502)	-	(1,535,502)
Changes of assumptions	-	-	-
Contributions - employer	-	4,024,957	(4,024,957)
Contributions - employee	-	1,964,762	(1,964,762)
Net investment income	-	10,587,504	(10,587,504)
Benefit payments, including refunds of employee contributions	(8,514,436)	(8,514,436)	-
Administrative expense	-	(68,568)	68,568
Other changes	-	(2,675)	2,675
Net changes	4,820,884	7,991,544	(3,170,660)
Balance at December 31, 2020	$ 160,480,550	$ 147,593,380	$ 12,887,170

Sensitivity of the NPL to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Net Pension Liability (Asset)	$ 34,184,044	$ 12,887,170	$(4,686,941)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at *www.tmrs.com*.

Pension Expense and Deferred Outflows / Inflows of Resources Related to Pensions

For the year ended September 30, 2021, the City recognized pension expense of $2,250,728 and $15,217 for the component unit.

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	$ 780,440	$ 1,192,303
Change in actuarial assumptions	146,770	-
Difference between projected and actual investment earnings	-	3,921,193
Contributions subsequent to the measurement date	3,004,689	-
Total	$ 3,931,899	$ 5,113,496

At September 30, 2021, the Component Unit reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Component Unit

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	$ 7,565	$ 11,557
Change in actuarial assumptions	1,423	-
Difference between projected and actual investment earnings	-	38,008
Contributions subsequent to the measurement date	29,124	-
Total	$ 38,112	$ 49,565

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date in the amount of $3,004,689 will be recognized as a reduction of the NPL for the year ended September 30, 2022 for the City.

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date in the amount of $29,124 will be recognized as a reduction of the NPL for the year ended September 30, 2022 for the Component Unit.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

City Year Ended December 31,	Pension Expense
2022	$(1,332,931)
2023	153,479
2024	(2,569,264)
2025	(437,570)
Total	$(4,186,286)

Component Unit Year Ended December 31,	Pension Expense
2022	$(12,920)
2023	1,488
2024	(24,904)
2025	(4,241)
Total	$(40,577)

J. Other Postemployment Benefits

Plan Description. The City, through its substantive commitment to provide other post-employment benefits (OPEB) provides retiree medical coverage to eligible employees. To be eligible, a City employee retiring at age 62 or over must have at least 5 years of service with the City. City employees retiring before age 62 must have at least 20 years of service with the City. Retirees are required to pay the premium cost for both single and dependent coverage. The City also subsidizes certain retirees and dependents as a result of prior commitments. The plan qualifies as a single-employer defined benefit plan and is accounted for in the City's Insurance Fund and in the fund where the retiree last worked. A separate financial statement is not issued for the plan and no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Contributions. The City's contributions to the OPEB for the year ended September 30, 2021 were $564,853, which equal benefit payments for retirees.

The number of employees currently covered by the benefit terms is as follows:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	50
Active employees	451
Total	501

Actuarial Methods and Assumptions

Significant methods and assumptions were as follows:

Actuarial Valuation Date	December 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Discount Rate	2.00% as of December 31, 2020
Inflation Rate	2.50%
Salary Increases	3.50% to 11.50%, including inflation
Demographic Assumptions	Based on the experience study covering the four year period ending December 31, 2018 as conducted for the Texas Municipal Retirement System (TMRS).
Mortality	For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables published through 2019 to account for future mortality improvements.
Health care cost trend rates	For Pre-65, initial rate of 7.0% declining to an ultimate rate of 4.25% after 13 years.
Participation rates	25% for retirement ages between 50 and 65; 0% for employees who retire before age 50; 0% for employees who retire after the age of 65.
Discount rate	The discount rate changed from 2.75% as of December 31, 2019. Additionally, the participation rates were lowered, the dependent coverage assumption for females was lowered, and the health care trend rates were updated to reflect the plan's anticipated experience.

Projections of health benefits are based on the plan as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

A Single Discount Rate of 2% was used to measure the total OPEB liability. This Single Discount Rate was based on the municipal bond rates as of the measurement date. The source of the municipal bond rate was Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2020.

Changes in the Total OPEB Liability

The City's total OPEB liability of $7,507,627 was measured as of December 31, 2020 and was determined by an actuarial valuation as of December 31, 2020.

	Total OPEB Liability
Balance at 12/31/2019	$ 8,216,466
Changes for the year:	
Service cost	353,212
Interest on the total liability	224,515
Difference between expected and actual experience	(548,928)
Changes in assumptions and other inputs	(279,885)
Benefit payments	(457,753)
Net changes	(708,839)
Balance at 12/31/2020	$ 7,507,627

Changes of assumptions reflect a change in the discount rate from 2.75% as of December 31, 2019 to 2.00% as of December 31, 2020, lowering the participation rates and the dependent coverage assumption for females, and updates to the health care trend assumption to reflect the plan's anticipated experience.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2%) in measuring the total OPEB liability.

	1% Decrease in Discount Rate (1%)	Discount Rate (2%)	1% Increase in Discount Rate (3%)
Total OPEB Liability	$ 8,161,669	$ 7,507,627	$ 6,917,775

Healthcare Cost Trend Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB liability if the Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the total OPEB liability.

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB Liability	$ 6,800,564	$ 7,507,627	$ 8,341,187

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2021, the City recognized OPEB expense of $373,082 and $444 for the Component Unit.

At September 30, 2021, the City reported deferred outflows of resources related to OPEB from the following sources:

City

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 1,476,704
Changes in actuarial assumptions	423,573	245,600
Contributions subsequent to the measurement date	414,623	-
Total	$ 838,196	$ 1,722,304

At September 30, 2021, the Component Unit reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

Component Unit

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 14,314
Changes in actuarial assumptions	4,106	2,380
Contributions subsequent to the measurement date	4,019	-
Total	$ 8,125	$ 16,694

$414,623 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date are due to benefit payments the City paid with own assets and will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2022.

$4,019 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date are due to benefit payments the Component Unit paid with own assets and will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2022.

Other amounts of the reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

City

For the Year Ended September 30,	
2022	$(202,241)
2023	(202,241)
2024	(202,241)
2025	(202,241)
2026	(208,281)
Thereafter	(281,486)
Total	$(1,298,731)

Component Unit

For the Year Ended September 30,	
2022	$(1,960)
2023	(1,960)
2024	(1,960)
2025	(1,960)
2026	(2,019)
Thereafter	(2,729)
Total	$(12,588)

K. Defined Other Post-Employment Benefit Plans

TMRS Supplemental Death Benefits Fund

Plan Description. The City voluntarily participates in the Texas Municipal Retirement System Supplemental Death Benefits Fund (TMRS SDBF). The SDBF is a single-employer defined benefit Other Postemployment Benefit (OPEB) plan as defined by GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. It is established and administered in accordance with the TMRS Act identically to the City's pension plan.

Benefits Provided. The SDBF provides group-term life insurance to City employees who are active members in TMRS, including or not including retirees. The City Council opted into this program via an ordinance, and may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

Payments from this fund are similar to group-term life insurance benefits, and are paid to the designated beneficiaries upon the receipt of an approved application for payment. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death). The death benefit for retirees is considered an other employment benefit and is a fixed amount of $7,500.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	248
Inactive employees entitled to but not yet receiving benefits	36
Active employees	459
Total	743

Contributions. The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation, which was 0.26% for 2021 and 0.20% for 2020, of which 0.17% and 0.06%, respectively, represented the retiree-only portion for each year, as a percentage of annual covered payroll. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers. The City's contributions to the SDBF for the years ended September 30, 2021 and 2020 were $57,250 and $54,886, respectively, representing contributions for both active and retiree coverage, which equaled the required contributions each year.

Total OPEB Liability

The City's total OPEB liability of $1,899,741 was measured as of December 31, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The City's total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation rate	2.5% per annum
Discount rate	2.00%
Actuarial cost method	Entry Age Normal
Projected salary increases	3.50% to 11.50% including inflation

All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.

Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who became disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

The SDBF program is treated as an unfunded OPEB plan because the SDBF trust covers both actives and retirees and the assets are not segregated for these groups. As such, a single discount rate of 2% was used to measure the Total OPEB Liability. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2020.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Total OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2%) in measuring the Total OPEB Liability.

	1% Decrease in Discount Rate (1%)	Discount Rate (2%)	1% Increase in Discount Rate (3%)
Total OPEB Liability	$ 2,294,966	$ 1,899,741	$ 1,591,274

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 12/31/2019	$ 1,658,409
Changes for the year:	
Service cost	64,556
Interest	46,262
Difference between expected and actual experience	(90,851)
Changes of assumptions and other inputs	238,206
Benefit payments	(16,841)
Net changes	241,332
Balance at 12/31/2020	$ 1,899,741

Changes in assumptions and other inputs reflect a chance in the discount rate from 2.75% to 2%.

OPEB Expense and Deferred Outflows of Resources Related to OPEB. For the year ended September 30, 2021, the City recognized OPEB expense of $161,806 and $924 for the component unit. There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

City

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 106,013	$ 279,227
Changes in assumptions and other inputs	395,833	45,678
Contributions subsequent to the measurement date	35,107	-
Totals	$ 536,953	$ 324,905

At September 30, 2021, the Component Unit reported deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

Component Unit

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,028	$ 2,706
Changes in assumptions and other inputs	3,837	443
Contributions subsequent to the measurement date	340	-
Totals	$ 5,205	$ 3,149

$35,107 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Total OPEB Liability for the year ending September 30, 2022 for the City.

$340 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Total OPEB Liability for the year ending September 30, 2022 for the Component Unit.

Other amounts of the reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

City

For the Year Ended September 30,	
2022	$ 51,415
2023	51,070
2024	33,797
2025	13,956
2026	22,913
Thereafter	3,790
Total	$ 176,941

Component Unit

For the Year Ended September 30,	
2022	$ 498
2023	495
2024	328
2025	135
2026	222
Thereafter	38
Total	$ 1,716

L. Related Party Transactions

The City had two council members that had transactions with the City through their personal businesses. The two council members had transactions totaling $5,627 and $38,706. The City paid invoices of $28,815 to these vendors and $15,518 was paid to one of the members through withholding of employee transactions. One of the council members also had a right of way transfer in order to receive water services. Both members disclosed the financial relationship with the City on their conflict of interest questionnaires.

M. Subsequent Event

The City was notified that it has been overpaid in sales tax in the amount of $896,970, which includes SEDCO's portion of the overpayment. Starting October 2021, the City has entered into an agreement with the Texas Comptroller of Public Accounts to pay this overpayment back. The City's monthly sales tax deposits will be decreased by $40,771 a month for a 22-month period.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
GENERAL FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis
	Original	Final	
REVENUES			
Taxes			
General property	$ 12,254,100	$ 12,254,100	$ 12,445,529
City sales	18,369,000	21,037,000	21,563,812
Franchise	2,834,000	2,834,000	2,876,387
Nonproperty	160,840	160,840	166,708
Licenses and permits	665,200	665,200	810,670
Intergovernmental	968,785	1,991,785	1,922,483
Charges for services	2,312,381	2,893,381	3,062,485
Fines and forfeitures	559,650	559,650	336,442
Investment income	60,000	60,000	35,504
Donations	10,000	10,000	8,713
Miscellaneous	349,220	349,220	240,406
Total revenues	38,543,176	42,815,176	43,469,139
EXPENDITURES			
Current:			
General government	6,612,978	7,308,728	7,165,907
Public safety	24,324,831	24,895,851	24,529,901
Streets	4,179,833	4,247,791	3,897,857
Sanitation	921,145	911,863	709,899
Community services	5,460,930	5,992,652	5,729,479
Capital outlay	421,815	637,544	346,465
Total expenditures	41,921,532	43,994,429	42,379,508
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,378,356)	(1,179,253)	1,089,631
OTHER FINANCING SOURCES (USES)			
Transfers in	4,881,000	4,881,000	3,927,975
Transfers out	(210,000)	(860,000)	(860,000)
Total other financing sources (uses)	4,671,000	4,021,000	3,067,975
NET CHANGE IN FUND BALANCE	1,292,644	2,841,747	4,157,606
FUND BALANCE, BEGINNING	12,746,493	12,746,493	12,746,493
FUND BALANCE, ENDING	$ 14,039,137	$ 15,588,240	$ 16,904,099

The major differences between the budget basis and GAAP basis are that encumbrances are recorded as the equivalent of expenditures (budget basis) as opposed to a reservation of fund balance (GAAP basis). The City also records sales tax and on the cash basis for budget purposes. The adjustments necessary to convert from the GAAP basis to the budget basis are as follows:

Reverse accrual for sales tax for budget basis	$(526,085)
Encumbrances from prior year not recognized for budget basis	178,559
Encumbrances from this year recognized for budget basis	(370,984)
Total adjustments between GAAP and budget basis	$(718,510)

Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
$ -	$ 12,445,529	$ 191,429
(526,085)	21,037,727	727
-	2,876,387	42,387
-	166,708	5,868
-	810,670	145,470
-	1,922,483	(69,302)
-	3,062,485	169,104
-	336,442	(223,208)
-	35,504	(24,496)
-	8,713	(1,287)
-	240,406	(108,814)
(526,085)	42,943,054	127,878
10,673	7,176,580	132,148
132,763	24,662,664	233,187
(6,521)	3,891,336	356,455
-	709,899	201,964
47,101	5,776,580	216,072
8,409	354,874	282,670
192,425	42,571,933	1,422,496
(718,510)	371,121	1,550,374
-	3,927,975	(953,025)
-	(860,000)	-
-	3,067,975	(953,025)
(718,510)	3,439,096	597,349
-	12,746,493	-
$(718,510)	$ 16,185,589	$ 597,349

CITY OF SHERMAN, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION
LIABILITY AND RELATED RATIOS

	Year Ended December 31, 2020	Year Ended December 31, 2019
Total Pension Liability		
Service Cost	$ 4,499,305	$ 4,230,570
Interest (on the Total Pension Liability)	10,371,517	9,912,992
Difference Between Expected and Actual Experience	(1,535,502)	639,165
Changes of Assumptions	-	263,070
Benefit Payments, including Refunds of Employee Contributions	(8,514,436)	(8,259,971)
Net Change in Total Pension Liability	4,820,884	6,785,826
Total Pension Liability - Beginning	155,659,666	148,873,840
Total Pension Liability - Ending (a)	$ 160,480,550	$ 155,659,666
Plan Fiduciary Net Position		
Contributions - Employer	$ 4,024,957	$ 3,779,847
Contributions - Employee	1,964,762	1,911,958
Net Investment Income	10,587,504	19,038,402
Benefit Payments, including Refunds of Employee Contributions	(8,514,436)	(8,259,971)
Administrative Expense	(68,568)	(107,658)
Other	(2,675)	(3,234)
Net Change in Plan Fiduciary Net Positon	7,991,544	16,359,344
Plan Fiduciary Net Position - Beginning	139,601,836	123,242,492
Plan Fiduciary Net Position - Ending (b)	$ 147,593,380	$ 139,601,836
Net Pension Liability (Asset) - ending (a) - (b)	$ 12,887,170	$ 16,057,830
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.97%	89.68%
Covered Payroll	$ 28,068,030	$ 26,929,153
Net Pension Liability (Asset) as a Percentage of Covered Payroll	45.91%	59.63%

GASB 68 requires 10 fiscal years of data to be provided in this schedule. Additional years will be displayed as they become available.

Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
$ 3,883,639	$ 3,649,444	$ 3,486,523	$ 3,226,817	$ 2,979,275
9,447,203	9,050,846	8,656,254	8,473,364	8,161,413
1,223,491	96,380	350,688	(618,003)	(628,326)
-	-	-	2,493,834	-
(7,394,476)	(6,689,131)	(6,769,128)	(6,257,098)	(6,102,278)
7,159,857	6,107,539	5,724,337	7,318,914	4,410,084
141,713,983	135,606,444	129,882,107	122,563,193	118,153,109
$ 148,873,840	$ 141,713,983	$ 135,606,444	$ 129,882,107	$ 122,563,193
$ 3,500,405	$ 3,285,194	$ 2,940,094	$ 2,904,162	$ 2,921,484
1,731,652	1,624,037	1,548,582	1,477,221	1,420,534
(3,872,794)	15,968,315	7,443,517	165,252	6,158,745
(7,394,476)	(6,689,131)	(6,769,128)	(6,257,098)	(6,102,278)
(74,888)	(82,784)	(84,096)	(100,658)	(64,305)
(3,911)	(4,195)	(4,531)	(4,972)	(5,287)
(6,114,012)	14,101,436	5,074,438	(1,816,093)	4,328,893
129,356,504	115,255,068	110,180,630	111,996,723	107,667,830
$ 123,242,492	$ 129,356,504	$ 115,255,068	$ 110,180,630	$ 111,996,723
$ 25,631,348	$ 12,357,479	$ 20,351,376	$ 19,701,477	$ 10,566,470
82.78%	91.28%	84.99%	84.83%	91.38%
$ 24,736,553	$ 23,200,533	$ 22,122,605	$ 21,118,153	$ 20,293,345
103.62%	53.26%	91.99%	93.29%	52.07%

CITY OF SHERMAN, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM

Year Ended September 30,	2021	2020	2019
Actuarially Determined Contribution	$ 4,136,055	$ 3,905,318	$ 3,701,373
Contributions in Relation to the Actuarially Determined Contribution	4,136,055	3,905,318	3,701,373
Contribution Deficiency (Excess)	$ -	$ -	$ -
Covered Payroll	$ 28,624,847	$ 27,443,124	$ 26,523,239
Contributions as a Percentage of Covered Employee Payroll	14.45%	14.23%	13.96%

Notes to Schedule of Contributions

Valuation Date	Actuarially determined contribution rates are calculated as of December 31 and become effective 13 months later (in January).

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	10 year smoothed market; 12% soft corridor
Inflation	2.5%
Salary Increases	3.5% to 11.5%, including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.
Other Information	There were no benefit changes during the year.

GASB 68 requires 10 fiscal years of data to be provided in this schedule. Additional years will be displayed as they become available.

2018	2017	2016	2015
$ 3,432,140	$ 3,198,051	$ 2,911,816	$ 2,883,283
3,432,140	3,198,051	2,911,816	2,883,283
$ -	$ -	$ -	$ -
$ 24,250,983	$ 22,954,410	$ 21,711,800	$ 20,725,423
14.15%	13.93%	13.41%	13.91%

CITY OF SHERMAN, TEXAS

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS
RETIREE INSURANCE BENEFITS PLAN

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Plan Year ended December 31,	**2020**	**2019**	**2018**	**2017**
A. Total OPEB liability				
Service Cost	$ 353,212	$ 267,401	$ 322,200	$ 250,905
Interest (on the Total OPEB Liability)	224,515	289,859	290,538	321,034
Difference between expected and actual experience	(548,928)	(141,126)	(1,183,991)	(265,075)
Changes of assumptions	(279,885)	314,951	14,195	343,497
Benefit payments, including refunds of employee contributions	(457,753)	(387,662)	(372,776)	(296,252)
Net change in Total OPEB liability	(708,839)	343,423	(929,834)	354,109
Total OPEB liability - beginning	8,216,466	7,873,043	8,802,877	8,448,768
Total OPEB liability - ending (a)	7,507,627	8,216,466	7,873,043	8,802,877
B. Covered-employee payroll	$ 27,729,829	$ 26,929,139	$ 24,736,553	$ 23,200,536
C. Total OPEB liability as a percentage of covered-employee payroll	27.07%	30.51%	31.83%	37.94%

Note: This schedule is required to have 10 years of information, but the information prior to 2017 is not available.

Note: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

Note: Changes of assumptions reflect a change in the discount rate from 2.75% as of December 31, 2019 to 2.00% as of December 31, 2020, lowering the participation rates and the dependent coverage assumption for females, and updates to the health care trend assumption to reflect the plan's anticipated experience.

CITY OF SHERMAN, TEXAS

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM - SUPPLEMENTAL DEATH BENEFITS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Plan Year ended December 31,	**2020**	**2019**	**2018**	**2017**
A. Total OPEB liability				
Service Cost	$ 64,556	$ 48,472	$ 51,947	$ 41,761
Interest (on the Total OPEB Liability)	46,262	60,886	47,552	47,400
Difference between expected and actual experience	(90,851)	(306,729)	214,798	-
Changes of assumptions	238,206	246,961	(92,549)	103,930
Benefit payments, including refunds of employee contributions	(16,841)	(16,157)	(14,842)	(16,240)
Net change in Total OPEB liability	241,332	33,433	206,906	176,851
Total OPEB liability - beginning	1,658,409	1,624,976	1,418,070	1,241,219
Total OPEB liability - ending (a)	1,899,741	1,658,409	1,624,976	1,418,070
B. Covered-employee payroll	$ 28,068,030	$ 26,929,153	$ 24,736,553	$ 23,200,533
C. Total OPEB liability as a percentage of covered-employee payroll	6.77%	6.16%	6.57%	6.11%

Note: This schedule is required to have 10 years of information, but the information prior to 2017 is not available.

Note: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

CITY OF SHERMAN, TEXAS

BUDGETARY COMAPRISON SCHEDULE
GENERAL FUND REVENUES AND OTHER FINANCING SOURCES

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis
	Original	Final	
REVENUES			
Taxes:			
General property taxes:			
Current and delinquent taxes revenue	$ 12,145,100	$ 12,145,100	$ 12,272,468
Penalty and interest	108,000	108,000	167,592
Abatement	1,000	1,000	5,469
Total general property taxes	12,254,100	12,254,100	12,445,529
City sales tax	18,369,000	21,037,000	21,563,812
Franchise taxes:			
Electric	2,012,000	2,012,000	1,997,177
Telephone	80,000	80,000	69,715
Gas franchise	475,000	475,000	577,635
Cable television	267,000	267,000	231,860
Total franchise taxes	2,834,000	2,834,000	2,876,387
Nonproperty taxes	160,840	160,840	166,708
Total taxes	33,617,940	36,285,940	37,052,436
Licenses and permits:			
Building permit fees	310,000	310,000	185,756
Electrical, heating and air permits	45,200	45,200	111,019
Plumbing permits	60,000	60,000	151,727
Residential and sanitation permits	244,500	244,500	358,323
Garage and other permits	5,500	5,500	3,845
Total licenses and permits	665,200	665,200	810,670
Intergovernmental:			
Intergovernmental	968,785	1,991,785	1,922,483
Total intergovernmental	968,785	1,991,785	1,922,483
Charges for services:			
Current services and charges:			
Utility paving cuts	250,000	250,000	277,790
Ambulance service	1,200,000	1,200,000	1,331,286
County fire and ambulance services	235,891	235,891	235,891
Pound fees	90,000	90,000	75,302
Other	93,140	674,140	611,108
Total current services and charges	1,869,031	2,450,031	2,531,377

Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
$ -	$ 12,272,468	$ 127,368
-	167,592	59,592
-	5,469	4,469
-	12,445,529	191,429
(526,085)	21,037,727	727
-	1,997,177	(14,823)
-	69,715	(10,285)
-	577,635	102,635
-	231,860	(35,140)
-	2,876,387	42,387
-	166,708	5,868
(526,085)	36,526,351	240,411
-	185,756	(124,244)
-	111,019	65,819
-	151,727	91,727
-	358,323	113,823
-	3,845	(1,655)
-	810,670	145,470
-	1,922,483	(69,302)
-	1,922,483	(69,302)
-	277,790	27,790
-	1,331,286	131,286
-	235,891	-
-	75,302	(14,698)
-	611,108	(63,032)
-	2,531,377	81,346

CITY OF SHERMAN, TEXAS

BUDGETARY COMAPRISON SCHEDULE
GENERAL FUND REVENUES AND OTHER FINANCING SOURCES

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis
	Original	Final	
REVENUES			
Charges for services: (Continued)			
Recreation:			
Recreation	$ 16,750	$ 16,750	$ 57,868
Swimming pools	140,000	140,000	137,611
Pool concession sales	25,000	25,000	31,126
Special programs	75,000	75,000	57,935
Total recreation	256,750	256,750	284,540
Property use:			
Vending machine lease	800	800	243
Rentals	20,200	20,200	23,215
Total property use	21,000	21,000	23,458
Cemetery sales and services:			
Lot sales	60,100	60,100	106,340
Interments	90,000	90,000	112,015
Other services	15,500	15,500	4,755
Total cemetery sales and services	165,600	165,600	223,110
Total charges for services	2,312,381	2,893,381	3,062,485
Fines and forfeitures:			
Corporation court fines	500,000	500,000	264,945
Library fees	8,500	8,500	1,803
Fees for collection of state fines	6,000	6,000	8,940
Abandoned vehicles	2,000	2,000	3,760
Other	43,150	43,150	56,994
Total fines and forfeitures	559,650	559,650	336,442
Interest and miscellaneous:			
Investment income	60,000	60,000	35,504
Donations	10,000	10,000	8,713
Miscellaneous	349,220	349,220	240,406
Total interest and miscellaneous	419,220	419,220	284,623
Other financing sources:			
Transfers in	4,881,000	4,881,000	3,927,975
Total other financing sources	4,881,000	4,881,000	3,927,975
Total revenues and other financing sources	$ 43,424,176	$ 47,696,176	$ 47,397,114

Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
$ -	$ 57,868	$ 41,118
-	137,611	(2,389)
-	31,126	6,126
-	57,935	(17,065)
-	284,540	27,790
-	243	(557)
-	23,215	3,015
-	23,458	2,458
-	106,340	46,240
-	112,015	22,015
-	4,755	(10,745)
-	223,110	57,510
-	3,062,485	169,104
-	264,945	(235,055)
-	1,803	(6,697)
-	8,940	2,940
-	3,760	1,760
-	56,994	13,844
-	336,442	(223,208)
-	35,504	(24,496)
-	8,713	(1,287)
-	240,406	(108,814)
-	284,623	(134,597)
-	3,927,975	(953,025)
-	3,927,975	(953,025)
$(526,085)	$ 46,871,029	$(825,147)

CITY OF SHERMAN, TEXAS

BUDGETARY COMPARISION SCHEDULE
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis
	Original	Final	
EXPENDITURES			
General government:			
Mayor and City Council:			
Personnel services	$ 13,112	$ 13,112	$ 10,565
Supplies	12,700	12,700	9,772
Other services and charges	133,060	136,524	115,498
Total Mayor and City Council	158,872	162,336	135,835
Management services:			
Personnel services	891,792	891,792	962,334
Supplies	23,000	36,000	30,753
Other services and charges	130,110	121,636	76,252
Total management services	1,044,902	1,049,428	1,069,339
Public records:			
Personnel services	221,089	221,089	188,453
Supplies	15,869	15,869	5,881
Other services and charges	54,008	57,274	46,634
Total public records	290,966	294,232	240,968
Legal services:			
Personnel services	216,421	63,607	60,780
Supplies	3,850	3,850	2,616
Other services and charges	13,925	365,667	341,291
Total legal services	234,196	433,124	404,687
Financial services:			
Personnel services	725,253	725,253	721,930
Supplies	16,150	16,150	13,241
Other services and charges	65,727	71,340	80,539
Total financial services	807,130	812,743	815,710
Human resources:			
Personnel services	386,617	386,617	383,349
Supplies	22,860	22,860	7,814
Other services and charges	205,777	210,151	284,326
Total human resources	615,254	619,628	675,489
Engineering services:			
Personnel services	868,187	868,187	855,745
Supplies	14,800	15,915	12,962
Other services and charges	146,027	151,651	172,376
Total engineering services	1,029,014	1,035,753	1,041,083

Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
$ -	$ 10,565	$ 2,547
-	9,772	2,928
-	115,498	21,026
-	135,835	26,501
-	962,334	(70,542)
6,606	37,359	(1,359)
-	76,252	45,384
6,606	1,075,945	(26,517)
-	188,453	32,636
-	5,881	9,988
-	46,634	10,640
-	240,968	53,264
-	60,780	2,827
-	2,616	1,234
-	341,291	24,376
-	404,687	28,437
-	721,930	3,323
-	13,241	2,909
-	80,539	(9,199)
-	815,710	(2,967)
-	383,349	3,268
1,427	9,241	13,619
-	284,326	(74,175)
1,427	676,916	(57,288)
-	855,745	12,442
2,640	15,602	313
-	172,376	(20,725)
2,640	1,043,723	(7,970)

CITY OF SHERMAN, TEXAS

BUDGETARY COMPARISION SCHEDULE
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP
	Original	Final	Basis
EXPENDITURES (Continued)			
General government: (Continued)			
Public buildings maintenance:			
Personnel services	$ 647,681	$ 647,681	$ 591,778
Supplies	30,183	30,183	27,506
Other services and charges	140,705	146,763	208,943
Capital outlay	105,000	105,000	-
Total public buildings maintenance	923,569	929,627	828,227
Nondepartmental:			
Personnel services	224,248	224,248	215,011
Supplies	24,300	24,300	10,782
Other services and charges	1,365,527	1,828,309	1,728,776
Total nondepartmental	1,614,075	2,076,857	1,954,569
Total general government	6,717,978	7,413,728	7,165,907
Public safety:			
Law enforcement services:			
Personnel services	8,093,977	8,093,977	7,712,887
Supplies	218,271	218,271	217,116
Other services and charges	1,004,497	1,074,951	1,091,472
Capital outlay	-	-	9,755
Total law enforcement services	9,316,745	9,387,199	9,031,230
Fire and ambulance services:			
Personnel services	9,450,322	9,450,322	9,472,007
Supplies	889,403	1,184,707	1,133,251
Other services and charges	1,342,720	1,517,198	1,356,736
Capital outlay	145,500	264,029	172,604
Total fire and ambulance services	11,827,945	12,416,256	12,134,598
Fire administrative support:			
Personnel services	127,814	127,814	120,638
Total fire administrative support	127,814	127,814	120,638
Public safety support:			
Personnel services	1,459,651	1,459,651	1,525,129
Supplies	92,068	91,832	56,848
Other services and charges	425,543	442,983	406,450
Capital outlay	-	799	1,400
Total public safety support	1,977,262	1,995,265	1,989,827

Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
$ -	$ 591,778	$ 55,903
-	27,506	2,677
-	208,943	(62,180)
-	-	105,000
-	828,227	101,400
-	215,011	9,237
-	10,782	13,518
-	1,728,776	99,533
-	1,954,569	122,288
10,673	7,176,580	237,148
-	7,712,887	381,090
64,601	281,717	(63,446)
6,825	1,098,297	(23,346)
-	9,755	(9,755)
71,426	9,102,656	284,543
-	9,472,007	(21,685)
(1,268)	1,131,983	52,724
11,026	1,367,762	149,436
(29,859)	142,745	121,284
(20,101)	12,114,497	301,759
-	120,638	7,176
-	120,638	7,176
-	1,525,129	(65,478)
25,058	81,906	9,926
19,143	425,593	17,390
(399)	1,001	(202)
43,802	2,033,629	(38,364)

CITY OF SHERMAN, TEXAS

BUDGETARY COMPARISION SCHEDULE
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis
	Original	Final	
EXPENDITURES (Continued)			
Public safety: (Continued)			
Building and zoning:			
Personnel services	$ 679,076	$ 679,076	$ 867,821
Supplies	27,640	27,640	17,069
Other services and charges	90,102	97,793	118,634
Total building and zoning	796,818	804,509	1,003,524
Judicial services:			
Personnel services	171,524	171,524	168,529
Supplies	8,800	8,800	6,554
Other services and charges	47,635	50,096	53,534
Total judicial services	227,959	230,420	228,617
Emergency management:			
Personnel services	96,478	96,478	94,700
Supplies	11,700	16,700	29,046
Other services and charges	87,610	86,038	81,480
Total emergency management	195,788	199,216	205,226
Total public safety	24,470,331	25,160,679	24,713,660
Streets:			
Streets maintenance:			
Personnel services	1,628,623	1,628,623	1,359,607
Supplies	62,016	63,759	55,870
Other services and charges	2,058,868	2,119,420	2,063,745
Capital outlay	18,000	18,000	35,358
Total streets maintenance	3,767,507	3,829,802	3,514,580
Stormwater services:			
Other services and charges	6,004	6,004	1,772
Total stormwater services	6,004	6,004	1,772
Environmental code services:			
Personnel services	284,267	284,267	281,373
Supplies	14,450	14,450	7,072
Other services and charges	125,605	131,268	128,418
Total environmental code services	424,322	429,985	416,863
Total streets	4,197,833	4,265,791	3,933,215

Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
$ -	$ 867,821	$(188,745)
329	17,398	10,242
-	118,634	(20,841)
329	1,003,853	(199,344)
-	168,529	2,995
-	6,554	2,246
-	53,534	(3,438)
-	228,617	1,803
-	94,700	1,778
4,489	33,535	(16,835)
2,560	84,040	1,998
7,049	212,275	(13,059)
102,505	24,816,165	344,514
-	1,359,607	269,016
(1,743)	54,127	9,632
(6,411)	2,057,334	62,086
-	35,358	(17,358)
(8,154)	3,506,426	323,376
-	1,772	4,232
-	1,772	4,232
-	281,373	2,894
1,633	8,705	5,745
-	128,418	2,850
1,633	418,496	11,489
(6,521)	3,926,694	339,097

CITY OF SHERMAN, TEXAS

BUDGETARY COMPARISION SCHEDULE
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis
	Original	Final	
EXPENDITURES (Continued)			
Sanitation:			
Animal control:			
Personnel services	$ 618,651	$ 618,651	$ 391,121
Supplies	134,665	123,586	125,886
Other services and charges	167,829	169,626	192,892
Capital outlay	56,000	82,700	43,717
Total animal control	977,145	994,563	753,616
Total sanitation	977,145	994,563	753,616
Community services:			
Cemetery services:			
Personnel services	424,282	424,282	403,381
Supplies	25,679	25,679	27,774
Other services and charges	141,706	173,528	167,197
Capital outlay	70,825	70,825	-
Total cemetery services	662,492	694,314	598,352
Parks and recreation:			
Personnel services	553,000	553,000	485,828
Supplies	36,357	46,357	42,004
Other services and charges	146,326	167,132	153,986
Capital outlay	-	65,815	76,791
Total parks and recreation	735,683	832,304	758,609
Parks maintenance:			
Personnel services	1,406,368	1,406,368	1,300,006
Supplies	96,095	97,457	113,822
Other services and charges	504,612	538,737	624,441
Capital outlay	19,990	19,990	-
Total parks maintenance	2,027,065	2,062,552	2,038,269
Swimming pools:			
Personnel services	225,142	225,142	164,637
Supplies	88,847	94,155	87,777
Other services and charges	172,380	175,281	94,136
Total swimming pools	486,369	494,578	346,550
Library services:			
Personnel services	603,800	603,800	603,797
Supplies	81,400	77,514	76,623
Other services and charges	172,493	179,236	186,773
Capital outlay	-	3,886	6,840
Total library services	857,693	864,436	874,033

Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
$ -	$ 391,121	$ 227,530
-	125,886	(2,300)
-	192,892	(23,266)
38,667	82,384	316
38,667	792,283	202,280
38,667	792,283	202,280
-	403,381	20,901
-	27,774	(2,095)
15,445	182,642	(9,114)
-	-	70,825
15,445	613,797	80,517
-	485,828	67,172
3,655	45,659	698
(14,400)	139,586	27,546
-	76,791	(10,976)
(10,745)	747,864	84,440
-	1,300,006	106,362
(1,362)	112,460	(15,003)
-	624,441	(85,704)
-	-	19,990
(1,362)	2,036,907	25,645
-	164,637	60,505
(3,439)	84,338	9,817
37,834	131,970	43,311
34,395	380,945	113,633
-	603,797	3
8,537	85,160	(7,646)
-	186,773	(7,537)
-	6,840	(2,954)
8,537	882,570	(18,134)

CITY OF SHERMAN, TEXAS

BUDGETARY COMPARISION SCHEDULE
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis
	Original	Final	
EXPENDITURES (Continued)			
Community services: (Continued)			
Neighborhood services:			
Personnel services	$ 270,604	$ 270,604	$ 286,793
Supplies	9,600	9,600	6,782
Other services and charges	199,405	203,009	192,550
Capital outlay	6,500	6,500	-
Total neighborhood services	486,109	489,713	486,125
Senior Citizens Center:			
Personnel services	132,681	132,681	131,336
Supplies	25,688	25,688	20,349
Other services and charges	93,981	98,918	100,737
Total Senior Citizens Center	252,350	257,287	252,422
Main Street Program:			
Personnel services	23,734	23,734	23,878
Supplies	2,000	2,000	2,440
Other services and charges	24,750	438,750	432,432
Total Main Street Program	50,484	464,484	458,750
Total community services	5,558,245	6,159,668	5,813,110
Total expenditures	41,921,532	43,994,429	42,379,508
OTHER FINANCING USES			
Transfers out	210,000	860,000	860,000
Total other financing uses	210,000	860,000	860,000
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 42,131,532	$ 44,854,429	$ 43,239,508

Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
$ -	$ 286,793	$(16,189)
-	6,782	2,818
-	192,550	10,459
-	-	6,500
-	486,125	3,588
-	131,336	1,345
831	21,180	4,508
-	100,737	(1,819)
831	253,253	4,034
-	23,878	(144)
-	2,440	(440)
-	432,432	6,318
-	458,750	5,734
47,101	5,860,211	299,457
192,425	42,571,933	1,422,496
-	860,000	-
-	860,000	-
$ 192,425	$ 43,431,933	$ 1,422,496

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
GENERAL IMPROVEMENT FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Investment income	$ 250,000	$ 250,000	$ 7,553	$ 7,553	$(242,447)
Intergovernmental	500,000	500,000	-	-	(500,000)
Miscellaneous	4,000,000	4,000,000	-	-	(4,000,000)
Total revenues	4,750,000	4,750,000	7,553	7,553	(4,742,447)
EXPENDITURES					
Current:					
Streets	2,792,323	2,792,323	2,792,323	2,782,855	9,468
Capital outlay:					
Infrastructure and facility improvements	6,987,467	9,395,935	4,374,166	4,383,634	5,012,301
Debt service:					
Debt issuance costs	-	-	155,273	-	-
Total expenditures	9,779,790	12,188,258	7,321,762	7,166,489	5,021,769
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,029,790)	(7,438,258)	(7,314,209)	(7,158,936)	279,322
OTHER FINANCING SOURCES (USES)					
Issuance of bonds	-	30,000,000	29,025,000	29,025,000	975,000
Premium on debt issuance	-	-	1,130,384	1,130,384	(1,130,384)
Sale of general capital assets	-	-	3,647,497	3,647,497	(3,647,497)
Transfers in	-	250,000	250,000	250,000	-
Total other financing sources (uses)	-	30,250,000	34,052,881	34,052,881	(3,802,881)
NET CHANGE IN FUND BALANCE	(5,029,790)	22,811,742	26,738,672	26,893,945	4,082,203
FUND BALANCE, BEGINNING	9,656,462	9,656,462	9,656,462	9,656,462	-
FUND BALANCE, ENDING	$ 4,626,672	$ 32,468,204	$ 36,395,134	$ 36,550,407	$ 4,082,203

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP	Actual Budget	Final Budget
	Original	Final	Basis	Basis	Variance
REVENUES					
General property taxes	$ 5,104,023	$ 5,104,023	$ 4,663,048	$ 4,663,048	$(440,975)
Investment income	5,500	5,500	2,119	2,119	(3,381)
Miscellaneous	-	-	2,576	2,576	2,576
Total revenues	5,109,523	5,109,523	4,667,743	4,667,743	(441,780)
EXPENDITURES					
Debt service:					
Principal	3,525,000	3,525,000	3,125,000	3,125,000	400,000
Interest	2,632,483	2,632,483	2,624,486	2,624,486	7,997
Agent fees	7,750	7,750	4,700	4,700	3,050
Total expenditures	6,165,233	6,165,233	5,754,186	5,754,186	411,047
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,055,710)	(1,055,710)	(1,086,443)	(1,086,443)	(30,733)
OTHER FINANCING SOURCES (USES)					
Transfers in	1,070,490	1,070,490	1,070,491	1,070,491	1
Total other financing sources (uses)	1,070,490	1,070,490	1,070,491	1,070,491	1
NET CHANGE IN FUND BALANCE	14,780	14,780	(15,952)	(15,952)	(30,732)
FUND BALANCE, BEGINNING	451,868	451,868	451,868	451,868	-
FUND BALANCE, ENDING	$ 466,648	$ 466,648	$ 435,916	$ 435,916	$(30,732)

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COMBINING STATEMENTS

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Hotel-Motel Fund – This fund accounts for revenue from a seven percent tax levied upon the cost of a hotel or motel room in the City, and for the operations of the Municipal Ballroom and Kidd-Key Auditorium which are supported by the tax. According to state civil statutes, this tax revenue can be used to promote tourism, maintain and repair convention facilities, promote the arts and humanities, or any other purpose directly related to those activities. Additionally, in accordance with bond covenants, two percent of the seven percent is to be used to pay debt service on bonds issued for auditorium improvements. These funds are accounted for in a separate Debt Service Fund.

Community Development Fund – This fund accounts for revenues received from the Community Development Block Grant and the expenditures allowed by grant terms.

PRIDE Program Fund – This fund accounts for public donations through a voluntary one dollar charge on utility bills for the parks and recreation improvement program, police drug enforcement program and/or the library.

Drug Enforcement Fund - This fund accounts for forfeitures awarded to the City by the courts and drug enforcement expenditures.

Municipal Airport Fund – This fund accounts for operations of the City's municipal airport and for grant moneys received to make capital improvements at the airport.

Emergency 9-1-1 Fund – This fund accounts for a public safety program that uses the charges to phone lines for enhanced 9-1-1 service for emergency dispatch services.

Court Security and Technology Fund – This fund accounts for two public safety programs that use court security and technology fees charged by the municipal court for expenditures related to the court.

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Street Revolving Fund – This fund accounts for street assessments, escrow deposits for future street improvements and donations by citizens for specific street improvements.

TIF #2 Construction Fund – This fund accounts for payments for infrastructure improvements within the zone that includes downtown on a pay-as-you-go basis.

TIF #3 Construction Fund – This fund accounts for payments for infrastructure improvements within the zone that includes the northeast corner of the intersection of US Hwy 75 and Loy Lake Road on a pay-as-you-go basis.

TIRZ #5 Construction Fund – This fund accounts for payments for infrastructure improvements within the zone that includes the northwest corner of US Hwy 75 and FM 1417 on a pay-as-you-go basis.

TIRZ #6 Construction Fund – This fund accounts for payments for infrastructure improvements within the zone that includes the area south of the intersection of US Hwy 75 and FM 691 on a pay-as-you-go basis.

TIRZ #7 Construction Fund – This fund accounts for payments for infrastructure improvements within the zone that includes the southeast corner of US Hwy 75 and FM 1417 on a pay-as-you-go basis.

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CAPITAL PROJECT FUNDS (Continued)

Roadway Impact Fee Zone #3 – This fund accounts for the assessment imposed against new development in Roadway Service Area 3, defined primarily as the area south of US Hwy 82 and east of US Hwy 75. The City of Sherman began collecting impact fees June 7, 2021, in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development in this service zone.

Regional Detention Construction Fund – This fund accounts for fees collected from real estate developers to be used for the future construction of a regional stormwater detention facility.

Stormwater Fund – This fund accounts for the fee assessed on impervious area in the City collected on utility bills. The revenue from the fee is restricted by law for use on stormwater projects.

PERMANENT FUND

The Permanent Fund is used to account for the resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's program.

Perpetual Care, Cemetery and Mausoleum Fund – This fund is used to account for principal trust amounts received and related interest income. The interest portion of this fund can be used to maintain the community cemetery.

CITY OF SHERMAN, TEXAS

COMBINING BALANCE SHEETS
NONMAJOR GOVERMENTAL FUNDS

SEPTEMBER 30, 2021

	Special Revenue			
	Hotel - Motel	Community Development	PRIDE Program	Drug Enforcement Program
ASSETS				
Cash	$ -	$ -	$ 40,025	$ 215,820
Pooled and temporary investments	3,130	-	-	-
Receivables (net of allowances for uncollectibles):				
Intergovernmental	-	269,930	-	-
Accounts	-	-	3,151	-
Taxes	110,444	-	-	-
Total assets	$ 113,574	$ 269,930	$ 43,176	$ 215,820
LIABILITIES, DEFERRED INFLOWS OF AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 7,002	$ 118,432	$ 745	$ -
Accrued wages payable	8,862	-	-	-
Customer deposits	5,825	-	-	-
Due to other funds	83,132	151,498	-	-
Total liabilities	104,821	269,930	745	-
Deferred inflows of resources:				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances:				
Nonspendable:				
Endowment	-	-	-	-
Restricted for:				
Law enforcement support	-	-	16,648	215,820
Airport and tourism	8,753	-	25,783	-
Infrastructure and facilities improvement	-	-	-	-
Cemetery maintenance	-	-	-	-
Committed to:				
New street development	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	8,753	-	42,431	215,820
Total liabilities, deferred inflows of resources and fund balances	$ 113,574	$ 269,930	$ 43,176	$ 215,820

Special Revenue			Capital Projects			
Municipal Airport	Emergency 9-1-1	Court Security and Technology	Street Revolving	TIF #2 Construction	TIF #3 Construction	TIRZ #5 Construction
$ 118,030	$ 200,626	$ 62,148	$ 75,524	$ 528,688	$ 15,478	$ 208,201
-	236,519	-	549,054	-	-	-
-	-	-	-	-	-	-
37,243	1,259	-	-	-	-	-
-	-	-	-	-	-	-
$ 155,273	$ 438,404	$ 62,148	$ 624,578	$ 528,688	$ 15,478	$ 208,201
$ 38,111	$ 469	$ 35	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
8,415	-	-	162,808	-	-	-
-	-	-	-	-	-	-
46,526	469	35	162,808	-	-	-
50,000	-	-	-	-	-	-
50,000	-	-	-	-	-	-
-	-	-	-	-	-	-
-	437,935	62,113	-	-	-	-
58,747	-	-	-	-	-	-
-	-	-	-	528,688	15,478	208,201
-	-	-	-	-	-	-
-	-	-	461,770	-	-	-
-	-	-	-	-	-	-
58,747	437,935	62,113	461,770	528,688	15,478	208,201
$ 155,273	$ 438,404	$ 62,148	$ 624,578	$ 528,688	$ 15,478	$ 208,201

CITY OF SHERMAN, TEXAS

COMBINING BALANCE SHEETS
NONMAJOR GOVERMENTAL FUNDS

SEPTEMBER 30, 2021

	Capital Projects			
	TIRZ #6 Construction	TIRZ #7 Construction	Roadway Impact Fee Zone #3	Regional Detention
ASSETS				
Cash	$ 1,032,952	$ -	$ 1,056	$ 382,841
Pooled and temporary investments	-	-	-	-
Receivables (net of allowances for uncollectibles):				
Intergovernmental	-	-	-	-
Accounts	-	-	-	-
Taxes	-	-	-	-
Total assets	$ 1,032,952	$ -	$ 1,056	$ 382,841
LIABILITIES, DEFERRED INFLOWS OF AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Accrued wages payable	-	-	-	-
Customer deposits	-	-	-	-
Due to other funds	-	103,240	-	-
Total liabilities	-	103,240	-	-
Deferred inflows of resources:				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances:				
Nonspendable:				
Endowment	-	-	-	-
Restricted for:				
Law enforcement support	-	-	-	-
Airport and tourism	-	-	-	-
Infrastructure and facilities improvement	1,032,952	-	1,056	382,841
Cemetery maintenance	-	-	-	-
Committed to:				
New street development	-	-	-	-
Unassigned	-	(103,240)	-	-
Total fund balances	1,032,952	(103,240)	1,056	382,841
Total liabilities, deferred inflows of resources and fund balances	$ 1,032,952	$ -	$ 1,056	$ 382,841

Capital Projects	Permanent	
Stormwater Fund	Perpetual Care Cemetery and Mausoleum	Total Nonmajor Governmental Funds
$ -	$ 2,444	$ 2,883,833
1,671,052	1,979,360	4,439,115
-	-	269,930
44,520	22,525	108,698
-	-	110,444
$ 1,715,572	$ 2,004,329	$ 7,812,020
$ 59,275	$ -	$ 224,069
-	-	8,862
-	-	177,048
131,600	-	469,470
190,875	-	879,449
-	-	50,000
-	-	50,000
-	100,000	100,000
-	-	732,516
-	-	93,283
1,524,697	-	3,693,913
-	1,904,329	1,904,329
-	-	461,770
-	-	(103,240)
1,524,697	2,004,329	6,782,571
$ 1,715,572	$ 2,004,329	$ 7,812,020

CITY OF SHERMAN, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue			
	Hotel - Motel	Community Development	PRIDE Program	Drug Enforcement Program
REVENUES				
General property taxes	$ -	$ -	$ -	$ -
Nonproperty taxes	608,255	-	-	-
Intergovernmental	2,406	446,280	-	-
Charges for services	25,875	-	-	-
Fines and forfeitures	-	-	-	17,500
Investment income (loss)	2	-	188	545
Donations	-	-	43,257	-
Perpetual care contracts	-	-	-	-
Miscellaneous	59,469	-	-	-
Total revenues	696,007	446,280	43,445	18,045
EXPENDITURES				
Current:				
Public safety	-	-	1,836	7,927
Community services	742,575	-	16,332	-
Community development	-	446,280	-	-
Capital outlay	-	-	16,386	-
Total expenditures	742,575	446,280	34,554	7,927
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(46,568)	-	8,891	10,118
OTHER FINANCING SOURCES (USES)				
Transfers in	210,000	-	-	-
Transfers out	(108,490)	(2,257)	-	-
Total other financing sources (uses)	101,510	(2,257)	-	-
NET CHANGE IN FUND BALANCES	54,942	(2,257)	8,891	10,118
FUND BALANCES, BEGINNING	(46,189)	2,257	33,540	205,702
FUND BALANCES, ENDING	$ 8,753	$ -	$ 42,431	$ 215,820

Special Revenue			Capital Projects			
Municipal Airport	Emergency 9-1-1	Court Security and Technology	Street Revolving	TIF #2 Construction	TIF #3 Construction	TIRZ #5 Construction
$ -	$ -	$ -	$ -	$ 190,475	$ 181,278	$ 67,359
-	-	-	-	-	-	-
19,304	-	-	-	-	-	64,970
465,679	299,418	-	-	-	-	-
-	-	29,011	-	-	-	-
524	953	200	1,686	1,754	374	3,715
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
485,507	300,371	29,211	1,686	192,229	181,652	136,044
-	185,420	25,362	-	-	-	-
463,889	-	-	-	-	-	-
-	-	-	-	-	-	-
116,252	-	-	-	34,199	200,000	250,000
580,141	185,420	25,362	-	34,199	200,000	250,000
(94,634)	114,951	3,849	1,686	158,030	(18,348)	(113,956)
-	-	-	-	-	-	-
-	-	-	-	-	-	(289,000)
-	-	-	-	-	-	(289,000)
(94,634)	114,951	3,849	1,686	158,030	(18,348)	(402,956)
153,381	322,984	58,264	460,084	370,658	33,826	611,157
$ 58,747	$ 437,935	$ 62,113	$ 461,770	$ 528,688	$ 15,478	$ 208,201

CITY OF SHERMAN, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED SEPTEMBER 30, 2021

	Capital Projects			
	TIRZ #6 Construction	TIRZ #7 Construction	Roadway Impact Fee Zone #3	Regional Detention
REVENUES				
General property taxes	$ 26,164	$ 49,217	$ -	$ -
Nonproperty taxes	-	-	-	-
Intergovernmental	25,237	47,472	-	-
Charges for services	-	-	1,056	-
Fines and forfeitures	-	-	-	-
Investment income (loss)	4,645	163	-	1,483
Donations	-	-	-	-
Perpetual care contracts	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	56,046	96,852	1,056	1,483
EXPENDITURES				
Current:				
Public safety	-	-	-	-
Community services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	11,745	-	-
Total expenditures	-	11,745	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	56,046	85,107	1,056	1,483
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(226,000)	(178,000)	-	-
Total other financing sources (uses)	(226,000)	(178,000)	-	-
NET CHANGE IN FUND BALANCES	(169,954)	(92,893)	1,056	1,483
FUND BALANCES, BEGINNING	1,202,906	(10,347)	-	381,358
FUND BALANCES, ENDING	$ 1,032,952	$(103,240)	$ 1,056	$ 382,841

Capital Projects	Permanent	
Stormwater Fund	Perpetual Care Cemetery and Mausoleum	Total Nonmajor Governmental Funds
$ -	$ -	$ 514,493
-	-	608,255
-	-	605,669
448,520	-	1,240,548
-	-	46,511
919	258,460	275,611
-	-	43,257
-	13,036	13,036
-	-	59,469
449,439	271,496	3,406,849
-	-	220,545
123,861	-	1,346,657
-	-	446,280
254,470	-	883,052
378,331	-	2,896,534
71,108	271,496	510,315
-	-	210,000
(269,000)	-	(1,072,747)
(269,000)	-	(862,747)
(197,892)	271,496	(352,432)
1,722,589	1,732,833	7,235,003
$ 1,524,697	$ 2,004,329	$ 6,882,571

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HOTEL - MOTEL FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Nonproperty taxes	$ 528,000	$ 600,000	$ 608,255	$ -	$ 608,255	$ 8,255
Intergovernmental	-	-	2,406	-	2,406	2,406
Charges for services	18,000	18,000	25,875	-	25,875	7,875
Investment income	-	-	2	-	2	2
Miscellaneous	35,000	35,000	59,469	-	59,469	24,469
Total revenues	581,000	653,000	696,007	-	696,007	43,007
EXPENDITURES						
Current:						
Community services						
Tourism	599,694	674,694	688,038	-	688,038	(13,344)
Auditorium	19,640	19,640	21,506	-	21,506	(1,866)
Ballroom	67,620	67,620	33,031	27,000	60,031	7,589
Total expenditures	686,954	761,954	742,575	27,000	769,575	(7,621)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(105,954)	(108,954)	(46,568)	(27,000)	(73,568)	35,386
OTHER FINANCING SOURCES (USES)						
Transfers in	210,000	210,000	210,000	-	210,000	-
Transfers out	(108,490)	(108,490)	(108,490)	-	(108,490)	-
Total other financing sources (uses)	101,510	101,510	101,510	-	101,510	-
NET CHANGE IN FUND BALANCE	(4,444)	(7,444)	54,942	(27,000)	27,942	35,386
FUND BALANCE, BEGINNING	(46,189)	(46,189)	(46,189)	-	(46,189)	-
FUND BALANCE, ENDING	$(50,633)	$(53,633)	$ 8,753	$(27,000)	$(18,247)	$ 35,386

CITY OF SHERMAN, TEXAS

SCHEUDLE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY DEVELOPMENT FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP	Actual Budget	Final Budget
	Original	Final	Basis	Basis	Variance
REVENUES					
Intergovernmental	$ 446,280	$ 446,280	$ 446,280	$ 446,280	$ -
Total revenues	446,280	446,280	446,280	446,280	-
EXPENDITURES					
Current:					
Community development					
Administration	51,327	51,327	51,327	51,327	-
Demolition and clearing	36,078	36,078	36,078	36,078	-
Public service	358,875	358,875	358,875	358,875	-
Total expenditures	446,280	446,280	446,280	446,280	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-
OTHER FINANCING SOURCES (USES)					
Transfers out	(2,257)	(2,257)	(2,257)	(2,257)	-
Total other financing sources (uses)	(2,257)	(2,257)	(2,257)	(2,257)	-
FUND BALANCE, BEGINNING	2,257	2,257	2,257	2,257	-
FUND BALANCE, ENDING	$ -	$ -	$ -	$ -	$ -

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PRIDE PROGRAM

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Investment income	$ 575	$ 575	$ 188	$ -	$ 188	$(387)
Donations	29,400	50,400	43,257	-	43,257	(7,143)
Total revenues	29,975	50,975	43,445	-	43,445	(7,530)
EXPENDITURES						
Current:						
Public safety						
Drug enforcement	23,000	23,000	1,836	-	1,836	21,164
Community services						
Park maintenance	25,000	33,931	7,397	-	7,397	26,534
Library materials	10,000	10,000	8,935	-	8,935	1,065
Capital Outlay	-	16,000	16,386	25,705	42,091	(26,091)
Total expenditures	58,000	82,931	34,554	25,705	85,964	(3,033)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(28,025)	(31,956)	8,891	(25,705)	(42,519)	(10,563)
FUND BALANCE, BEGINNING	33,540	33,540	33,540	-	33,540	-
FUND BALANCE, ENDING	$ 5,515	$ 1,584	$ 42,431	$(25,705)	$ 16,726	$ 15,142

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DRUG ENFORCEMENT FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Fines and forfeitures	$ 200,000	$ 200,000	$ 17,500	$ 17,500	$(182,500)
Investment income	4,000	4,000	545	545	(3,455)
Total revenues	204,000	204,000	18,045	18,045	(185,955)
EXPENDITURES					
Current:					
Public safety					
Drug enforcement	268,200	268,200	7,927	7,927	260,273
Total expenditures	268,200	268,200	7,927	7,927	260,273
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(64,200)	(64,200)	10,118	10,118	74,318
FUND BALANCE, BEGINNING	205,702	205,702	205,702	205,702	-
FUND BALANCE, ENDING	$ 141,502	$ 141,502	$ 215,820	$ 215,820	$ 74,318

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL AIRPORT FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Intergovernmental	$ 50,000	$ 50,000	$ 19,304	$ 19,304	$(30,696)
Investment income	2,500	2,500	524	524	(1,976)
Airport rentals	68,200	68,200	90,376	90,376	22,176
Fuel sales	300,000	360,000	375,303	375,303	15,303
Total revenues	420,700	480,700	485,507	466,203	(14,497)
EXPENDITURES					
Current:					
Community services					
Airport operation	440,243	485,243	463,889	463,889	21,354
Capital outlay	100,000	138,000	116,252	116,252	21,748
Total expenditures	540,243	623,243	580,141	580,141	43,102
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(119,543)	(142,543)	(94,634)	(113,938)	28,605
FUND BALANCE, BEGINNING	153,381	153,381	153,381	153,381	-
FUND BALANCE, ENDING	$ 33,838	$ 10,838	$ 58,747	$ 39,443	$ 28,605

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMERGENCY 9-1-1 FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Charges for services	$ 300,000	$ 300,000	$ 299,418	$ -	$ 299,418	$(582)
Investment income	6,000	6,000	953	-	953	(5,047)
Total revenues	306,000	306,000	300,371	-	300,371	(5,629)
EXPENDITURES						
Current:						
Public safety						
Emergency 9-1-1 services	289,134	280,926	185,420	-	185,420	95,506
Capital outlay	107,809	128,666	-	103,366	103,366	25,300
Total expenditures	396,943	409,592	185,420	103,366	288,786	120,806
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(90,943)	(103,592)	114,951	(103,366)	11,585	115,177
FUND BALANCE, BEGINNING	322,984	322,984	322,984	-	322,984	-
FUND BALANCE, ENDING	$ 232,041	$ 219,392	$ 437,935	$(103,366)	$ 334,569	$ 115,177

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT SECURITY AND TECHNOLOGY FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Fines and forfeitures	$ 27,120	$ 27,120	$ 29,011	$ -	$ 29,011	$ 1,891
Investment income	750	750	200	-	200	(550)
Total revenues	27,870	27,870	29,211	-	29,211	1,341
EXPENDITURES						
Current:						
Public safety						
Security	10,000	10,000	279	-	279	9,721
Technology	38,230	38,506	25,083	(276)	24,807	13,699
Total expenditures	48,230	48,506	25,362	(276)	25,086	23,420
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(20,360)	(20,636)	3,849	276	4,125	24,761
FUND BALANCE, BEGINNING	58,264	58,264	58,264	-	58,264	-
FUND BALANCE, ENDING	$ 37,904	$ 37,628	$ 62,113	$ 276	$ 62,389	$ 24,761

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET REVOLVING FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Charges for services	$ -	$ -	$ -	$ -	$ -
Investment income	8,000	8,000	1,686	1,686	(6,314)
Total revenues	8,000	8,000	1,686	1,686	(6,314)
EXPENDITURES					
Streets	50,000	50,000	-	-	50,000
Total expenditures	50,000	50,000	-	-	50,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(42,000)	(42,000)	1,686	1,686	43,686
FUND BALANCE, BEGINNING	460,084	460,084	460,084	460,084	-
FUND BALANCE, ENDING	$ 418,084	$ 418,084	$ 461,770	$ 461,770	$ 43,686

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TIF #2 CONSTRUCTION FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 192,771	$ 192,771	$ 190,475	$ 190,475	$(2,296)
Investment income	4,000	4,000	1,754	1,754	(2,246)
Total revenues	196,771	196,771	192,229	192,229	(4,542)
EXPENDITURES					
Capital outlay	510,000	510,000	34,199	34,199	475,801
Total expenditures	510,000	510,000	34,199	34,199	475,801
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(313,229)	(313,229)	158,030	158,030	471,259
FUND BALANCE, BEGINNING	370,658	370,658	370,658	370,658	-
FUND BALANCE, ENDING	$ 57,429	$ 57,429	$ 528,688	$ 528,688	$ 471,259

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TIF #3 CONSTRUCTION FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 181,278	$ 181,278	$ 181,278	$ 181,278	$ -
Investment income	500	500	374	374	(126)
Total revenues	181,778	181,778	181,652	181,652	(126)
EXPENDITURES					
Capital outlay	250,000	250,000	200,000	200,000	50,000
Total expenditures	250,000	250,000	200,000	200,000	50,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(68,222)	(68,222)	(18,348)	(18,348)	(50,126)
FUND BALANCE, BEGINNING	33,826	33,826	33,826	33,826	-
FUND BALANCE, ENDING	$(34,396)	$(34,396)	$ 15,478	$ 15,478	$ 49,874

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TIRZ #5 CONSTRUCTION FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 67,533	$ 67,533	$ 67,359	$ 67,359	$(174)
Intergovernmental	72,938	72,938	64,970	64,970	(7,968)
Investment income	20,000	20,000	3,715	3,715	(16,285)
Total revenues	160,471	160,471	136,044	136,044	(24,427)
EXPENDITURES					
Capital outlay	300,000	300,000	250,000	250,000	50,000
Total expenditures	300,000	300,000	250,000	250,000	50,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(139,529)	(139,529)	(113,956)	(113,956)	25,573
OTHER FINANCING SOURCES (USES)					
Transfers out	(289,000)	(289,000)	(289,000)	(289,000)	-
Total other financing sources (uses)	(289,000)	(289,000)	(289,000)	(289,000)	-
NET CHANGE IN FUND BALANCE	(428,529)	(428,529)	(402,956)	(402,956)	25,573
FUND BALANCE, BEGINNING	611,157	611,157	611,157	611,157	-
FUND BALANCE, ENDING	$ 182,628	$ 182,628	$ 208,201	$ 208,201	$ 25,573

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TIRZ #6 CONSTRUCTION FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 26,232	$ 26,232	$ 26,164	$ 26,164	$(68)
Intergovernmental	30,131	30,131	25,237	25,237	(4,894)
Investment income	20,000	20,000	4,645	4,645	(15,355)
Total revenues	76,363	76,363	56,046	56,046	(20,317)
EXPENDITURES					
Capital outlay	900,000	900,000	-	-	900,000
Total expenditures	900,000	900,000	-	-	900,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(823,637)	(823,637)	56,046	56,046	879,683
OTHER FINANCING SOURCES (USES)					
Transfers out	(226,000)	(226,000)	(226,000)	(226,000)	-
Total other financing sources (uses)	(226,000)	(226,000)	(226,000)	(226,000)	-
NET CHANGE IN FUND BALANCE	(1,049,637)	(1,049,637)	(169,954)	(169,954)	879,683
FUND BALANCE, BEGINNING	1,202,906	1,202,906	1,202,906	1,202,906	-
FUND BALANCE, ENDING	$ 153,269	$ 153,269	$ 1,032,952	$ 1,032,952	$ 879,683

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TIRZ #7 CONSTRUCTION FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 50,643	$ 50,643	$ 49,217	$ 49,217	$(1,426)
Intergovernmental	54,587	54,587	47,472	47,472	(7,115)
Investment income	1,500	1,500	163	163	(1,337)
Total revenues	106,730	106,730	96,852	96,852	(9,878)
EXPENDITURES					
Capital outlay	2,500,000	2,500,000	11,745	11,745	2,488,255
Total expenditures	2,500,000	2,500,000	11,745	11,745	2,488,255
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,393,270)	(2,393,270)	85,107	85,107	2,478,377
OTHER FINANCING SOURCES (USES)					
Bond proceeds	6,000,000	6,000,000	-	-	6,000,000
Transfers out	(178,000)	(178,000)	(178,000)	(178,000)	-
Total other financing sources (uses)	5,822,000	5,822,000	(178,000)	(178,000)	(6,000,000)
NET CHANGE IN FUND BALANCE	3,428,730	3,428,730	(92,893)	(92,893)	(3,521,623)
FUND BALANCE, BEGINNING	(10,347)	(10,347)	(10,347)	(10,347)	-
FUND BALANCE, ENDING	$ 3,418,383	$ 3,418,383	$(103,240)	$(103,240)	$(3,521,623)

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ROADWAY IMPACT FEE #3 FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Charges for services	$ -	$ -	$ 1,056	$ 1,056	$ 1,056
Total revenues	-	-	1,056	1,056	1,056
EXPENDITURES					
Total expenditures	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	1,056	1,056	1,056
FUND BALANCE, BEGINNING	-	-	-	-	-
FUND BALANCE, ENDING	$ -	$ -	$ 1,056	$ 1,056	$ 1,056

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
REGIONAL DETENTION FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Charges for services	$ 20,000	$ 20,000	$ -	$ -	$(20,000)
Investment income	4,000	4,000	1,483	1,483	(2,517)
Total revenues	24,000	24,000	1,483	1,483	(22,517)
EXPENDITURES					
Capital outlay	200,000	200,000	-	-	200,000
Total expenditures	200,000	200,000	-	-	200,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(176,000)	(176,000)	1,483	1,483	177,483
FUND BALANCE, BEGINNING	381,358	381,358	381,358	381,358	-
FUND BALANCE, ENDING	$ 205,358	$ 205,358	$ 382,841	$ 382,841	$ 177,483

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STORMWATER FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Charges for services	$ 444,000	$ 444,000	$ 448,520	$ 448,520	$ 4,520
Investment income	30,000	30,000	919	919	(29,081)
Total revenues	474,000	474,000	449,439	449,439	(24,561)
EXPENDITURES					
Current:					
Community services	163,825	163,825	123,861	123,861	39,964
Capital outlay	1,000,000	1,000,000	254,470	254,470	745,530
Total expenditures	1,163,825	1,163,825	378,331	378,331	785,494
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(689,825)	(689,825)	71,108	71,108	760,933
OTHER FINANCING SOURCES (USES)					
Transfers out	(269,000)	(269,000)	(269,000)	(269,000)	-
Total other financing sources (uses)	(269,000)	(269,000)	(269,000)	(269,000)	-
NET CHANGE IN FUND BALANCE	(958,825)	(958,825)	(197,892)	(197,892)	760,933
FUND BALANCE, BEGINNING	1,722,589	1,722,589	1,722,589	1,722,589	-
FUND BALANCE, ENDING	$ 763,764	$ 763,764	$ 1,524,697	$ 1,524,697	$ 760,933

CITY OF SHERMAN, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERPETUAL CARE CEMETERY AND MAUSOLEUM FUND

YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Investment income (loss)	$ 100	$ 100	$ 258,460	$ 258,460	$ 258,360
Perpetual care contracts	10,000	10,000	13,036	13,036	3,036
Total revenues	10,100	10,100	271,496	271,496	261,396
EXPENDITURES	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	10,100	10,100	271,496	271,496	261,396
FUND BALANCE, BEGINNING	1,732,833	1,732,833	1,732,833	1,732,833	-
FUND BALANCE, ENDING	$ 1,742,933	$ 1,742,933	$ 2,004,329	$ 2,004,329	$ 261,396

CITY OF SHERMAN, TEXAS

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

SEPTEMBER 30, 2021

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
ASSETS					
Current:					
Cash	$ 11,979	$ 154,125	$ 889,957	$ 1,524,995	$ 2,581,056
Pooled and temporary investments	-	1,141	-	-	1,141
Receivables (net of allowances for uncollectibles):					
Accounts	-	-	15,728	-	15,728
Inventories	171,506	-	-	-	171,506
Prepaid items	-	4,630	-	-	4,630
Total current assets	183,485	159,896	905,685	1,524,995	2,774,061
Capital assets:					
Land	55,250	-	-	-	55,250
Buildings	171,916	29,485	-	-	201,401
Improvements other than buildings	21,903	61,046	-	-	82,949
Machinery and equipment	598,862	724,014	-	24,269,089	25,591,965
Other assets	-	122,939	-	-	122,939
Total capital assets	847,931	937,484	-	24,269,089	26,054,504
Accumulated depreciation	(431,189)	(756,118)	-	(13,037,197)	(14,224,504)
Capital assets, net	416,742	181,366	-	11,231,892	11,830,000
Total assets	600,227	341,262	905,685	12,756,887	14,604,061
DEFERRED OUTFLOWS OF RESOURCES					
Pension plan - TMRS	98,853	59,550	-	-	158,403
OPEB - retiree health plan	21,073	12,695	-	-	33,768
OPEB - supplemental death benefit	13,500	8,132	-	-	21,632
Total deferred outflows of resources	133,426	80,377	-	-	213,803
LIABILITIES					
Current liabilities:					
Accounts payable	161,746	16,690	10,353	103,316	292,105
Accrued wages	37,872	25,079	-	-	62,951
Claims payable	-	-	373,965	-	373,965
Unearned revenue	-	-	9,711	-	9,711
Current portion of long-term liabilities:					
Capital lease obligations	-	-	-	683,815	683,815
Accrued compensated absences	47,673	48,230	-	-	95,903
Tax notes	-	-	-	333,043	333,043
Long-term liabilities (net of current portion):					
Capital lease obligations	-	-	-	1,984,358	1,984,358
Tax notes	-	-	-	1,462,126	1,462,126
Net pension liability	320,891	193,308	-	-	514,199
Total OPEB liability - retiree health plan	186,940	112,614	-	-	299,554
Total OPEB liability - supplemental death benefit	47,304	28,496	-	-	75,800
Total liabilities	802,426	424,417	394,029	4,566,658	6,187,530
DEFERRED INFLOWS OF RESOURCES					
Pension plan - TMRS	128,560	77,446	-	-	206,006
OPEB - retiree health plan	43,301	26,085	-	-	69,386
OPEB - supplemental death benefits	8,169	4,921	-	-	13,090
Total deferred inflows of resources	180,030	108,452	-	-	288,482
NET POSITION					
Net investment in capital assets	416,742	181,366	-	6,768,550	7,366,658
Unrestricted	(665,545)	(292,596)	511,656	1,421,679	975,194
Total net position	$(248,803)	$(111,230)	$ 511,656	$ 8,190,229	$ 8,341,852

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CITY OF SHERMAN, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

YEAR ENDED SEPTEMBER 30, 2021

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
OPERATING REVENUES					
Charges for services	$ 3,506,626	$ 1,014,808	$ 5,481,390	$ 1,612,036	$ 11,614,860
Property taxes	-	-	-	400,950	400,950
Miscellaneous revenue	-	4,324	-	14,914	19,238
Total operating revenues	3,506,626	1,019,132	5,481,390	2,027,900	12,035,048
OPERATING EXPENSES					
Personnel services	936,201	566,811	-	-	1,503,012
Contractual services	385,811	106,744	5,094,302	32,731	5,619,588
Supplies	798,928	53,068	-	-	851,996
Maintenance and repair	1,304,490	132,463	-	-	1,436,953
Depreciation and amortization	52,505	81,838	-	2,259,480	2,393,823
Total operating expenses	3,477,935	940,924	5,094,302	2,292,211	11,805,372
OPERATING INCOME (LOSS)	28,691	78,208	387,088	(264,311)	229,676
NONOPERATING REVENUES (EXPENSES)					
Gain (loss) on sale of assets	-	-	-	73,287	73,287
Investment income	-	231	2,406	1,552	4,189
Interest expense	-	-	-	(81,286)	(81,286)
Total nonoperating revenues (expenses)	-	231	2,406	(6,447)	(3,810)
CHANGE IN NET POSITION	28,691	78,439	389,494	(270,758)	225,866
NET POSITION, BEGINNING	(277,494)	(189,669)	122,162	8,460,987	8,115,986
NET POSITION, ENDING	$(248,803)	$(111,230)	$ 511,656	$ 8,190,229	$ 8,341,852

CITY OF SHERMAN, TEXAS

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

YEAR ENDED SEPTEMBER 30, 2021

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from interfund services	$ 3,506,626	$ 1,019,132	$ 5,515,558	$ 1,953,507	$ 11,994,823
Cash paid for supplies and materials	(2,497,600)	(286,302)	-	70,585	(2,713,317)
Cash paid for premiums, claims and administrative costs	-	-	(4,951,533)	-	(4,951,533)
Cash paid for personnel services	(998,119)	(590,339)	-	-	(1,588,458)
Net cash provided (used) by operating activities	10,907	142,491	564,025	2,024,092	2,741,515
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of assets	-	-	-	73,287	73,287
Acquisition of capital assets	(27,416)	(102,483)	-	(1,274,936)	(1,404,835)
Proceeds from issuance of long-term debt	-	-	-	1,132,286	1,132,286
Principal retirement of long-term debt	-	-	-	(350,000)	(350,000)
Interest paid on long-term debt	-	-	-	(81,286)	(81,286)
Net cash provided (used) by capital and related financing activities	(27,416)	(102,483)	-	(500,649)	(630,548)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income received	-	231	2,406	1,552	4,189
Net cash provided by investing activities	-	231	2,406	1,552	4,189
NET INCREASE (DECREASE) IN CASH	(16,509)	40,239	566,431	1,524,995	2,115,156
CASH, BEGINNING	28,488	113,886	323,526	-	465,900
CASH, ENDING	$ 11,979	$ 154,125	$ 889,957	$ 1,524,995	$ 2,581,056

CITY OF SHERMAN, TEXAS

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

YEAR ENDED SEPTEMBER 30, 2021

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	$ 28,691	$ 78,208	$ 387,088	$(264,311)	$ 229,676
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation	52,505	81,838	-	2,259,480	2,393,823
(Increase) decrease in:					
Accounts receivable (net)	-	-	35,662	-	35,662
Inventories	(34,619)	-	-	-	(34,619)
Prepaid items	-	2,308	-	-	2,308
Deferred outflows of resources	(1,682)	4,106	-	-	2,424
Increase (decrease) in :					
Accounts payable	26,248	3,665	1,809	103,316	135,038
Accrued wages payable	(2,517)	54	-	-	(2,463)
Unearned revenue	-	-	(1,494)	-	(1,494)
Due to other funds	-	-	-	(74,393)	(74,393)
Estimated liability for claims	-	-	140,960	-	140,960
Accrued compensated absences	3,715	10,080	-	-	13,795
Net pension liability	(70,920)	(49,165)	-	-	(120,085)
Net OPEB obligation	(6,703)	(8,001)	-	-	(14,704)
Deferred inflows of resources	16,189	19,398	-	-	35,587
Total adjustments	(17,784)	64,283	176,937	2,288,403	2,511,839
Net cash provided (used) by operating activities	$ 10,907	$ 142,491	$ 564,025	$ 2,024,092	$ 2,741,515

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STATISTICAL SECTION

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STATISTICAL SECTION

This part of the City of Sherman's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents **Page**

Financial Trends 119

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity 129

These schedules contain information to help the reader assess the government's most significant local revenue source, the property taxes.

Debt Capacity 146

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information 153

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information 154

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive
the relevant year.

CITY OF SHERMAN, TEXAS

NET POSITION BY COMPONENT
(Accrual Basis of Accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
Governmental activities:				
Net investment in capital assets	$ 48,963	$ 46,356	$ 43,828	$ 42,771
Restricted	3,157	3,076	3,409	3,366
Unrestricted	6,426	6,543	8,763	4,513
Total governmental activities net position	$ 58,546	$ 55,975	$ 56,000	$ 50,650
Business-type activities:				
Net investment in capital assets	$ 34,442	$ 32,807	$ 31,588	$ 30,296
Restricted	-	-	-	-
Unrestricted	10,938	9,887	8,750	7,052
Total business-type activities net position	$ 45,380	$ 42,694	$ 40,338	$ 37,348
Primary government:				
Net investment in capital assets	$ 83,405	$ 79,163	$ 75,416	$ 73,067
Restricted	3,157	3,076	3,409	3,366
Unrestricted	17,364	16,430	17,513	11,565
Total primary government net position	$ 103,926	$ 98,669	$ 96,338	$ 87,998

TABLE 1

Fiscal Year					
2016	2017	2018	2019	2020	2021
$ 42,119	$ 42,277	$ 35,591	$ 26,556	$ 23,785	$ 20,738
2,676	2,703	7,914	6,008	6,942	6,525
646	(3,683)	(8,443)	(12,343)	(12,280)	(5,397)
$ 45,441	$ 41,297	$ 35,062	$ 20,221	$ 18,447	$ 21,866
$ 29,071	$ 28,114	$ 27,192	$ 25,987	$ 26,167	$ 24,504
-	-	-	-	-	-
6,257	4,959	3,175	1,890	1,270	1,375
$ 35,328	$ 33,073	$ 30,367	$ 27,877	$ 27,437	$ 25,879
$ 71,190	$ 70,391	$ 62,783	$ 52,543	$ 49,952	$ 45,242
2,676	2,703	7,914	6,008	6,942	6,525
6,903	1,276	(5,268)	(10,453)	(11,010)	(4,022)
$ 80,769	$ 74,370	$ 65,429	$ 48,098	$ 45,884	$ 47,745

CITY OF SHERMAN, TEXAS

CHANGES IN NET POSITION
(Accrual Basis of Accounting)

	Fiscal Year			
	2012	2013	2014	2015
EXPENSES				
Governmental activities:				
General government	$ 6,347	$ 6,548	$ 6,662	$ 6,303
Public safety	17,285	17,972	17,871	18,221
Streets	5,669	7,081	6,011	7,024
Sanitation	627	715	703	716
Community services	5,183	5,488	5,268	5,398
Community development	306	279	290	277
Interest on long-term debt	676	629	594	560
Total governmental activities expenses	36,093	38,712	37,399	38,499
Business-type activities:				
Water and sewer services	19,822	18,388	18,853	18,760
Solid waste services	4,228	4,354	4,540	4,423
Total business-type activities expenses	24,050	22,742	23,393	23,183
Total primary government program expenses	$ 60,143	$ 61,454	$ 60,792	$ 61,682
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	$ 116	$ 114	$ 99	$ 97
Public safety	3,094	3,133	2,707	2,635
Streets	103	101	118	102
Sanitation	133	150	171	139
Community services	957	1,323	1,194	1,194
Community development	-	-	-	-
Operating grants and contributions	132	565	156	1,504
Capital grants and contributions	618	541	250	247
Total governmental activities program revenues	5,153	5,927	4,695	5,918
Business-type activities:				
Charges for services:				
Water and sewer service	19,584	19,720	19,870	20,548
Solid waste service	5,599	5,474	5,815	5,763
Capital grants and contributions	-	-	1,191	546
Total business-type activities program revenues	25,183	25,194	26,876	26,857
Total primary government program revenues	$ 30,336	$ 31,121	$ 31,571	$ 32,775

TABLE 2

Fiscal Year					
2016	2017	2018	2019	2020	2021
$ 9,178	$ 7,061	$ 6,411	$ 6,592	$ 7,070	$ 7,089
19,655	21,582	21,056	24,076	25,886	24,623
6,481	7,053	9,156	19,873	10,492	11,044
748	778	734	858	959	732
5,760	5,874	6,054	6,595	7,281	7,808
339	321	231	351	441	441
665	1,491	1,672	2,461	2,678	3,319
42,826	44,160	45,314	60,806	54,807	55,056
20,569	21,591	23,098	24,346	24,961	24,360
4,692	4,876	6,321	6,584	6,600	5,730
25,261	26,467	29,419	30,930	31,561	30,090
$ 68,087	$ 70,627	$ 74,733	$ 91,736	$ 86,368	$ 85,146
$ 88	$ 78	$ 446	$ 842	$ 780	$ 1,323
2,512	3,383	3,784	3,518	3,165	3,137
99	137	153	213	359	279
125	106	109	94	77	75
868	965	903	1,083	811	1,084
-	-	-	-	1,716	-
183	402	331	1,030	1,254	2,252
546	407	685	156	2,984	347
4,421	5,478	6,411	6,936	11,146	8,497
20,674	20,760	22,481	22,229	23,213	23,877
6,218	6,264	6,690	6,943	7,122	7,466
289	389	1,322	1,391	2,129	600
27,181	27,413	30,493	30,563	32,464	31,943
$ 31,602	$ 32,891	$ 36,904	$ 37,499	$ 43,610	$ 40,440

CITY OF SHERMAN, TEXAS

CHANGES IN NET POSITION
(Accrual Basis of Accounting)

	Fiscal Year			
	2012	2013	2014	2015
NET (EXPENSE) REVENUES				
Governmental activities	$(30,941)	$(32,785)	$(32,704)	$(32,581)
Business-type activities	1,133	2,452	3,484	3,674
Total primary government net expense	(29,808)	(30,333)	(29,220)	(28,907)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	7,072	7,291	7,793	8,811
Sales	13,203	13,872	14,806	15,058
Franchise and nonproperty	3,449	3,462	3,841	3,618
Investment earnings	190	78	120	20
Grants, donations, and special items	150	280	279	136
Gain/(loss) on sale of fixed assets	-	-	-	-
Transfers	4,969	5,231	5,973	5,202
Total governmental activities	29,033	30,214	32,812	32,845
Business-type activities:				
Investment earnings	48	35	13	57
Grants, donations, and special items	49	58	121	65
Transfers	(4,969)	(5,231)	(5,973)	(5,202)
Total business-type activities	(4,872)	(5,138)	(5,839)	(5,080)
Total primary government	24,161	25,076	26,973	27,765
CHANGE IN NET POSITION				
Governmental activities	(1,908)	(2,571)	108	264
Business-type activities	(3,739)	(2,686)	(2,355)	(1,406)
Total primary government	$(5,647)	$(5,257)	$(2,247)	$(1,142)

Fiscal Year					
2016	2017	2018	2019	2020	2021
$(38,405)	$(38,682)	$(38,903)	$(53,870)	$(43,661)	$(46,559)
1,920	946	1,074	(367)	903	1,853
(36,485)	(37,736)	(37,829)	(54,237)	(42,758)	(44,706)
9,341	10,808	12,127	13,057	16,271	17,627
15,636	15,563	17,839	18,024	18,696	21,564
3,425	3,490	3,655	3,568	3,447	3,651
154	353	489	1,054	483	325
222	303	226	496	359	240
9	(35)	2,035	(47)	31	3,046
4,409	4,056	2,515	2,878	2,599	3,526
33,196	34,538	38,886	39,030	41,886	49,979
66	45	40	173	94	14
402	810	516	581	1,161	101
(4,408)	(4,056)	(2,515)	(2,878)	(2,599)	(3,526)
(3,940)	(3,201)	(1,959)	(2,124)	(1,344)	(3,411)
29,256	31,337	36,927	36,906	40,542	46,568
(5,209)	(4,144)	(17)	(14,840)	(1,775)	3,420
(2,020)	(2,255)	(885)	(2,491)	(441)	(1,558)
$(7,229)	$(6,399)	$(902)	$(17,331)	$(2,216)	$ 1,862

CITY OF SHERMAN, TEXAS

FUND BALANCE
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
General fund				
Nonspendable	$ 13	$ -	$ -	$ -
Reserved	-	-	-	-
Unreserved	-	-	-	-
Restricted	8	6	30	6
Assigned	119	119	139	141
Unassigned	9,138	9,760	11,358	10,949
Total general fund	$ 9,278	$ 9,885	$ 11,527	$ 11,096
All other governmental funds				
Nonspendable	$ -	$ 1,300	$ 1,300	$ -
Reserved	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Committed	450	451	418	419
Restricted	3,226	3,145	3,446	3,420
Assigned	457	-	-	1,758
Unassigned	-	(1,077)	(658)	-
Total all other governmental funds	$ 4,133	$ 3,819	$ 4,506	$ 5,597

Note: Beginning in 2011, fund balances are reported based on GASB 54. Prior years have not been restated.

Fiscal Year					
2016	2017	2018	2019	2020	2021
$ 87	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
8	11	1	3	3	11
69	38	52	58	216	554
10,056	9,344	11,504	11,297	12,527	16,339
$ 10,220	$ 9,393	$ 11,557	$ 11,358	$ 12,746	$ 16,904
$ -	$ -	$ -	$ -	$ -	$ 100
-	-	-	-	-	-
		-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
422	426	437	450	460	462
2,761	24,536	29,835	28,019	16,918	43,246
9,832	460	528	-	-	9
-	-	(20)	(1,029)	(44)	(103)
$ 13,015	$ 25,422	$ 30,780	$ 27,440	$ 17,334	$ 43,714

CITY OF SHERMAN, TEXAS

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
REVENUES				
Taxes	$ 23,529	$ 24,421	$ 26,300	$ 27,269
Licenses and permits	171	254	401	371
Intergovernmental	700	1,330	577	572
Charges for services	3,124	3,316	3,079	2,977
Fines	942	1,106	731	571
Investment earnings	189	78	120	20
Donations	27	48	42	39
Miscellaneous	175	276	208	1,579
Total revenues	28,857	30,829	31,458	33,398
EXPENDITURES				
General government	4,401	4,618	4,839	5,209
Public safety	16,494	17,510	17,509	17,669
Highways and streets	2,343	2,395	2,565	2,557
Sanitation	601	690	682	701
Community services	4,188	4,509	4,377	4,496
Community development	306	279	290	278
Capital outlay	1,197	1,853	751	2,678
Debt service:				
Principal	1,539	816	770	795
Interest and debt service fees	643	602	574	547
Total expenditures	31,712	33,272	32,357	34,930
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,855)	(2,443)	(899)	(1,532)
OTHER FINANCING SOURCES (USES)				
Proceeds of long-term debt	$ -	$ -	$ -	$ -
Premium on bond issuance	-	-	-	-
Proceeds from refunding debt	-	-	-	-
Proceeds from sale of assets	5	25	56	39
Insurance recoveries	-	-	-	-
Paid to refunding bond agent	-	-	-	-
Transfers in	4,220	3,986	5,098	5,500
Transfers out	(1,520)	(1,276)	(1,926)	(3,348)
Total other financing sources (uses)	2,705	2,735	3,228	2,191
NET CHANGE IN FUND BALANCES	$(150)	$ 292	$ 2,329	$ 659
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	7.2%	4.3%	4.3%	4.0%

Note: Capital Outlay does not include contributed capital assets.

TABLE 4

Fiscal Year					
2016	2017	2018	2019	2020	2021
$ 28,327	$ 29,934	$ 33,585	$ 34,562	$ 38,390	$ 42,838
404	503	824	691	609	811
714	762	957	1,392	3,568	2,528
2,927	3,502	3,929	3,759	3,744	4,303
527	726	562	693	391	383
154	350	461	1,013	463	321
43	53	86	60	157	52
220	330	276	705	327	315
33,316	36,160	40,680	42,875	47,649	51,551
5,337	5,408	6,396	6,157	6,634	7,166
18,400	19,409	21,346	22,235	23,151	24,750
2,997	3,374	6,190	15,389	6,123	6,690
704	714	730	793	913	710
4,727	4,954	5,367	5,719	6,328	7,076
335	316	244	348	447	446
2,955	9,332	17,218	13,921	10,682	5,604
830	1,300	1,810	2,490	3,475	3,125
619	1,180	1,826	2,370	2,753	2,785
36,904	45,987	61,127	69,422	60,506	58,352
(3,588)	(9,827)	(20,447)	(26,547)	(12,857)	(6,801)
$ 8,800	$ 18,110	$ 22,880	$ 19,130	$ -	$ 29,025
304	1,701	501	1,001	-	1,130
-	9,360	-	-	-	-
438	51	2,030	-	-	3,648
-	-	42	-	-	-
-	(9,887)	-	-	-	-
3,985	3,926	5,220	4,784	5,547	5,459
(3,398)	(1,854)	(2,705)	1,906	(1,398)	(1,933)
10,129	21,407	27,968	23,009	4,149	37,329
$ 6,541	$ 11,580	$ 7,521	$(3,538)	$(8,708)	$ 30,528
4.3%	6.8%	9.7%	9.9%	13.6%	10.1%

CITY OF SHERMAN, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year	Real Property		Nonreal Property		Less Exemptions and Deductions	Total Taxable Assessed Value
	Residential	Commercial	Personal	Other		
2012	848,847	1,258,179	624,820	29,851	561,268	2,200,429
2013	852,464	1,264,118	632,063	32,626	531,385	2,249,886
2014	855,330	1,313,960	612,320	31,885	575,443	2,238,052
2015	872,907	1,724,365	643,252	27,226	893,233	2,374,517
2016	1,024,035	1,856,599	584,425	18,012	962,223	2,520,848
2017	1,091,578	1,865,518	643,397	12,743	831,983	2,781,253
2018	1,193,741	1,945,413	664,170	15,020	931,450	2,886,894
2019	1,352,065	1,956,251	678,475	13,927	886,541	3,114,177
2020	1,479,006	2,124,113	824,371	14,758	1,022,390	3,419,858
2021	1,637,409	2,393,564	930,870	10,535	1,135,229	3,837,149

Source: Grayson Central Appraisal District

Certified values are subject to change throughout the year as contested values are resolved.

Note: Assessed values are determined as of January 1, and relate to taxes levied on the first day of the following fiscal year. Assessed value is equal to 100% of estimated value. All property is assessed the same regardless of real or personal property, commercial, residential, or industrial.

Total Direct Tax Rate	Assessd Value of Taxable Property	Per Capita Assessed Value
0.3200	2,200,429	57,582
0.3200	2,249,886	58,440
0.3480	2,238,052	57,674
0.3720	2,374,517	60,700
0.3720	2,520,848	63,708
0.3943	2,781,253	69,337
0.4273	2,886,894	71,206
0.4273	3,114,177	75,681
0.4890	3,419,858	80,596
0.4890	3,837,149	87,917

CITY OF SHERMAN, TEXAS

CLASSIFICATION OF ASSESSED VALUATION

LAST TEN YEARS

Category	Tax Year 2011	% of Total	Tax Year 2012	% of Total
Real, Residential, Single-Family	$ 938,389,678	33.98%	$ 932,233,384	33.52%
Real, Residential, Multi-Family	122,892,528	4.45%	127,665,860	4.59%
Real, Vacant Lots/Tracts	44,129,528	1.60%	45,963,438	1.65%
Real, Acreage	98,127,969	3.55%	105,196,706	3.78%
Real, Farm & Ranch Improvements	4,282,539	0.16%	6,176,571	0.22%
Real, Commercial	567,342,314	20.54%	569,833,509	20.49%
Real, Industrial	131,107,924	4.75%	121,858,243	4.38%
Oil & Gas	25,982,199	0.94%	29,519,662	1.06%
Utilities	49,362,566	1.79%	48,473,773	1.74%
Tangible Personal, Commercial	252,458,659	9.14%	263,403,980	9.47%
Tangible Personal, Industrial	311,741,599	11.29%	307,696,682	11.06%
Mobile Homes	2,816,658	0.10%	2,706,729	0.10%
Exempt	194,707,507	7.05%	201,721,730	7.26%
Real Property, Inventory	18,355,463	0.66%	18,820,936	0.68%
Total Appraised Value	2,761,697,131	100.00%	2,781,271,203	100.00%
Less:				
Local Over-65/Disabled	77,141,620		77,995,191	
Community Housing	2,000,000		2,325,000	
Freeport Exemption Loss	73,268,006		75,445,160	
Productivity	77,609,339		84,348,657	
Abatement	119,450,516		74,495,029	
Homestead Cap Loss	6,692,767		3,361,263	
Pollution Control Exemption Loss	3,044,290		1,747,547	
Veterans Exemption Loss	9,056,368		11,180,906	
Exempt	193,005,057		200,486,685	
Total Exemptions/Deductions	561,267,963		531,385,438	
Net Taxable Assessed Valuation	$ 2,200,429,168		$ 2,249,885,765	

TABLE 6

Tax Year 2013	% of Total	Tax Year 2014	% of Total	Tax Year 2015	% of Total
$ 933,817,827	33.19%	$ 950,035,956	29.07%	$ 996,337,134	28.61%
130,211,958	4.63%	133,771,157	4.09%	137,353,565	3.94%
36,329,354	1.29%	36,858,532	1.13%	37,093,687	1.06%
79,919,006	2.84%	76,112,901	2.32%	75,791,961	2.18%
22,561,954	0.80%	25,326,663	0.78%	25,543,317	0.73%
584,441,092	20.77%	611,588,356	18.71%	656,344,646	18.84%
148,052,374	5.26%	443,154,265	13.56%	534,042,357	15.33%
26,524,198	0.94%	23,122,330	0.71%	14,370,088	0.41%
50,457,550	1.79%	54,838,785	1.68%	60,125,951	1.73%
236,760,135	8.42%	228,665,101	7.00%	227,394,003	6.53%
311,710,732	11.08%	343,301,158	10.51%	377,369,508	10.83%
2,686,298	0.10%	2,529,051	0.08%	2,373,920	0.07%
229,503,519	8.16%	316,851,742	9.70%	315,067,825	9.05%
20,519,083	0.73%	21,594,872	0.66%	23,863,035	0.69%
2,813,495,080	100.00%	3,267,750,869	100.00%	3,483,070,997	100.00%
78,722,850		79,182,065		79,273,899	
2,521,084		2,721,914		2,669,627	
75,961,885		97,512,827		118,381,149	
78,407,381		74,612,662		74,265,056	
95,869,742		287,767,443		326,424,014	
2,622,922		1,993,490		5,756,978	
2,117,525		21,818,194		28,342,360	
12,237,464		13,422,653		14,711,729	
226,982,434		314,202,143		312,398,198	
575,443,287		893,233,391		962,223,010	
$ 2,238,051,793		$ 2,374,517,478		$ 2,520,847,987	

CITY OF SHERMAN, TEXAS

CLASSIFICATION OF ASSESSED VALUATION

LAST TEN YEARS

Category	Tax Year 2016	% of Total	Tax Year 2017	% of Total
Real, Residential, Single-Family	$ 1,172,256,310	32.44%	$ 1,271,730,740	33.31%
Real, Residential, Multi-Family	145,169,098	4.02%	171,592,703	4.49%
Real, Vacant Lots/Tracts	36,562,019	1.01%	37,089,674	0.97%
Real, Acreage	79,268,497	2.19%	85,560,844	2.24%
Real, Farm & Ranch Improvements	27,381,695	0.76%	26,368,480	0.69%
Real, Commercial	727,043,765	20.12%	741,982,423	19.43%
Real, Industrial	452,398,809	12.53%	419,523,237	10.99%
Oil & Gas	7,583,006	0.21%	10,325,892	0.27%
Utilities	62,764,999	1.74%	62,022,277	1.62%
Tangible Personal, Commercial	225,091,030	6.23%	232,822,211	6.10%
Tangible Personal, Industrial	336,018,163	9.30%	351,338,418	9.20%
Mobile Homes	2,288,864	0.06%	2,311,951	0.06%
Exempt	313,988,437	8.69%	374,133,097	9.80%
Real Property, Inventory	25,420,914	0.70%	31,541,579	0.83%
Total Appraised Value	3,613,235,606	100.00%	3,818,343,526	100.00%
Less:				
Local Over-65/Disabled	80,301,080		83,649,627	
Community Housing	2,724,952		2,754,411	
Freeport Exemption Loss	84,319,146		81,811,147	
Productivity	77,756,203		83,945,484	
Abatement	184,485,769		221,084,611	
Homestead Cap Loss	51,609,559		45,332,278	
Pollution Control Exemption Loss	22,957,482		20,737,245	
Veterans Exemption Loss	16,565,434		20,586,320	
Exempt	311,263,484		371,548,465	
Total Exemptions/Deductions	831,983,109		931,449,588	
Net Taxable Assessed Valuation	$ 2,781,252,497		$ 2,886,893,938	

Source: Grayson Central Appraisal District
Certified values are subject to change throughout the year as contested values are resolved.

TABLE 6

Tax Year 2018	% of Total	Tax Year 2019	% of Total	Tax Year 2020	% of Total
$ 1,440,633,426	36.01%	$ 1,571,990,435	35.39%	$ 1,758,924,147	35.37%
186,727,671	4.67%	209,348,951	4.71%	235,389,545	4.73%
43,976,830	1.10%	56,163,717	1.26%	63,210,347	1.27%
87,769,981	2.19%	90,225,890	2.03%	110,137,273	2.21%
29,536,003	0.74%	35,064,698	0.79%	41,976,783	0.84%
755,143,573	18.88%	788,778,665	17.76%	865,871,126	17.41%
399,775,501	9.99%	472,104,302	10.63%	512,166,415	10.30%
9,970,358	0.25%	11,682,888	0.26%	8,263,130	0.17%
65,490,107	1.64%	75,543,469	1.70%	81,865,542	1.65%
242,497,504	6.06%	283,328,263	6.38%	294,808,501	5.93%
351,613,421	8.79%	439,320,769	9.89%	526,294,089	10.58%
2,414,806	0.06%	2,836,953	0.06%	3,132,688	0.06%
351,968,446	8.80%	364,255,932	8.20%	421,318,648	8.47%
33,200,075	0.83%	41,602,675	0.94%	49,019,306	0.99%
4,000,717,702	100.00%	4,442,247,607	100.00%	4,972,377,540	100.00%
83,095,775		88,147,460		87,472,969	
2,972,484		3,322,189		3,300,000	
82,495,763		94,958,354		116,126,760	
86,188,622		88,654,461		108,704,423	
189,930,489		294,237,452		279,182,548	
51,629,355		47,090,303		66,573,618	
17,856,105		16,344,385		22,590,402	
23,058,013		28,353,055		32,794,646	
349,314,140		361,282,732		418,483,604	
886,540,746		1,022,390,391		1,135,228,970	
$ 3,114,176,956		$ 3,419,857,216		$ 3,837,148,570	

CITY OF SHERMAN, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES *

LAST TEN FISCAL YEARS

				Overlapping Rates					
	City of Sherman Rates			Grayson County			Sherman Independent School District		
Fiscal Year	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total
2012	$ 0.29000	$ 0.03000	$ 0.32000	$ 0.48414	-	$ 0.48414	$ 1.04000	$ 0.40000	$ 1.44000
2013	0.28000	0.04000	0.32000	0.49090	-	0.49090	1.04000	0.40000	1.44000
2014	0.30030	0.04770	0.34800	0.49090	-	0.49090	1.04000	0.40000	1.44000
2015	0.33000	0.04220	0.37220	0.49090	-	0.49090	1.04000	0.40000	1.44000
2016	0.33244	0.03956	0.37200	0.49090	-	0.49090	1.17000	0.27000	1.44000
2017	0.34789	0.04641	0.39430	0.47372	-	0.47372	1.17000	0.27000	1.44000
2018	0.34759	0.07971	0.42730	0.46037	-	0.46037	1.17000	0.27000	1.44000
2019	0.31956	0.10774	0.42730	0.42791	0.01390	0.44181	1.17000	0.47900	1.64900
2020	0.33844	0.15056	0.48900	0.40397	0.01246	0.41643	1.06830	0.47900	1.54730
2021	0.33757	0.15143	0.48900	0.36446	0.01225	0.37670	0.99070	0.47900	1.46970

Source: Grayson Central Appraisal District

Notes: Overlapping rates are those of local and county governments that apply to property owners within the City of Sherman. Not all overlapping rat
for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of th

*Property tax rates for the three entities with the largerst amount of overlapping properties in the City of Sherman are shown above. Other entities w
Consolidated ISD, Denison ISD and Howe ISD. See Table 17 for all overlapping debt.

Overlapping Rates			Total
Grayson College			Direct and
Operating	Debt Service	Total	Overlapping Rates*
$ 0.13617	$ 0.04563	$ 0.18180	$ 2.42594
0.13060	0.05120	0.18180	2.43270
0.12925	0.05236	0.18161	2.46051
0.13059	0.05091	0.18150	2.48460
0.13384	0.04756	0.18140	2.48430
0.13612	0.04518	0.18130	2.48932
0.14034	0.04086	0.18120	2.50887
0.14239	0.03494	0.17733	2.69544
0.14068	0.03107	0.17175	2.62448
0.14150	0.02957	0.17107	2.50647

es apply to all City of Sherman property owners (e.g., the rates
e special district).

vith a smaller percentage of overlapping properties include S&S

TABLE 8

CITY OF SHERMAN, TEXAS

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO
(amounts expressed in thousands)

	Tax Year 2020			Tax Year 2011		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Panda Sherman Power LLC	$ 131,144	1	3.42%	$ -		-
Tyson Fresh Meats Inc	87,153	2	2.27%	-		-
Finisar Corp & Finisar Sherman RE Holdco LLC	86,560	3	2.26%	-		-
JMCR Sherman LLC	64,771	4	1.69%	-		-
Texas Instruments	51,199	5	1.33%	27,332	3	1.31%
Globitech Inc	46,523	6	1.21%	-		-
Oncor Electric Delivery Co LLC	40,877	7	1.07%	20,442	4	0.98%
Sherman Commons LP	31,258	8	0.81%	17,492	8	0.84%
HCII-Heritage Park LLC	21,592	9	0.56%	-		-
Broadstone HHH Texas LLC	21,007	10	0.55%	-		-
Town North Center	-		-	44,295	1	2.13%
Sherman Grayson Hospital	-		-	59,125	2 & 7	2.85%
MEMC Southwest Inc	-		-	20,108	5	0.97%
First Union Trust Co.	-		-	17,893	6	0.86%
Inland American Sherman Town Center	-		-	14,896	9	0.72%
Progress Rail Service	-		-	14,551	10	0.70%
Total	$ 582,084		15.17%	$ 236,134		11.36%

Source: Grayson Central Appraisal District

TABLE 9

CITY OF SHERMAN, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	$ 7,080	$ 6,924	97.80%	$ 86	$ 7,010	99.01%
2013	7,290	7,132	97.83%	37	7,169	98.34%
2014	7,803	7,669	98.28%	63	7,732	99.05%
2015	8,796	8,665	98.51%	76	8,741	99.37%
2016	9,324	9,125	97.87%	175	9,300	99.74%
2017	10,779	10,592	98.27%	103	10,695	99.22%
2018	12,056	11,918	98.86%	81	11,999	99.53%
2019	12,905	12,699	98.40%	91	12,790	99.11%
2020	16,225	15,961	98.38%	106	16,067	99.03%
2021	17,891	17,653	98.67%	-	17,653	98.67%

Source: Grayson County Tax Assessor Collector. Certified values are subject to change throughout the year as contested values are resolved.

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TABLE 10

CITY OF SHERMAN, TEXAS

SALES TAX COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year	Sales Tax Collections	Property Tax Levy	Local Sales Tax Rate	State Sales Tax Rate	Percent of Property Tax Levy	Equivalent Property Tax Rate
2012	$ 13,065,880	$ 7,080,000	2.000%	6.250%	184.55%	0.5938
2013	13,337,682	7,290,000	2.000%	6.250%	182.96%	0.5928
2014	14,675,996	7,803,000	2.000%	6.250%	188.08%	0.6557
2015	14,699,706	8,796,000	2.000%	6.250%	167.12%	0.6191
2016	15,487,150	9,324,000	2.000%	6.250%	166.10%	0.6144
2017	15,572,318	10,779,000	2.000%	6.250%	144.47%	0.5599
2018	17,454,767	12,056,000	2.000%	6.250%	144.78%	0.6046
2019	17,969,235	12,904,653	2.000%	6.250%	139.25%	0.5770
2020	18,494,327	16,224,684	2.000%	6.250%	113.99%	0.5408
2021	21,037,726	17,890,744	2.000%	6.250%	117.59%	0.5483

CITY OF SHERMAN, TEXAS

SALES TAX COLLECTION BY INDUSTRY

LAST TEN FISCAL YEARS*

Industry	2012	Percent of Total Collection	2013	Percent of Total Collection	2014	Percent of Total Collection
Retail Trade	$ 7,464,057	57.1%	$ 7,682,844	57.6%	$ 7,928,871	54.0%
Accommodation and Food Service	1,448,355	11.1%	1,492,014	11.2%	1,597,945	10.9%
Manufacturing	859,296	6.6%	751,862	5.6%	1,088,028	7.4%
Wholesale Trade	655,378	5.0%	548,919	4.1%	687,130	4.7%
Information	571,685	4.4%	614,604	4.6%	735,636	5.0%
Utilities	492,906	3.8%	489,801	3.7%	634,736	4.3%
Construction	236,748	1.8%	499,088	3.7%	779,630	5.3%
Admin Support	499,887	3.8%	334,040	2.5%	336,868	2.3%
Real Estate/Rental/Leasing	392,817	3.0%	314,572	2.4%	315,644	2.2%
Other	444,751	3.4%	609,938	4.6%	571,509	3.9%
	$ 13,065,880	100.0%	$ 13,337,682	100.0%	$ 14,675,997	100.0%

Industry	2017	Percent of Total Collection	2018	Percent of Total Collection	2019	Percent of Total Collection
Retail Trade	$ 8,929,151	51.2%	$ 9,120,215	52.3%	$ 9,407,653	52.4%
Accommodation and Food Service	1,874,712	12.0%	1,986,397	11.4%	2,126,404	11.8%
Manufacturing	856,743	5.5%	934,049	5.4%	935,340	5.2%
Wholesale Trade	986,180	6.3%	1,029,163	5.9%	1,261,981	7.0%
Information	883,113	5.7%	991,374	5.7%	1,088,823	6.1%
Utilities	765,113	4.9%	960,450	5.5%	977,013	5.4%
Construction	103,946	0.7%	1,188,939	6.8%	665,426	3.7%
Admin Support	151,075	1.0%	184,320	1.1%	255,778	1.4%
Real Estate/Rental/Leasing	391,789	2.5%	432,428	2.5%	434,542	2.4%
Other	630,297	4.0%	627,431	3.6%	816,275	4.5%
	$ 15,572,119	93.8%	$ 17,454,766	100.0%	$ 17,969,235	100.0%

No other entity's sales tax overlaps the City of Sherman's sales tax.

2015	Percent of Total Collection	2016	Percent of Total Collection
$ 8,030,977	54.6%	$ 8,619,109	55.7%
1,631,949	11.1%	1,761,217	11.4%
1,008,652	6.9%	1,175,919	7.6%
861,791	5.9%	897,047	5.8%
789,066	5.4%	863,364	5.6%
579,040	3.9%	790,238	5.1%
382,718	2.6%	447,532	2.9%
313,191	2.1%	103,427	0.7%
319,813	2.2%	331,629	2.1%
782,509	5.3%	497,667	3.1%
$ 14,699,706	100.0%	$ 15,487,149	100.0%

2020	Percent of Total Collection	2021	Percent of Total Collection
$ 9,510,633	51.4%	$ 11,959,706	56.8%
1,992,860	10.8%	2,242,472	10.7%
1,093,158	5.9%	1,098,243	5.2%
1,233,768	6.7%	1,739,812	8.3%
1,001,891	5.4%	791,597	3.8%
1,037,478	5.6%	975,229	4.6%
577,987	3.1%	544,988	2.6%
328,378	1.8%	324,274	1.5%
486,146	2.6%	549,176	2.6%
1,232,029	6.7%	812,229	3.9%
$ 18,494,327	100.0%	$ 21,037,726	100.0%

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TABLE 12

CITY OF SHERMAN, TEXAS

WATER AND SEWER RATES

LAST TEN FISCAL YEARS

Fiscal Year	Water		Sewer	
	Monthly Base Rate	Rate per 1,000 Gallons	Monthly Base Rate	Rate per 1,000 Gallons
2012	$ 20.37	$ 3.24	$ 7.31	$ 3.12
2013	21.18	3.03	7.60	3.24
2014	21.39	3.06	7.68	3.27
2015	21.39	3.06	7.68	3.27
2016	21.39	3.06	7.68	3.27
2017	22.14	3.17	7.95	3.38
2018	22.80	3.27	8.19	3.48
2019	22.80	3.27	8.19	3.48
2020	22.80	3.27	8.19	3.48
2021	23.48	3.37	8.68	3.69

CITY OF SHERMAN, TEXAS

WATER SOLD BY TYPE OF CUSTOMER

LAST TEN FISCAL YEARS
(revenue amounts expressed in thousands)

	2012**		2013		2014	
Type of Customer	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues
Residential	1,318,846.2	$ 7,257	1,128,631.8	$ 6,739	1,058,513.3	$ 6,649
Commercial	1,278,044.6	5,064	1,051,694.3	4,470	1,059,245.9	4,499
Other Water Providers	73,346.5	164	69,150.0	166	421,709.0	705
Outside City Limits	24,171.2	174	23,339.6	172	13,582.9	75
Government	50,059.4	*	45,345.0	*	47,443.6	*
Fire Hydrants	5,387.7	45	10,961.3	51	8,861.3	47
Totals	2,749,855.6	$ 12,704	2,329,121.9	$ 11,598	2,609,355.9	$ 11,975

	2017		2018		2019	
Type of Customer	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues
Residential	1,081,291.8	$ 6,967	1,197,155.7	$ 7,737	1,045,238.3	$ 7,354
Commercial	1,131,942.7	4,900	1,165,800.1	5,182	1,122,412.6	5,077
Other Water Providers	752,723.7	943	826,897.6	980	613,248.5	992
Outside City Limits	6,852.5	92	7,811.1	105	7,389.3	107
Government	54,197.6	*	54,277.7	*	42,280.2	*
Fire Hydrants	4,443.5	48	10,810.5	86	8,690.0	108
Total	3,031,451.9	$ 12,950	3,262,752.7	$ 14,090	2,839,258.9	$ 13,638

* Revenues breakdown not available.
** Due to a change in billing schedule, 2012 contains 13 months of consumption and 13 billings.

2015		2016	
Thousands of Gallons	Revenues	Thousands of Gallons	Revenues
		9.50%	
1,064,108.6	$ 6,725	7,168.0	$ 6,885
1,145,259.4	4,801	1,189,118.6	4,916
730,105.0	1,012	817,598.7	1,062
6,116.5	79	6,204.7	83
41,052.6	*	45,735.6	*
4,450.9	45	7,951.1	57
2,991,093.0	$ 12,662	2,073,776.7	$ 13,003

2020		2021	
Thousands of Gallons	Revenues	Thousands of Gallons	Revenues
1,181,406.4	$ 7,909	1,158,597.1	$ 7,925
1,146,574.8	5,181	1,083,822.1	4,995
623,761.9	968	686,330.9	1,071
11,325.3	157	12,741.4	187
38,108.6	*	51,972.8	*
13,475.6	136	24,027.1	171
3,014,652.6	$ 14,351	3,017,491.4	$ 14,349

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TABLE 14

CITY OF SHERMAN, TEXAS

TOP TEN WATER CUSTOMERS

AS OF SEPTEMBER 30, 2021

Customer	Consumption *(In Millions of Gallons)*	Revenues *(In Thousands)*	Rank	% of Total Water Revenues
Panda Sherman	568.2	$ 885.9	1	6.17%
Texas Instruments	214.2	800.2	2	5.58%
Globitech, Inc	193.5	676.5	3	4.71%
IBP, Inc. - Tyson	148.9	514.8	4	3.59%
Marilee Special Water District	61.6	215.0	5	1.50%
Finisar	44.8	153.4	6	1.07%
Sunny Delight Beverages	42.0	154.9	7	1.08%
Dorchester Water Supply	39.1	59.8	8	0.42%
Austin College	39.0	248.0	9	1.73%
PF Hilltop Village, LLC	34.8	167.0	10	1.16%
Total	1,386.1	$ 3,875.5		27.01%

Note: Total billed water from October 1, 2020 through September 30, 2021, was $14,349,055.

CITY OF SHERMAN, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS
(amounts expressed in thousands)

	Governmental Activities				Business-Type Activities		
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Tax Notes	Capital Lease	Water and Sewer Bonds	Capital Leases	Other
2012	$ 1,445	$ 14,135	$ -	$ 1,029	$ -	$ 510	$ 3,099
2013	1,385	13,445	-	772	-	161	3,019
2014	1,330	127,730	-	575	-	-	2,932
2015	1,270	11,995	-	373	-	-	2,842
2016	1,210	18,499	1,830	162	-	757	2,746
2017	10,669	28,291	1,395	-	-	641	2,647
2018	9,914	50,399	935	2,366	-	524	2,544
2019	8,495	69,180	470	3,103	-	434	2,437
2020	8,250	66,837	-	3,331	-	282	2,326
2021	7,386	94,549	1,795	2,668	-	158	2,201

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Personal income and population data can be found in the Schedule of Demographic and Economic Statistics (Table 20).

Total Primary Government	Percentage of Personal Income	Per Capita
$ 20,218	2.43%	$ 528
18,782	2.25%	490
132,568	2.16%	458
16,480	1.97%	430
25,204	3.01%	658
43,643	4.87%	1,073
66,682	7.42%	1,645
84,119	8.81%	2,044
81,026	8.03%	1,909
108,757	10.47%	2,492

TABLE 16

CITY OF SHERMAN, TEXAS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year	General Obligation Bonds	Certificates of Obligation	Total General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2012	$ 1,445	$ 14,135	$ 15,580	0.71%	$ 407
2013	1,385	13,445	14,830	0.66%	387
2014	1,330	12,730	14,060	0.63%	367
2015	1,270	11,995	13,265	0.56%	346
2016	1,210	18,499	19,709	0.81%	514
2017	10,069	28,291	38,360	1.38%	956
2018	9,914	50,399	60,313	2.09%	1,488
2019	8,495	69,180	77,675	2.49%	1,888
2020	8,250	66,837	75,087	1.96%	1,770
2021	7,386	94,549	101,935	2.66%	2,336

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements. See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data (Table 5). Population data can be found in the Schedule of Demographic and Economic Statistics (Table 20).

CITY OF SHERMAN, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2021
(amounts expressed in thousands)

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
City of Sherman direct debt	$ 106,398	100.000%	106,398
Debt repaid with property taxes:			
Sherman ISD	198,045	90.96%	180,142
Grayson County	31,300	32.30%	10,110
Grayson College	21,175	32.30%	6,840
S & S Consolidated ISD	25,060	24.53%	6,147
Denison ISD	88,763	4.01%	3,559
Howe ISD	21,431	1.78%	381
Subtotal, overlapping debt			207,179
Total direct and overlapping debt			$ 313,577
Ratio of direct and overlapping debt to assessed valuation			8.2%
Per capita direct and overlapping debt			$ 7,185

Sources: Estimated applicable percentages and debt outstanding for overlapping entities were obtained from the Texas Municipal Advisory Council.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Sherman. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF SHERMAN, TEXAS

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(amounts expressed in thousands)

	2012	2013	2014	2015	2016
Debt limit	$ 27,517	$ 27,857	$ 28,284	$ 32,680	$ 34,797
Total net debt applicable to limit	-	-	-	-	9,100
Legal debt margin	$ 27,517	$ 27,857	$ 28,284	$ 32,680	$ 25,697
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	26.15%

Note: The City of Sherman's outstanding general obligation debt is not limited in relation to total assessed property value, but other debt is not to exceed 1% of valuation. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed Value	$ 3,837,149
Add back: exemptions & deductions	1,135,229
Total Assessed Value	4,972,378
Debt limit (1% of total assessed value)	49,724
Debt applicable to limit:	
Non-voting debt issued (certificates of obligation,	30,155
Legal Debt Margin	$ 19,569

2017	2018	2019	2020	2021
$ 36,132	$ 38,183	$ 40,007	$ 44,422	$ 49,724
19,102	23,381	20,131	-	30,155
$ 17,030	$ 14,802	$ 19,876	$ 44,422	$ 19,569
52.87%	61.23%	50.32%	0.00%	60.64%

TABLE 19

CITY OF SHERMAN, TEXAS

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS
(amounts expressed in thousands)

	Water Revenue Bonds					
Fiscal Year	Water and Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2012	$ 19,201	$ 17,218	$ 1,983	$ -	$ -	$ -
2013	19,038	15,848	3,190	-	-	-
2014	19,924	16,233	3,691	-	-	-
2015	20,612	15,834	4,778	-	-	-
2016	20,987	18,255	2,732	-	-	-
2017	21,493	19,254	2,239	-	-	-
2018	22,819	20,731	2,088	-	-	-
2019	23,182	21,917	1,265	-	-	-
2020	23,832	21,842	1,991	-	-	-
2021	23,154	21,305	1,849	-	-	-

Notes:
Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Water, sewer and other charges includes investment earnings, but not tap fees. Operating expenses do not include interest or depreciation.

TABLE 20

CITY OF SHERMAN, TEXAS

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

Calendar Year	Population	Personal Income**	Per Capita Personal Income	Median Age	Percent High School Graduate or Higher	School Enrollment	Average Unemployment Rate *
2012	38,315	$ 830,696	$ 21,738	33.7	83.6%	6,178	7.1%
2013	38,315	838,431	21,778	33.4	84.2%	6,478	6.2%
2014	38,315	823,364	21,218	33.5	84.6%	6,795	5.1%
2015	38,315	854,868	21,853	32.7	83.7%	7,280	4.0%
2016	38,315	865,691	21,878	33.5	84.7%	7,262	3.9%
2017	40,112	883,627	22,029	33.5	85.1%	7,738	3.8%
2018	40,543	898,190	22,154	33.4	85.6%	7,755	3.3%
2019	41,149	954,616	23,199	34.0	84.8%	7,784	3.1%
2020	42,432	1,009,669	23,795	34.8	85.6%	7,938	7.0%
2021	43,645	1,038,533	23,795	34.8	85.6%	8,010	5.3%

Sources: US Census; Bureau of Labor Statistics; Sherman Independent School District.

* Not seasonally adjusted

**Amounts expressed in thousands.

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CITY OF SHERMAN, TEXAS

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

	2021			2012		
Taxpayer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Tyson Fresh Meats	1,750	1	8.39%	1,450	1	7.94%
Sherman ISD	1,137	2	5.45%	985	3	5.40%
Texas Instruments	700	3	3.36%	900	7	4.93%
Grayson County	560	4	2.69%	475	6	2.60%
Wilson N. Jones Regional Medical Center	489	5	2.35%	1,000	2	5.48%
City of Sherman	470	6	2.25%	480	5	2.63%
Alorica	452	7	2.17%	-		-
Finisar	385	8	1.85%	-		-
Wal-Mart/Sam's	375	9	1.80%	450	7	2.47%
Emerson	350	10	1.68%	400	8	2.19%
Community Medical Center	-		-	390	9	2.14%
Austin College	322		1.54%	310	10	1.70%
Total	6,990		33.53%	6,840		37.47%

Source: Sherman Economic Development Corporation and U.S. Census Bureau

CITY OF SHERMAN, TEXAS

FULLTIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	2012	2013	2014	2015	2016
General government					
Management services	3	3	3	3	5
Public records	2	2	2	2	2
Legal services	2	2	2	2	2
Financial services	6	5	6	6	7
Human resources	3	3	3	3	3
Engineering	8	7	7	8	8
Law enforcement	68	68	68	68	68
Fire and ambulance	78	78	78	78	78
Municipal court	-	-	-	-	-
Emergency management	-	-	-	-	-
Animal services	7	7	7	7	7
Public safety support	25	25	25	25	25
Building and zoning	6	6	6	6	6
Street maintenance	25	24	24	23	23
Environmental code	2	2	2	2	2
Building maintenance	9	9	9	9	8
Cemetery services	6	7	6	6	7
Parks and recreation	5	6	6	5	6
Grounds maintenance	11	15	16	16	16
Glennie O. Ham Center	2	-	-	-	-
Library services	11	11	11	11	11
Neighborhood services	1	1	1	1	1
Senior citizens center	1	2	2	2	2
Fire safety support	-	2	2	2	-
Utility Fund					
Utility administration	1	1	1	1	1
Utility billing/customer service	11	11	11	12	12
Production services	18	18	18	18	18
Pump maintenance	4	4	4	4	4
Collection and distribution	16	16	16	16	16
Infiltration and inflow	1	1	1	1	1
Treatment services	12	12	12	12	12
Laboratory	6	6	6	6	7
Industrial pretreatment	4	4	4	4	4
Water quality	-	-	-	1	1
Solid waste fund					
Residential	15	15	15	15	15
Commercial	12	12	12	12	12
Recycling	3	3	3	3	3
Solid waste administration	-	-	-	-	-
Other					
Information technology	4	5	5	5	6
Equipment services	14	14	13	13	12
Tourism	1	1	1	2	2
Stormwater services	-	-	-	-	-
Total	403	408	408	410	413

Source: City of Sherman Annual Operating Budget Report

2017	2018	2019	2020	2021
5	5	5	5	5
2	3	3	3	3
1	1	1	1	1
7	7	7	8	8
4	4	4	4	4
9	8	8	9	9
72	72	73	74	74
81	81	86	86	86
2	2	3	3	3
-	-	1	1	1
7	7	8	8	8
23	23	23	24	24
6	6	7	7	7
23	25	25	25	25
2	3	4	4	4
9	9	10	10	10
7	7	7	7	7
6	6	6	6	6
16	16	18	21	21
-	-	-	-	-
11	11	12	10	10
2	2	1	4	4
2	2	2	2	2
-	-	1	2	2
1	1	1	1	1
12	12	12	12	12
22	22	22	22	23
4	4	4	4	4
20	20	20	20	20
1	1	1	1	1
14	14	14	14	14
6	6	6	6	6
4	4	4	4	4
1	1	2	2	4
14	13	14	19	19
12	12	13	8	8
2	2	2	1	1
2	2	2	4	4
6	6	7	7	7
11	13	12	13	13
2	2	3	3	3
-	-	2	2	2
431	435	456	467	470

CITY OF SHERMAN, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	2012	2013	2014	2015
Police				
Physical arrests	2,366	2,525	1,677	1,767
Calls for service	19,756	18,766	18,437	20,555
Traffic violations	5,882	6,880	3,759	4,451
Fire				
Number of calls answered	6,190	6,219	6,013	6,469
Inspections	1,956	1,959	2,074	3,233
Planning and Zoning				
Number of residentail units	402	444	596	426
Value of resdiential units	$ 11,906,411	$ 27,687,480	$ 22,730,051	$ 22,440,786
Number of commercial units	126	125	134	85
Value of commercial units	$ 6,116,021	$ 132,543,698	$ 24,715,785	$ 15,076,638
Highways and streets				
Street resurfacing (miles)	23	17	18	13
Potholes repaired	2,245	1,983	299	1,183
Sanitation				
Refuse collected (tons/day)	148	146	161	160
Recyclables collected (tons/day)	11	11	16	12
Culture and recreation				
Athletic field permits issued	3,429	2,538	3,851	2,962
Community center admissions	4,832	4,988	8,644	5,168
Water				
New connections	2,572	2,683	2,693	2,846
Water mains breaks	165	192	190*	187
Average daily consumption (thousands of gallons)	8	8	8	5
Wastewater				
Average daily sewage treatment (thousands of gallons)	6,740	6,610	6,440	9,630

Source: Various City departments
Estimates used if actual number not available

* Data unavailable in accordance with Texas House Bill 852

2016	2017	2018	2019	2020	2021
1,586	1,501	1,654	1,550	1,283	1,565
38,123	37,131	37,673	39,405	32,282	32,102
4,314	5,184	5,893	9,741	5,872	7,327
6,769	7,614	7,246	7,392	7,750	7,262
797	920	587	1,225	1,272	1,376
456	537	530	594	867	857
$ 21,059,304	$ 30,613,815	$ 50,276,674	$ 38,735,406	*	*
81	94	126	111	80	89
$ 17,757,185	$ 34,571,628	$ 46,020,156	$ 170,534,915	$ 18,986,845	$ 45,456,608
15	15	15	5	10	11
433	285	609	463	567	770
177	179	213	254	310	266
12	10	9	7	1	-
2,788	3,047	2,946	3,004	1,079	2,026
4,890	4,123	3,989	3,997	761	966
2,948	2,963	3,035	3,140	3,350	3,182
120	219	213	231	174	349
8	8	8	8	8	8
8,280	6,860	7,780	8,730	8,590	8,250

CITY OF SHERMAN, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	2012	2013	2014	2015	2016	2017	2018
Public safety							
Police:							
Stations	1	1	1	1	1	1	1
Patrol units	17	17	17	17	21	17	20
Fire stations	5	5	5	5	5	5	5
Sanitation							
Collection trucks	37	37	38	40	43	38	43
Highways and streets							
Streets(miles)	212	212	212	242	231	260	265
Streetlights	3,049	3,049	3,049	3,049	3,049	3,049	3,049
Traffic signals	84	84	84	84	84	84	85
Culture and recreation							
Parks and acreage	414	414	414	414	440	440	452
Swimming pools	1	1	1	1	1	1	1
Tennis courts	4	4	4	4	4	4	4
Community centers	1	1	2	2	2	2	2
Water							
Water mains (miles)	270	282	280*	239	294	300	302
Fire hydrants	1,766	1,782	1782*	1,806	1,844	1,889	1,908
Maximum daily capacity (thousands of gallons)	23,157	22,809	23,319	23,419	24,151	21,864	23,032
Sewer							
Sanitary sewers (miles)	240	240	240	240	246	250	250
Storm sewers (miles)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum daily capacity (thousands of gallons)	16,000	16,000	16,000	16,000	16,000	16,000	16,000

Source: Various City departments
*Estimates used if actual number not available

2019	2020	2021
1	1	1
18	21	19
5	5	5
46	47	49
265	265	265
3,049	3,049	3,067
85	85	85
452	452	452
1	1	1
4	4	4
2	2	2
308	311	314
1,962	1,977	2,000
23,000	33,419	33,250
253	255	256
N/A	N/A	N/A
16,000	16,000	16,000

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PATTILLO, BROWN & HILL, L.L.P.
401 West State Highway 6
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Honorable Mayor and
Members of the City Council
Sherman, Texas

We have audited the financial statements of the City of Sherman, Texas as of and for the year ended September 30, 2021, and have issued our report thereon dated March 7, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 10, 2021, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of Sherman, Texas solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, and, as appropriate, our firm have complied with all relevant ethical requirements regarding independence.

As a part of the engagement we assisted in preparing the financial statements, schedule of expenditures of federal awards, and related notes to the financial statements of the City of Sherman, Texas in conformity with U.S. generally accepted accounting principles and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services were not conducted in accordance with *Government Auditing Services.*

In order to ensure we maintain our independence for performing these nonaudit services certain safeguards were applied to this engagement. Management assumed responsibility for the financial statements, related notes to the financial statements and the schedule of expenditures of federal awards and any other nonaudit services we provided. Management acknowledged in the management representation letter our assistance with the preparation of the financial statements, related notes to the financial statements and the schedule of expenditures of federal awards that these items were reviewed and approved prior to their issuance and accepted responsibility for them. Further, the nonaudit services were overseen by an individual within management that has the suitable skill, knowledge, or experience; evaluated the adequacy and results of the services; and accepted responsibility for them.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City of Sherman, Texas is included in Note I to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the fiscal year ending September 30, 2021. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the useful lives of capital assets is based on the expected lifespan of the asset in accordance with standard guidelines. We evaluated the key factors and assumptions used to develop the estimate of useful lives in determining that it is reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

Management's estimate of the allowance for uncollectible property taxes is based on historical collections. We evaluated the key factors and assumptions used to develop the allowance for uncollectible property taxes in determining that it is reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

Management's estimate of the allowance for uncollectible court fines is based on historical collections. We evaluated the key factors and assumptions used to develop the allowance for uncollectible court fines in determining that it is reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

Management's estimate of the allowance for uncollectible EMS receivable is based on historical collections. We evaluated the key factors and assumptions used to develop the allowance for EMS revenues in determining that it is reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

Management's estimates of the net pension liability and other post-employment benefit liabilities is based on actuarial assumptions which are determined by the demographics of the plan and future projections that the actuarial makes based on historical information of the plan and the investment market. We evaluated the key factors and assumptions used to develop the net pension liability and OPEB liabilities determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City of Sherman, Texas' financial statements relate to the net pension and OPEB liabilities. The disclosures in the financial statements are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures.

None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City of Sherman, Texas' financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated March 7, 2022.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City of Sherman, Texas, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City of Sherman, Texas' auditors.

Upcoming Accounting Pronouncements

The following statements for the GASB are effective for future fiscal years ending as listed below. The City of Sherman, Texas is in the process of reviewing and evaluating these statements and their potential impact on the City of Sherman, Texas' financial statements.

Statement No. 87 *"Leases"* – This Statement is to improve the accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities previously classified as operating leases. It establishes a single model for lease accounting based on the principle that leases are financing the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, enhancing the relevance and consistency of information about leasing activities. This Statement will become effective for the city in fiscal year 2022.

Statement No. 96, Subscription-Based Information Technology Arrangements – This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. This Statement will become effective for the city in fiscal year 2024.

Restriction on Use

This report is intended solely for the information and use of the City Council and management of the City of Sherman, Texas and is not intended to be and should not be used by anyone other than these specified parties.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 7, 2022

CITY OF SHERMAN, TEXAS

SINGLE AUDIT REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2021

CITY OF SHERMAN, TEXAS

SEPTEMBER 30, 2021

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and
Members of the City Council
Sherman, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sherman, Texas as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Sherman, Texas' basic financial statements, and have issued our report thereon dated March 7, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Sherman, Texas' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Sherman, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Sherman, Texas' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weakness. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Sherman, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 7, 2022

PATTILLO, BROWN & HILL, L.L.P.
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Honorable Mayor and
Members of the City Council
Sherman, Texas

Report on Compliance for Each Major Federal Program

We have audited the City of Sherman, Texas' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Sherman, Texas' major federal programs for the year ended September 30, 2021. The City of Sherman, Texas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Sherman, Texas' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Sherman, Texas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Sherman, Texas' compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Sherman, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

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AICPA GAQC Member

Report on Internal Control over Compliance

Management of the City of Sherman, Texas is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Sherman, Texas' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Sherman, Texas' internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sherman, Texas as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Sherman, Texas' basic financial statements. We issued our report thereon dated March 7, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 7, 2022

CITY OF SHERMAN, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Grantor or Pass-Through Grantor's Number	Program Award Expenditures	Passed Through Subrecipients
U.S. Department of Housing and Urban Development				
Direct Programs:				
Community Development Block Grant/Entitlement Grants	14.218	B-18-MC-48-0027	$ 485	$ 485
Community Development Block Grant/Entitlement Grants	14.218	B-19-MC-48-0027	197,320	6,748
Community Development Block Grant/Entitlement Grants Cares Act - COVID - 19	14.218	B-20-MC-48-0027	67,192	48,387
Community Development Block Grant/Entitlement Grants Cares Act - COVID - 19	14.218	B-20-MW-48-0027	196,182	172,777
Total Community Development Block Grant - CDBG - Entitlement Grants Cluster			461,179	228,397
Total U.S. Department of Housing and Urban Development			461,179	228,397
U.S. Department of Justice				
Direct Programs:				
Edward Byrne Memorial Justice Assistance Grant	16.738	2019-DJ-BX-0406	10,936	5,063
Equitable Sharing Program	16.922	TX0910400	6,927	-
Total U.S. Department of Justice			17,863	5,063
U.S. Department of Treasury				
Passed through the Texas Department of Emergency Management:				
COVID - 19 - Coronavirus Relief Fund	21.019		1,245,691	415,000
Direct Program:				
COVID - 19 - Coronavirus State and Local Fiscal Relief Funds	21.027		457	-
Total U.S. Department of Treasury			1,246,148	415,000
National Endowment for the Humanities				
Passed through the Texas Commission on the Arts				
Texas Rescue Plan	45.025	1863312-61-20	2,406	-
Total Passed through the Texas Commission on the Arts			2,406	-
Passed through the Texas State Library and Archives Commission:				
Interlibrary Loan Lending Reimbursement Program	45.310	LS-00-19-044-19	1,454	-
Total Passed through the Institute of Museum and Library Services			1,454	-
Total National Endowment for the Humanities			3,860	-
U.S. Department of Health and Human Services				
Passed through Texas Health and Human Services Commission				
Medical Assistance Program	93.778	86350801	96,966	-
Total Medicaid Cluster			96,966	-
Total U.S. Department of Health and Human Services			96,966	-
U.S. Department of Homeland Security				
Direct Programs:				
Staffing for Adequate Fire and Emergency Response Grant (SAFER Grant)	97.083	EMW-2017-FH-00330	172,811	-
Total U.S. Department of Homeland Security			172,811	-
Total Federal Expenditures			$ 1,998,827	$ 648,460

CITY OF SHERMAN, TEXAS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

SEPTEMBER 30, 2021

Note 1 – General

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Sherman, Texas and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The City of Sherman, Texas' reporting entity is defined in Note I to the City of Sherman, Texas' basic financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

Note 2 – Subrecipients

Program Title/ Subrecipient	Assistance Listing Number	Amount
Child and Family Guidance Center of Texoma	14.218	$ 15,720
Housing Authority of the City of Sherman, Texas	14.218	8,000
Grayson County Shelter, Inc.	14.218	46,000
Grayson County Crisis Center	14.218	9,000
Boys & Girls Club of Sherman	14.218	35,000
CASA of Grayson County	14.218	3,500
Sherman Youth Sports Association	14.218	16,177
Grand Central Station	14.218	15,000
Multicultural Family Center	14.218	7,000
House of Eli	14.218	10,000
Court Appointed Special Advocates	14.218	45,000
Four Rivers Outreach	14.218	18,000
Total for 14.218		$ 228,397

Program Title/ Subrecipient	Assistance Listing Number	Amount
Sherman ISD	21.019	$ 410,000
Sherman Chamber of Commerce	21.019	5,000
Total for 21.019		$ 415,000

Program Title/ Subrecipient	Assistance Listing Number	Amount
Grayson County Sheriff's Office	16.738	$ 2,220
City of Denison	16.738	2,843
Total for 16.738		$ 5,063

Note 3 – Indirect Cost Rate

The City of Sherman, Texas has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF SHERMAN, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Summary of Auditor's Results

Financial Statements:	
Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	None
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	None
Federal Awards:	
Internal control over major programs:	
Material weakness(es) identified?	None
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of Uniform Guidance?	None
Identification of major programs:	

ALN Number:	Name of Federal Program:
21.019	COVID-19 - Coronavirus Relief Fund

Dollar threshold used to distinguish between type A and type B programs for federal single audit:	$750,000
Auditee qualified as low-risk auditee for federal single audit?	Yes

Findings Relating to the Financial Statements Which are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards

None

Findings and Questioned Costs for Federal Awards

None

CITY OF SHERMAN, TEXAS

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NONE

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 4.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Replat of Kerr's Nursery Addition, consisting of all of Lot 3, Lot 4 and the East half (E/2) of Lot 5, Block 11, Kerr's Nursery Addition; Indalecio Torres, Owner; Julio Torres, Representative and Copley Land Surveying, Surveyor (415 East Orange Street)

Issue:

To consider the Replat of Kerr's Nursery Addition, consisting of all of Lot 3, Lot 4 and the East half (E/2) of Lot 5, Block 11, Kerr's Nursery Addition; Indalecio Torres, Owner; Julio Torres, Representative and Copley Land Surveying, Surveyor (415 East Orange Street)

Background:

The property is located at 415 East Orange Street between Texoma Parkway and North Broughton Street. The owner is requesting a Zone Change from a C-2 (Retail Business) District to an R-6 (Single-Family Residential) District. The owner would also like to plat the property into two lots for residential development.

Origination:

Indalecio Torres (Owner)
Julio Torres (Representative)
Copley Land Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission 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
Zoning Sign Photo
Replat
Staff Review Letter
P & Z Communication

dlagrone H:\PLANNING\Public Notification KT.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
LOCATION MAP
415 E. ORANGE ST.

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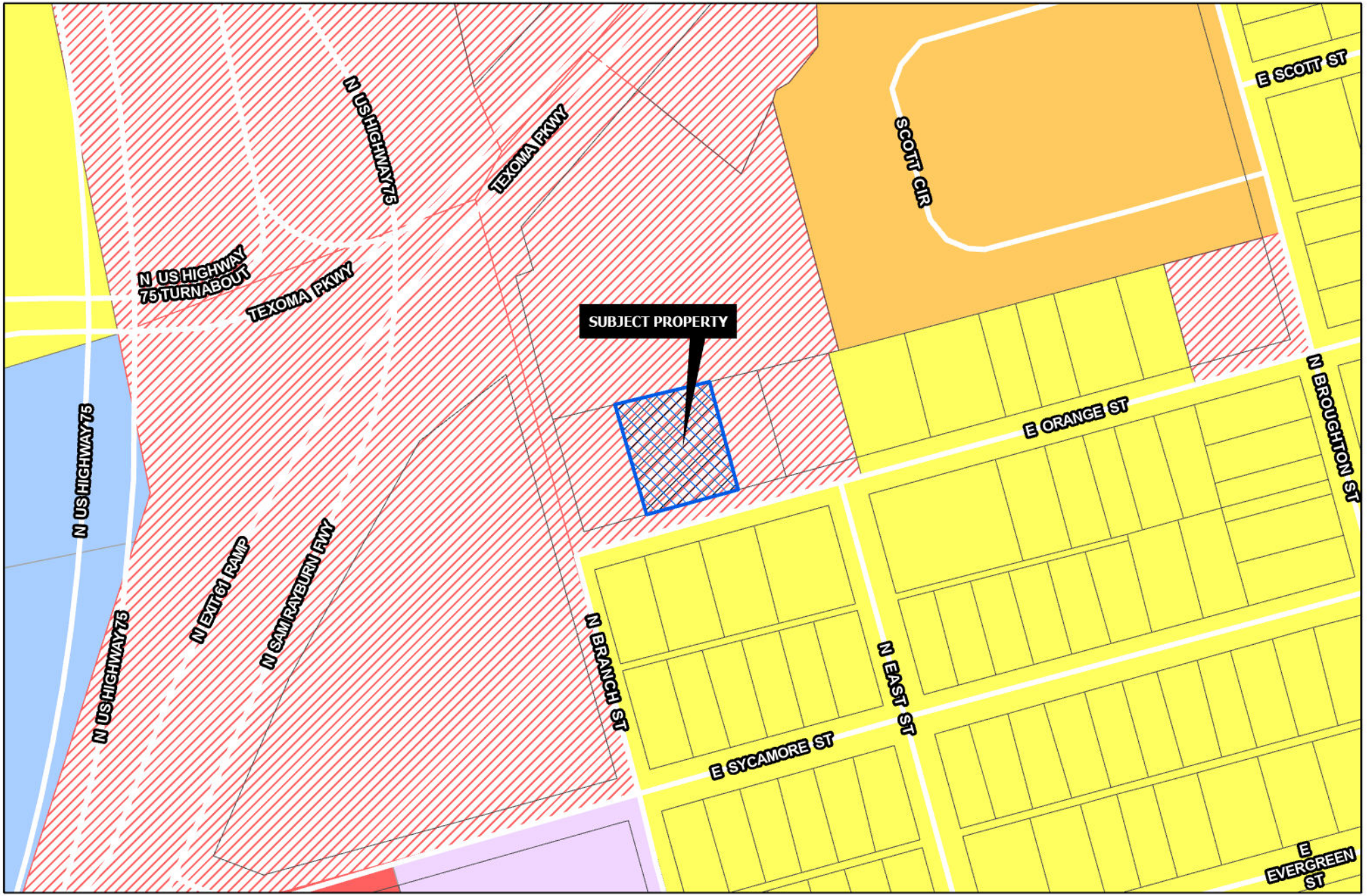
Date: 2/9/2023 12:06 PM



Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- R-A Residential Agricultural
- R-E Estate Residential
- R-12 Single Family Residential
- R-6 Single Family Residential
- R-5 Single Family Residential
- R-4 Patio Home Residential
- R-2F Duplex Residential
- R-TH Townhome Residential
- MF-15 Multi-Family Residential
- MF-30 Multi-Family Residential
- MH Manufactured Housing
- C-N Neighborhood Commercial
- C-O Office
- C-1 Retail Business
- C-2 General Commercial
- M-1 Light Manufacturing
- M-1.5 Medium Manufacturing
- M-2 Heavy Manufacturing
- PD Planned Development
- Subject Locations
- Road Names All

CITY OF SHERMAN ZONING MAP 415 E. ORANGE ST.

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Date: 2/9/2023 12:11 PM

2/9/23

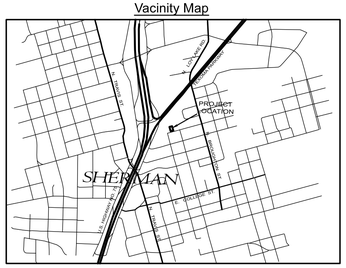
CLS Job# 21100490

0 20 40

SCALE ~ 1" = 20'

~ BASIS OF BEARINGS ~
GRID NORTH, NAD 83
TEXAS STATE PLANE COORDINATE SYSTEM
NORTH CENTRAL ZONE (4202)

Vacinity Map



Replat of
Lot 3R & 4R, Block 11, Kerr's Nursery Addition
Being the replat of Lot 3, Lot 4 and the E/2 of Lot 5, Block 11, Kerr's Nursery Addition, an addition to the City of Sherman Grayson County, Texas

2/2/2023

Copley Land Surveying
1702 Verdi Ln., Sherman, Texas 75090
TX 903-415-0643, OK 580-980-0181
john@copleylandsurveying.com

OWNERS/DEVELOPER
INDALECIO TORRES GONZALEZ
ARACELI TORRES
419 E. ORANGE STREET
SHERMAN, TEXAS 75090

SURVEYOR
JOHN C. COPLEY
R.P.L.S. NO. 6720
1702 VERDI LN.
SHERMAN, TEXAS 75090

CLS Job# 21100490

Legal Description

Situated in the City of Sherman, County of Grayson, State of Texas, being all of Lot 3, Lot 4 and the East half (E/2) of Lot 5, Block 11, Kerr's Nursery Addition, an addition to the City of Sherman as shown by plat of record in Volume 138, Page 151, Deed Records, Grayson County, Texas, deeded to Indalecio Torres Gonzalez and Araceli Torres by deed of record in Document No. 2021-16542, Official Public Records, Grayson County, Texas and being more particularly described by metes and bounds as follows:

Beginning at a 1/2" steel rod set with an aluminum cap marked COPLEY RPLS 6720 in the north line of E. Orange Street at the southeast corner of said Lot 3 and the southwest corner of said Lot 2 said point bearing South 74°29'01" West a distance of 150.00 feet from a 1/2" pipe found at the southeast corner of said Block 11;

Thence **South 74°29'01" West**, along the north line of said E. Orange Street and the south line of both Lot 4 and Block 11, passing the southeast corner of said Lot 3, continuing along the south line of said Lot 4, passing the southwest corner of said Lot 4, continuing along the south line of said Lot 5 in all a distance of **125.00 feet** to a 1/2" steel rod set with an aluminum cap marked COPLEY RPLS 6720 for the southwest corner of the herein described tract;

Thence **North 15°30'59" West**, over and across said Lot 5, a distance of **125.00 feet** to a 1/2" steel rod set with an aluminum cap marked COPLEY RPLS 6720 in the north line of both Lot 5 and Block 11 and the south line of a 2.683 acre tract of land conveyed to R. L. & C., LLC by deed of record in Document No. 2018-25498 of said Official Public Records, for the northwest corner of the herein described tract;

Thence **North 74°29'01" East**, along the north line of both said Lot 5 and Block 11, passing the northeast corner of said Lot 5 continuing along the north line of said Lot 4, passing the northeast corner of said Lot 4, continuing along the north line of said Lot 3 in all a distance of **125.00 feet** to a 1/2" steel rod set with an aluminum cap marked COPLEY RPLS 6720 for the northeast corner of said Lot 4;

Thence **South 15°30'59" East**, along the east line of said Lot 4 and the west line of said Lot 3, a distance of **125.00 feet** to the **Point-of-Beginning** and containing **0.359 acres** of land.

KNOWN ALL MEN BY THESE PRESENTS:

That I, John C. Copley, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments thereon where properly placed, under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

_____ _____
John C. Copley Date
Registered Professional
Land Surveyor No. 6720
Firm No. 10194429

Owners Certificate & Dedication

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

That We, INDALECIO TORRES GONZALEZ AND ARACELI TORRES, Owner and Developer, do hereby adopt this plat designating the hereinabove property as the Replat of LOT 3R & 4R, BLOCK 11, KERR'S NURSERY ADDITION, an addition to the City of Sherman, 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 or 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 a right of ingress and egress to and from and upon the said easement 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 _____ _ _____, 2023.

_____
INDALECIO TORRES GONZALEZ

_____
ARACELI TORRES

STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared INDALECIO TORRES GONZALES 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 purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this__ _day of_____, 2023.

_____
Notary Public in and for
the State of Texas

STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared ARACELI TORRES 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 purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this__ _day of_____, 2023.

_____
Notary Public in and for
the State of Texas

AVIGATION RELEASE

THE STATE OF TEXAS §
COUNTY OF GRAYSON §

WHEREAS, INDALECIO TORRES GONZALEZ and ARACELI TORRES, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as Lot 3R & 4R, Block 11, Kerr's Nursery Addition, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed or navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER's described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property; and OWNER does hereby fully remiss and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at Lot 3R & 4R, Block 11, Kerr's Nursery Addition, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

Executed this ____ day of _____, 2023.

By:_____
INDALECIO TORRES GONZALEZ

By:_____
ARACELI TORRES

~ GENERAL NOTES ~

1. Water Supply to be provided by the City of Sherman.
2. Sewer service to be provided by the City of Sherman.
3. Electrical service is provided by Oncor Electrical Delivery.
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. The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or for the control of erosion.
7. 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.
8. The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
9. Bearings are based on the City of Sherman Control Monument Network.
10. The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.

Purpose:
The purpose of this is to Replat is to combine 1 Lot and a 1/2 Lot into 1 Lot.

Acceptance of Dedication

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, the Replat of LOT 3R & 4R, BLOCK 11, KERR'S NURSERY ADDITION, an addition to the City of Sherman, Texas, was submitted to the City Council on the _____day of _____ ____, 2023, 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.

Witness my hand this____ day of _____, _____ ,2023.

_____
Clerk, City of Sherman, Texas

Approved this _____ day of _____,2023, by the City Planning Commission to the City of Sherman, Texas.

_____ _____
Chairman Secretary

Accepted by the City Council of the City Sherman.

_____ _____
Mayor, City of Sherman, Texas Date

Replat of
Lot 3R & 4R, Block 11, Kerr's Nursery Addition
Being the replat of Lot 3, Lot 4 and the E/2 of Lot 5, Block 11, Kerr's Nursery Addition, an addition to the City of Sherman Grayson County, Texas

Copley Land Surveying
1702 Verdi Ln., Sherman, Texas 75090
TX 903-415-0643, OK 580-980-0181
john@copleylandsurveying.com

OWNERS/DEVELOPER
INDALECIO TORRES GONZALEZ
ARACELI TORRES
419 E. ORANGE STREET
SHERMAN, TEXAS 75090

SURVEYOR
JOHN C. COPLEY
R.P.L.S. NO. 6720
1702 VERDI LN.
SHERMAN, TEXAS 75090

2/2/2023

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2023

Indalecio Torres Gonzalez
Araceli Torres
419 E. Orange Street
Sherman, TX 75090

Copley Land Surveying
1702 Verdi Lane
Sherman, TX 75090

Dear Applicants,

The request for approval of the Replat of Lot 3R & 4R, Block 11, Kerr's Nursery Addition has been scheduled to be heard by the Planning and Zoning Commission on the day of Tuesday, February 21, 2023 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. Simplify Plat Name. Plat name must not exceed 20 characters in length. Sub-labels, i.e. "being a replat of…" do not count in the total character limit.
2. Addition Name, Lot and Block numbers, surrounding plat references, and calls must be in Arial, Calibri, or Times New Roman font. *Code of Ordinances Chapter 10.05, Exhibit A, Section 6(B)*
3. Remove direction (North) from Branch Street on drawing. *Code of Ordinances Chapter 10, Exhibit A, Sec.6(B)(7)*
4. Remove direction (East) from Orange Street on drawing and in metes and bounds description. *Code of Ordinances Chapter 10, Exhibit A, Sec.6(B)(7)*
5. Show a minimum of three (3) found monuments on drawing. *Code of Ordinances Chapter 10, Exhibit A, Sec. 15(A).*
6. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*
7. 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.
8. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*

9. Upon final staff approval, 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. Final copies for filing will not be accepted until after approval by P&Z Commission, City Council, and Engineering Department. CAD file must be submitted digitally at time of final approval. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 20.

Meeting Date: 02/21/2023

Prepared by: Lauren Marlow, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

415 EAST ORANGE STREET

The request of Indalecio Torres (Owner), Julio Torres (Representative) and Copley Land Surveying (Surveyor) concerning the property located at 415 East Orange Street, consisting of 0.359 acres, all of Lot 3, Lot 4 and the East half (E/2) of Lot 5, Block 11, Kerr's Nursery Addition, as follows:

Planning and Zoning Commission

A. Public Hearing and Zone Change from a C-2 (Retail Business) District to an R-6 (Single-Family Residential) District.
B. Replat of Kerr's Nursery Addition

Background:

The property is located at 415 East Orange Street between Texoma Parkway and North Broughton Street. The owner is requesting a Zone Change from a C-2 (Retail Business) District to an R-6 (Single-Family Residential) District. The owner would also like to plat the property into two lots for residential development.

Adjacent Zoning:

C-2 (General Commercial) District
R-6 (Single-Family Residential) District

Origination:

Indalecio Torres (Owner)
Julio Torres (Representative)
Copley Land Surveying (Surveyor)

Master Plan Designation:

Core Neighborhood category is intended to protect and enhance the existing residential areas of Sherman. This area is generally located in the center of the city, east and west of US-75. A majority of the Core Neighborhood category encompasses what is known as east Sherman. This category encourages infill development that maintains the existing character, while increasing the aesthetic appeal of the community. In certain areas, an increase in density can be appropriate through the development of single-family attached products, like townhomes or quad-plexes.

Number of notices mailed:

15

Objections Received:

0

Development Review Meeting:

No

Attachments

Location Map

Zoning Map

Zoning Sign Photo

FLUM

Replat

Staff Review Letter - Plat

Staff Review Letter - Zoning

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 5.**

Meeting Date: 03/20/2023

Prepared By: Teri Fine, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Consider Cancelation of the July 3, 2023 Regular City Council Meeting and Add Called City Council Meeting on Wednesday, July 5, 2023

Issue:

Consider Cancelation of the July 3, 2023 Regular City Council Meeting and Add Called City Council Meeting on Wednesday, July 5, 2023

Background:

The City Council's first regular meeting in July 2023 falls on the same day as the Lights on the Lake event. City Staff is asking to instead move this meeting to Wednesday, July 5, 2023 at 5:00PM.

Origination:

City Manager Robby Hefton

Financial Consideration:

There is no financial impact to be considered.

Staff Recommendation:

It is recommended that the City Council cancel the July 3rd City Council Meeting and add Called City Council Meeting on July 5th.

Alternatives:

The Council could choose to hold this meeting.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 6.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

***** OTHER BUSINESS***

Final Plat of Copley Land Surveying, consisting of 1.149 acres in the D.C. Shelp Survey, Abstract No. 1097 and the J.B. Shannon Survey, Abstract No. 1085, and currently zoned C-2 (General Commercial) District; Ed and Cathy Breach, Owner and Copley Land Surveying, Surveyor (5904 Texoma Parkway)

Issue:

To consider Final Plat of Copley Land Surveying, consisting of 1.149 acres in the D.C. Shelp Survey, Abstract No. 1097 and the J.B. Shannon Survey, Abstract No. 1085, and currently zoned C-2 (General Commercial) District; Ed and Cathy Breach, Owner and Copley Land Surveying, Surveyor (5904 Texoma Parkway)

Background:

The property is located at 5904 Texoma Parkway between FM 691 and De Soto. The owner would like to plat the property into one lot for commercial development.

Origination:

Ed and Cathy Breach (Owner)
Copley Land Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission 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
Final Plat
Staff Review Letter
P & Z Communication

dlagrone H:\PLANNING\Public Notification KT.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN

5904 TEXOMA PKWY.

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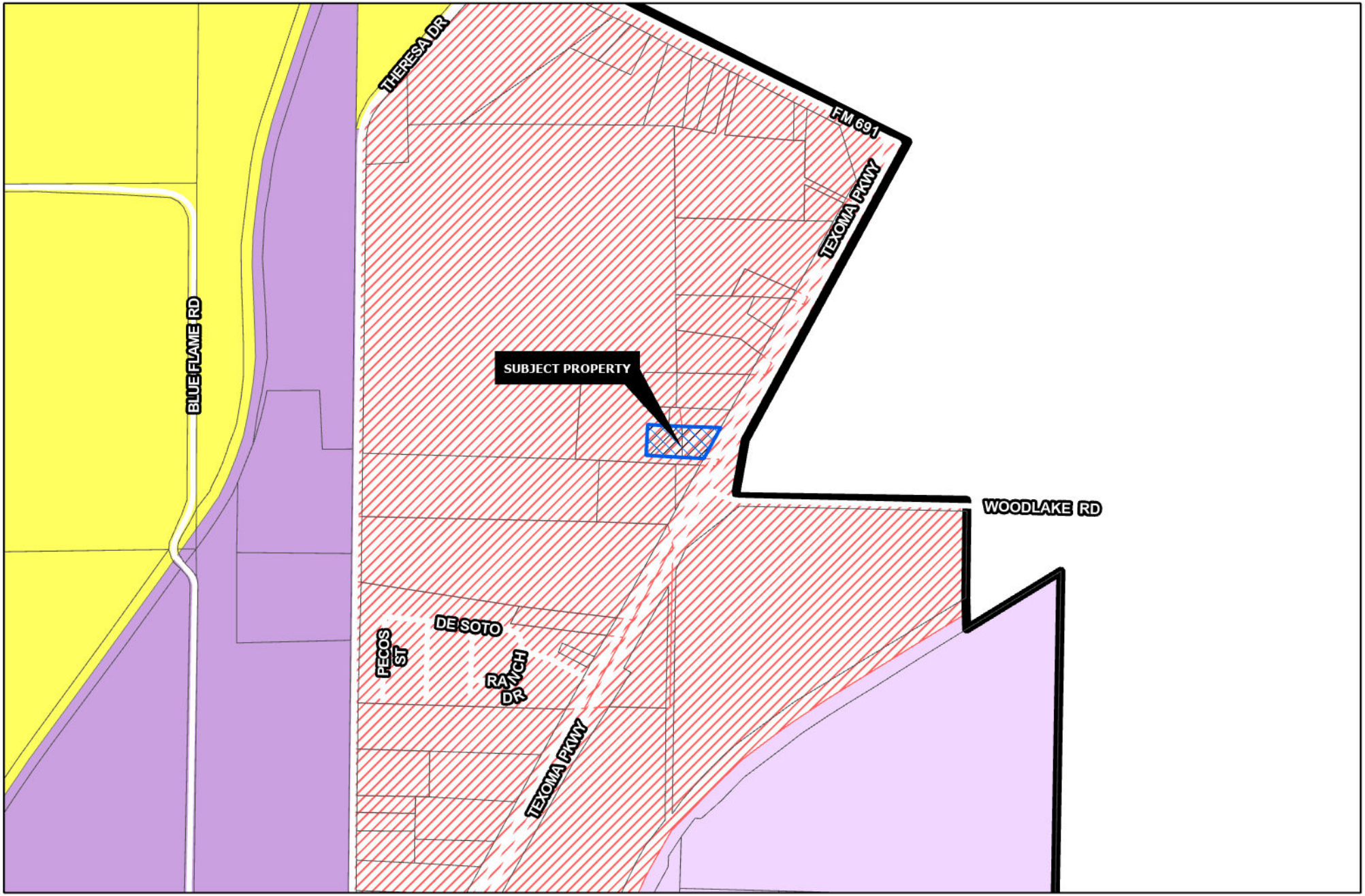

Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- R-A Residential Agricultural
- R-E Estate Residential
- R-12 Single Family Residential
- R-6 Single Family Residential
- R-5 Single Family Residential
- R-4 Patio Home Residential
- R-2F Duplex Residential
- R-TH Townhome Residential
- MF-15 Multi-Family Residential
- MF-30 Multi-Family Residential
- MH Manufactured Housing
- C-N Neighborhood Commercial
- C-O Office
- C-1 Retail Business
- C-2 General Commercial
- M-1 Light Manufacturing
- M-1.5 Medium Manufacturing
- M-2 Heavy Manufacturing
- PD Planned Development
- Subject Locations
- Road Names All

CITY OF SHERMAN

5904 TEXOMA PKWY.

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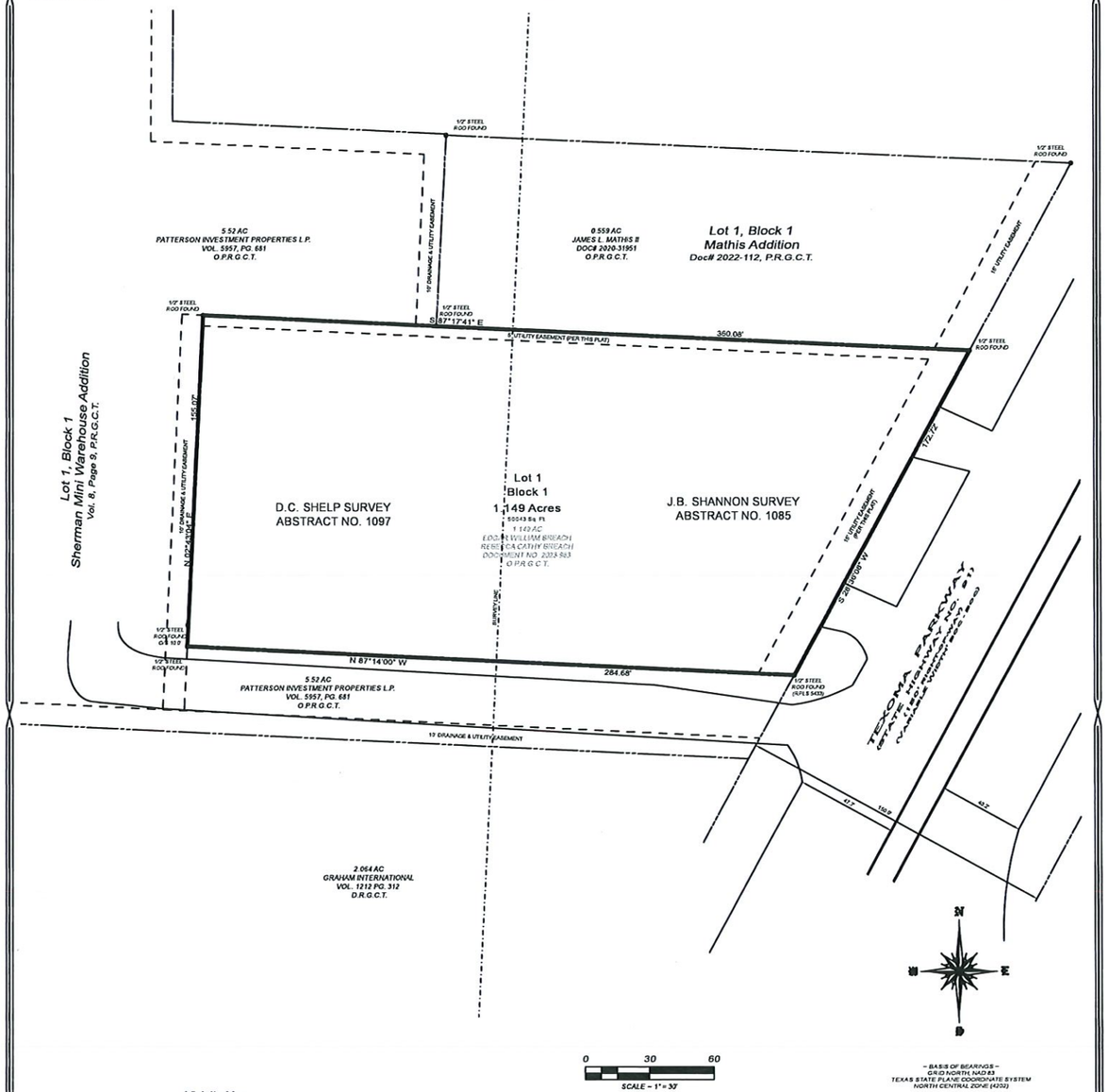
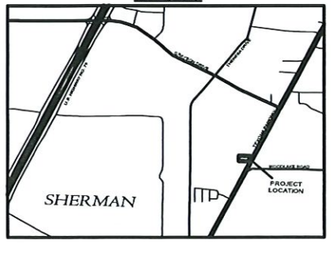
Date: 2/3/2023 2:12 PM



Vicinity Map



Final Plat of COPLEY LAND SURVEYING an addition to the City of Sherman Grayson County, Texas

1/18/2023

Copley Land Surveying
1702 Verdi Ln., Sherman, Texas 75090
TX 903-415-0643, OK 580-980-0181
john@copleylandsurveying.com

OWNERS/DEVELOPER
EDGAR WILLIAM BREACH
REBECCA CATHY BREACH
884 SIMS ROAD
COLBERT, OKLAHOMA 74733

SURVEYOR
JOHN C. COPLEY
R.P.L.S. NO. 6720
1702 VERDI LN.
SHERMAN, TEXAS 75090

Legal Description

Situated in the City of Sherman, County of Grayson, State of Texas, being a part of the D.C. Shelp Survey, Abstract No. 1097 and J.B. Shannon Survey, Abstract No. 1085, and being the same 1.149 acre tract of land conveyed to Edgar William Breach and Rebecca Cathy Breach by deed of record in Document No. 2023-983, Official Public Records, Grayson County, Texas and being more particularly described by metes and bounds as follows:

Beginning at a 1/2" steel rod found with a cap marked RPLS 5433 maintaining the southeast corner of said 1.149 acre tract, a salient corner in the east line of Lot 1, Block 1, Sherman Mini Warehouse Addition, an addition to the City of Sherman, Texas as shown by plat of record in Volume 8, Page 9, Plat Records, Grayson County, Texas, and on west right-of-way line of Texoma Parkway (State Highway No. 91);

Thence **North 87°14'00" West**, with the east line of said Lot 1, Block 1, Sherman Mini Warehouse Addition, and the south line of said 1.149 acre tract, a distance of **284.68 feet** to a 1/2" steel rod found maintaining an ell corner in the east line of said Lot 1, Block 1, Sherman Mini Warehouse Addition and the southwest corner of said 1.149 acre tract;

Thence **North 02°43'04" East**, continuing with the east line of said Lot 1, Block 1, Sherman Mini Warehouse Addition and the west line of said 1.149 acre tract, passing a 1/2" steel rod found at a distance of 10.0 feet, continuing for a total distance of **155.07 feet** to a 1/2" steel rod found maintaining the a second ell corner in the east line of said Lot 1, Block 1, Sherman Mini Warehouse Addition and the northwest corner of said 1.149 acre tract;

Thence **South 87°17'41" East**, continuing with the called east line of said Lot 1, Block 1, Sherman Mini Warehouse Addition and the north line of said 1.149 acre tract, passing a 1/2" steel rod found maintaining a salient corner in the east line of said Lot 1, Block 1, Sherman Mini Warehouse Addition and the southwest corner of Lot 1, Block 1, Mathis Addition, an addition to the City of Sherman, Texas by deed of record in Document No. 2022-112 of said Plat Records, continuing along the south line of said Lot 1, Block 1, Mathis Addition for a total distance of **360.08 feet** to a 1/2" steel rod found maintaining the northeast corner of said 1.149 acre tract, the southeast corner of said Lot 1, Block 1, Mathis Addition and on the west right-of-way line of said Texoma Parkway;

Thence **South 28°36'08" West**, with the west right-of-way line of said Texoma Parkway and the east line of said 1.149 acre tract, a distance of **172.72 feet** to the **Point-of-Beginning** and containing **1.149 acres** (50,046square feet) of land.

KNOWN ALL MEN BY THESE PRESENTS:

That I, John C. Copley, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments thereon where properly placed, under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

_____ _____
John C. Copley — Date
Registered Professional
Land Surveyor No. 6720
Firm No. 10194429

AVIGATION RELEASE

THE STATE OF TEXAS §
COUNTY OF GRAYSON §

WHEREAS, EDGAR WILLIAM BREACH AND REBECCA CATHY BREACH, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as Lot 1, Block 1, Copley Land Surveying, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed or navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER's described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property; and OWNER does hereby fully remiss and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at Lot 1, Block 1, Copley Land Surveying, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

Executed this ____ day of _____, 2023.

By: COPLEY LAND SURVEYING

By:_____
EDGAR WILLIAM BREACH

By:_____
REBECCA CATHY BREACH

- GENERAL NOTES -

1. Water Supply to be provided by the City of Sherman.
2. Sewer service to be provided by the City of Sherman.
3. Electrical service is provided by Oncor Electrical Delivery.
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. The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or for the control of erosion.
7. 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.
8. The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
9. Bearings are based on the City of Sherman Control Monument Network.
10. The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.

Purpose:
The purpose of this is to Plat this 1.149 acre tract.

Owners Certificate & Dedication

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

That We, EDGAR WILLIAM BREACH AND REBECCA CATHY BREACH, Owner and Developer, do hereby adopt this plat designating the hereinabove property as the Final Plat of COPLEY LAND SURVEYING, an addition to the City of Sherman, 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 or 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 a right of ingress and egress to and from and upon the said easement 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 _____ _____, 2023.

_____
EDGAR WILLIAM BREACH

_____
REBECCA CATHY BREACH

STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared EDGAR WILLIAM BREACH 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 purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this__ __day of_____, 2023.

_____
Notary Public in and for
the State of Texas

STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared REBECCA CATHY BREACH 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 purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this__ __day of_____, 2023.

_____
Notary Public in and for
the State of Texas

Acceptance of Dedication

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, the Final Plat of COPLEY LAND SURVEYING, an addition to the City of Sherman, Texas, was submitted to the City Council on the_ ____day of _____, 2023, 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.

Witness my hand this____ day of _____ _____ ,2023.

_____
Clerk, City of Sherman, Texas

Approved this _____ day of _____,2023, by the City Planning Commission to the City of Sherman, Texas.

_____ _____
Chairman — Secretary

Accepted by the City Council of the City Sherman.

_____ _____
Mayor, City of Sherman, Texas — Date

Final Plat of COPLEY LAND SURVEYING an addition to the City of Sherman Grayson County, Texas

1/18/2023

Copley Land Surveying
1702 Verdi Ln., Sherman, Texas 75090
TX 903-415-0643, OK 580-980-0181
john@copleylandsurveying.com

OWNERS/DEVELOPER
EDGAR WILLIAM BREACH
REBECCA CATHY BREACH
884 SIMS ROAD
COLBERT, OKLAHOMA 74733

SURVEYOR
JOHN C. COPLEY
R.P.L.S. NO. 6720
1702 VERDI LN.
SHERMAN, TEXAS 75090

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2023

Edgar William Breach
Rebecca Cathy Breach
884 Sims Road
Colbert, OK 74733

John Copley
1702 Verdi Lane
Sherman, TX 75090

Dear Applicants,

The request for approval of the Final Plat of Copley Land Surveying has been scheduled to be heard by the Planning and Zoning Commission on the day of Tuesday, February 21, 2023 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. Remove Avigation Release from plat. *Code of Ordinances Chapter 14, Article 14.02*
2. Show point of beginning on drawing. *Code of Ordinances Chapter 10, Exhibit A, Sec.6(B)(7)*
3. Drive approaches and sidewalks must conform to City of Sherman and TxDOT standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*
4. 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.
5. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*
6. Upon final staff approval, 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. Final copies for filing will not be accepted until after approval by P&Z Commission, City Council, and Engineering Department. CAD file must be submitted digitally at time of final approval. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 6.

Meeting Date: 02/21/2023

Prepared by: Lauren Marlow, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

* **5904 TEXOMA PARKWAY**

The request of Ed and Cathy Breach (Owner) and Copley Land Surveying (Surveyor) concerning the property located at 5904 Texoma Parkway, consisting of 1.149 acres in the D.C. Shelp Survey, Abstract No. 1097 and the J.B. Shannon Survey, Abstract No. 1085, and currently zoned C-2 (General Commercial) District, as follows:

Planning and Zoning Commission

Final Plat of Copley Land Surveying.

Background:

The property is located at 5904 Texoma Parkway between FM 691 and De Soto. The owner would like to plat the property into one lot for commercial development.

Adjacent Zoning:

C-2 (General Commercial) District

Origination:

Ed and Cathy Breach (Owner)
Copley Land Surveying (Surveyor)

Master Plan Designation:

Not Applicable.

Number of notices mailed:

Not Required.

Objections Received:

0

Development Review Meeting:
No

Attachments

Location Map
Zoning Map
Final Plat
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 7.**

Meeting Date: 03/20/2023
Prepared By: Rob Rae, Director of Development Services
Approved By: Robby Hefton, City Manager

Caption:

***** OTHER BUSINESS***

Replat for Lots 3R-A and 3R-B, Block 2, Cypress Lofts Addition, Phase 1A, consisting of 6.101 acres in the James H. Clark Survey, Abstract No. 275, and being all of Lot 3R, Block 2, Cypress Lofts Addition, Phase 1A, and currently zoned C-2 (General Commercial) District; Todd Young, Young Enterprises, LP, Owner and Helvey-Wagner Surveying, Surveyor (200 Block Hilre Drive and in the 201 Block Northcreek Drive)

Issue:

To consider the Replat for Lots 3R-A and 3R-B, Block 2, Cypress Lofts Addition, Phase 1A, consisting of 6.101 acres in the James H. Clark Survey, Abstract No. 275, and being all of Lot 3R, Block 2, Cypress Lofts Addition, Phase 1A, and currently zoned C-2 (General Commercial) District; Todd Young, Young Enterprises, LP, Owner and Helvey-Wagner Surveying, Surveyor (200 Block Hilre Drive and in the 201 Block Northcreek Drive)

Background:

The property is located at 200 Block Hilre Drive and 201 Block Northcreek Drive between Knollwood Road and Hara Lane. The owner would like to plat the property into two lots for commercial development.

Origination:

Todd Young, Young Enterprises, LP (Owner)
Helvey-Wagner Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission 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
Zoning Sign Photo
Replat
Staff Review Letter
P & Z Communication

dlagrone H:\PLANNING\Public Notification KT.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

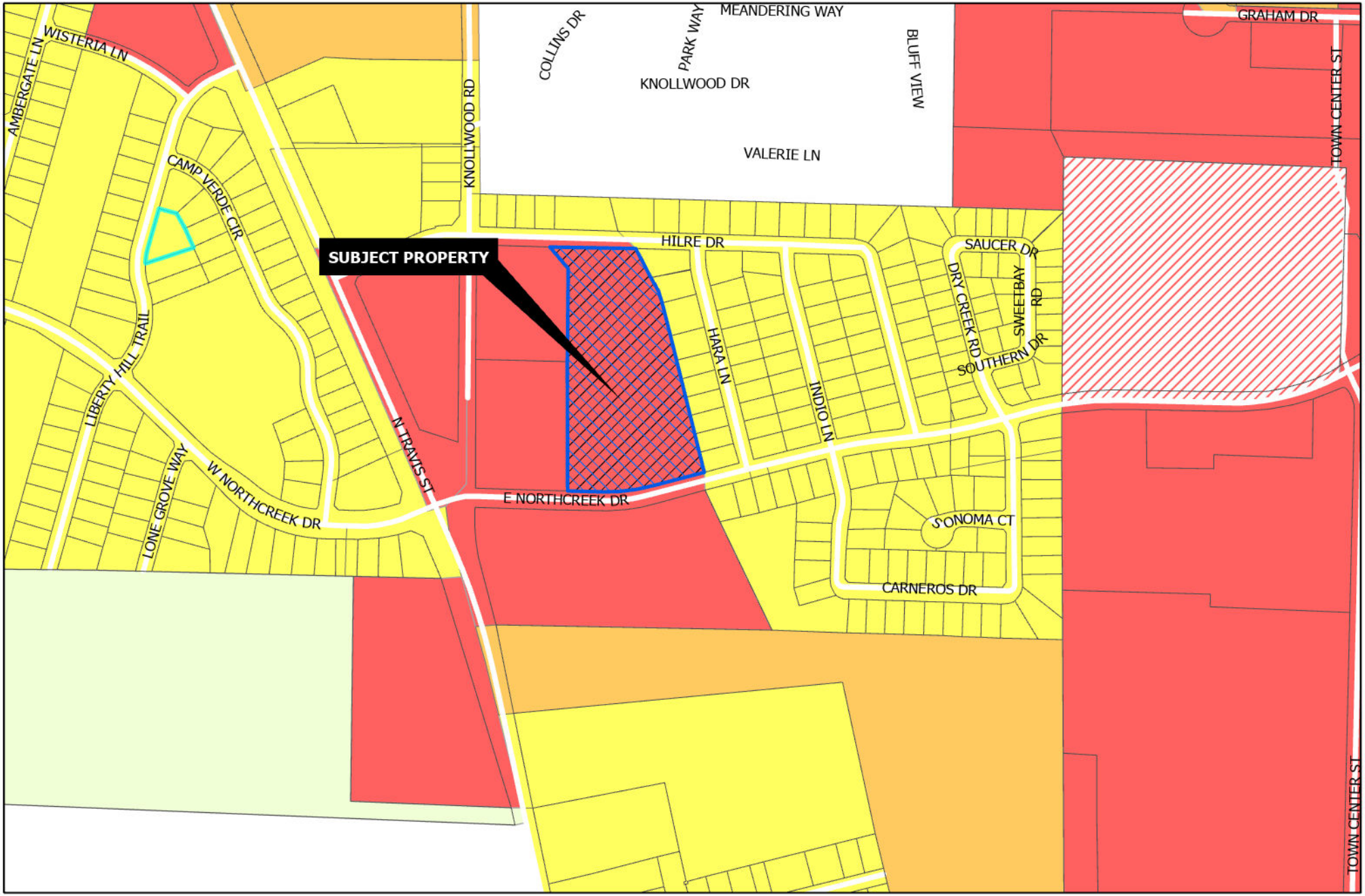
CITY OF SHERMAN

200 Blk Hilre

N
W E
S

Date: 1/30/2023 9:21 AM

Scale: 1:3,750



Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- R-A Residential Agricultural
- R-E Estate Residential
- R-12 Single Family Residential
- R-6 Single Family Residential
- R-5 Single Family Residential
- R-4 Patio Home Residential
- R-2F Duplex Residential
- R-TH Townhome Residential
- MF-15 Multi-Family Residential
- MF-30 Multi-Family Residential
- MH Manufactured Housing
- C-N Neighborhood Commercial
- C-O Office
- C-1 Retail Business
- C-2 General Commercial
- M-1 Light Manufacturing
- M-1.5 Medium Manufacturing
- M-2 Heavy Manufacturing
- PD Planned Development
- Subject Locations

CITY OF SHERMAN
200 BLK. HILRE

N
W E
S

January 13, 2023

Sherman
CLASSIC TOWN. BROAD HORIZON.

NOTICE OF PROPOSED REPLAT

PROJECT #: 23-000298

FOR INFORMATION CONTACT:
DEVELOPMENT SERVICES
903-892-7229

2/2/2023

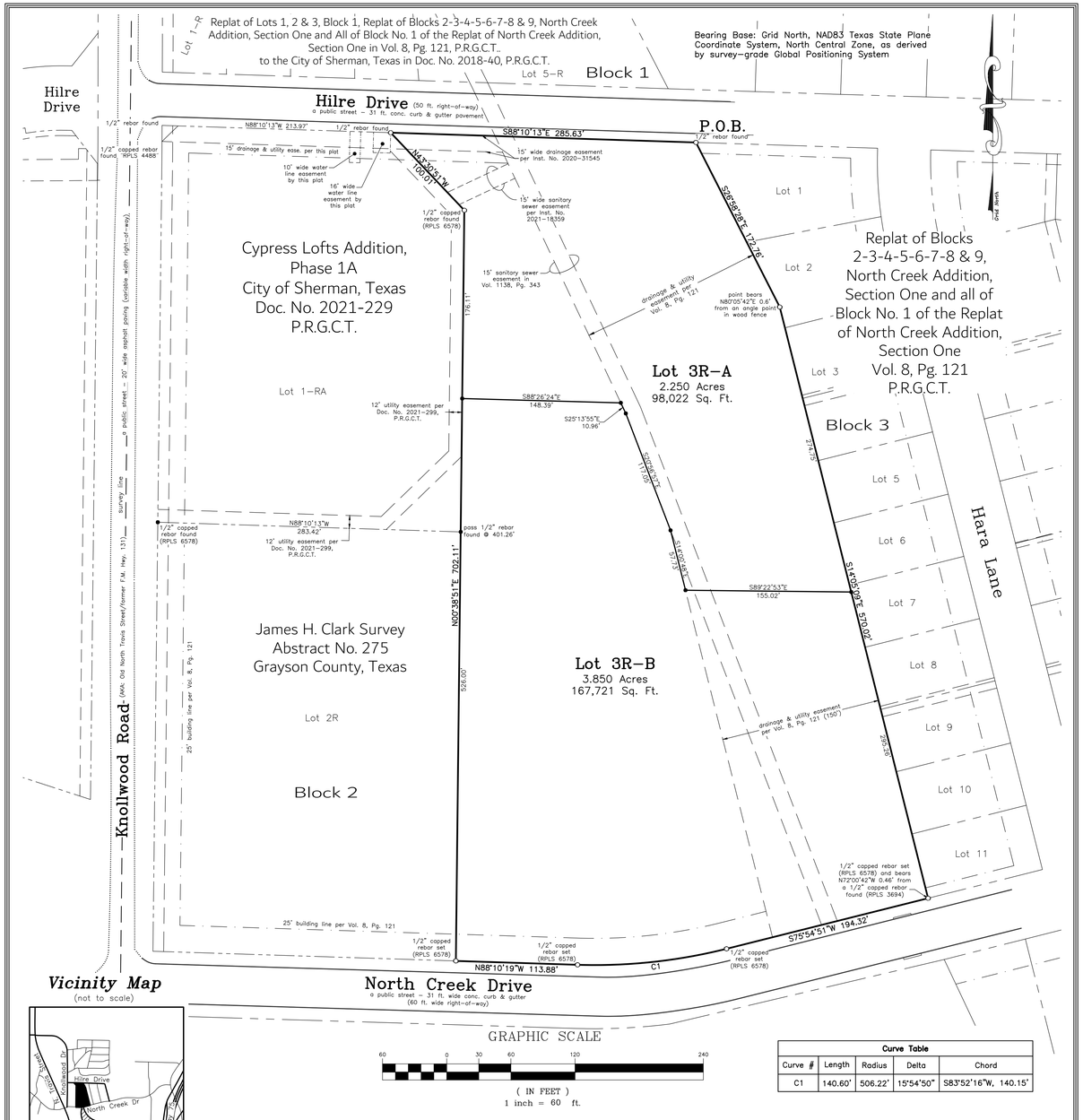
Sherman
CLASSIC TOWN. BROAD HORIZON.

NOTICE OF PROPOSED REPLAT

PROJECT #: 23-000298

FOR INFORMATION CONTACT:
DEVELOPMENT SERVICES
903-892-7229

2/7/2023



Curve Table				
Curve #	Length	Radius	Delta	Chord
C1	140.60'	506.22'	15°54'50"	S83°52'16"W, 140.15'

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 Electric Delivery Co.
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. The City of Sherman 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 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.

Job No. CGS460123

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owner:
Young Enterprises, LP
5414 N. Heritage Parkway
Sherman, Texas 75091

Replat
Lot 3R-A & 3R-B, Block 2
Replat of Lot 3R, Block 2
Cypress Lofts Addition, Phase 1A
to the
City of Sherman
Grayson County, Texas
6.101 Acres
in the
James H. Clark Survey
Abstract No. 275
Date of Preparation: January 23, 2023

X:\Shared Projects\Cypress-Loft-Addition\Drawings\Replat Of Lot 3R-Cypress Lofts Add.dwg 1/5/2023 3:39 PM

FIELD NOTES

SITUATED in the City of Sherman, County of Grayson, State of Texas, and being a part of the James H. Clark Survey, Abstract No. 275, and being all of Lot 3R, Block 2, Cypress Lofts Addition, Phase 1A to the City of Sherman, Texas as per plat of record in Doc. No. 2021-229, 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 in the South line of Hilre Drive, a public street, being the Northwest corner of Lot 1 of the Replat of Blocks 2-3-4-5-6-7-8 & 9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One, as recorded in Volume 8, Page 121, said Plat Records, and being the Northeast corner of both said Lot 3R and the herein described tract;

THENCE South 26 deg. 58 min. 28 sec. East, with the East line of said Lot 3R and the West line of said Block 3, a distance of 172.76 ft. to an angle point, SAID point bears North 80 deg. 05 min. 42 sec. East, 0.6 ft. from an angle point in a wood fence;

THENCE South 14 deg. 05 min. 09 sec. East, continuing with the East line of said Lot 3R and the West line of said Block 3, a distance of 570.02 ft. to a point in the North line of North Creek Drive, a public street, at the Southwest corner of Lot 11, said Block 3 and the Southeast corner of both said Lot 3R and the herein described tract;

THENCE South 75 deg. 54 min. 51 sec. West, with the North line of said North Creek Drive and the South line of said Lot 3R, a distance of 194.32 ft. to a 1/2 inch capped rebar set (RPLS 6578) at the beginning of a curve;

THENCE Southwesterly, continuing along with the North line of said North Creek Drive and the South line of said Lot 3R, with a curve to the right, having a radius of 506.22 ft., a central angle of 15 deg. 54 min. 50 sec. (chord bears: South 83 deg. 52 min. 16 sec. West, 140.15 ft.) and an arc length of 140.60 ft. to a 1/2 inch capped rebar set (RPLS 6578) at the end of said curve;

THENCE North 88 deg. 10 min. 19 sec. West, continuing along the North line of said North Creek Drive and the South line of said Lot 3R, a distance of 113.88 ft. to a 1/2 inch capped rebar set (RPLS 6578) at the Southeast corner of Lot 2R, being the Southwest corner of both said Lot 3R and the herein described tract;

THENCE North 00 deg. 38 min. 51 sec. East, with the East line of said Lots 2R and 1-RA and the West line of said Lot 3R, a distance of 702.11 ft. to a 1/2 inch capped rebar found (RPLS 6578) at at an angle point;

THENCE North 43 deg. 30 min. 51 sec. East, with the East line of said Lot 1-RA and the West line of said Lot 3R, a dostance of 100.01 ft. to a 1/2 inch capped rebar found (RPLS 6578) the Northeast corner of said Lot 1-RA and being the Northwest corner of both said Lot 3R and the herein described tract;

THENCE South 88 deg. 10 min. 13 sec. East, with the South line of said Hilre Drive and the North line of said Lot 3R, a distance of 285.63 ft. to the **PLACE OF BEGINNING** and containing **6.101 ACRES** of land.

KNOW ALL MEN BY THESE PRESENTS:

THAT I, Kate A. Wagner, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments shown thereon were properly placed under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

STATE OF TEXAS REGISTERED KATE A. WAGNER 6578 PROFESSIONAL LAND SURVEYOR

_____
Kate A. Wagner, R. P. L. S. No. 6578 Date:

We, Young Enterprises LP, sole owner of Replat of Lot 3R, Cypress Lofts Addition, Phase 1A to The City of Sherman, do hereby dedicate the streets, easements, alleys, rights-of-way, parks, school sites and other public places shown hereon to the public use forever.

_____
Todd Young, Authorized Representative for Young Enterprises

Before me the undersigned, a notary public in and for said County and State, on this day personally appeared Todd Young, 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 and in the capacity therein stated.

Given under my hand and seal of office this _____ day of _____, 2023.

_____
Notary Public, Grayson County, Texas

Sherman
CLASSIC TOWN. BROAD HORIZON.

This, the final plat of Replat of Lot 3R, Cypress Lofts Addition, Phase 1A to the City of Sherman, is hereby approved this _____ day of _____, 2023, by the Planning and Zoning Commission of the City of Sherman, Texas.

_____ _____
Chairman Secretary

This, the final plat of Replat of Lot 3R, Cypress Lofts Addition, Phase 1A to the City of Sherman, is hereby approved this _____ day of _____, 2023, by the City Council of the City of Sherman, Texas.

ACCEPTED BY THE CITY COUNCIL OF SHERMAN, TEXAS: _____
MAYOR, CITY OF SHERMAN, TEXAS DATE

The undersigned, the City Clerk of the City of Sherman, Texas, does hereby certify that the foregoing final plat of Final Plat of Replat of Lot 3R, Cypress Lofts Addition, Phase 1A to the City of Sherman, was submitted to the City Council of Sherman, Texas, on the _____ day of _____, 2023, 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 hereinabove subscribed.

WITNESS MY HAND THIS _____ DAY OF _____, 2023, BY _____
CITY CLERK, CITY OF SHERMAN, TEXAS

Job No. CGS460123

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owner:
Young Enterprises, LP
5414 N. Heritage Parkway
Sherman, Texas 75091

Replat
Lot 3R-A & 3R-B, Block 2
Replat of Lot 3R, Block 2
Cypress Lofts Addition, Phase 1A
to the
City of Sherman
Grayson County, Texas
6.101 Acres
in the
James H. Clark Survey
Abstract No. 275
Date of Preparation: January 23, 2023

X:\Shared Projects\Cypress-Loft-Addition\Drawings\Replat Of Lot 3R-Cypress Lofts Add.dwg 1/5/2023 3:39 PM

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2023

Young Enterprises, LP
5414 N. Heritage Parkway
Sherman, TX 75091

Helvey-Wagner Surveying, Inc.
222 W. Main St.
Denison, TX 75020

Dear Applicants,

The request for approval of the Replat of Lot 3R, Block 2, Cypress Lofts Addition, Phase 1A has been scheduled to be heard by the Planning and Zoning Commission on the day of Tuesday, February 21, 2023 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. Simplify Plat Name. Plat name must not exceed 20 characters in length. Sub-labels, i.e. "being a replat of…" do not count in the total character limit.
2. Dedicate a 10' Utility Easement along Hilre Drive. *Code of Ordinances Chapter 10, Exhibit A, Sec. 12(D)*
3. Dedicate a 10' Utility Easement along North Creek Drive. *Code of Ordinances Chapter 10, Exhibit A, Sec. 12(D)*
4. All requirements of the Floodplain Ordinance shall be followed. *Code of Ordinances Chapter 3, Article 3.12*
5. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*
6. 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.
7. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*

8. Upon final staff approval, 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. Final copies for filing will not be accepted until after approval by P&Z Commission, City Council, and Engineering Department. CAD file must be submitted digitally at time of final approval. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 8.

Meeting Date: 02/21/2023

Prepared by: Lauren Marlow, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

* **200 BLOCK HILRE DRIVE AND 201 BLOCK NORTHCREEK DRIVE**

The request of Todd Young, Young Enterprises, LP (Owner) and Helvey-Wagner Surveying (Surveyor) concerning the property located in the 200 Block Hilre Drive and in the 201 Block Northcreek Drive, consisting of 6.101 acres in the James H. Clark Survey, Abstract No. 275, and being all of Lot 3R, Block 2, Cypress Lofts Addition, Phase 1A and currently zoned C-2 (General Commercial) District, as follows:

Planning and Zoning Commission

Public Hearing and Replat for Lots 3R-A and 3R-B, Block 2, Cypress Lofts Addition, Phase 1A.

Background:

The property is located at 200 Block Hilre Drive and 201 Block Northcreek Drive between Knollwood Road and Hara Lane. The owner would like to plat the property into two lots for commercial development.

Adjacent Zoning:

R-6 (Single-Family Residential) District
C-1 (Retail Business) District

Origination:

Todd Young, Young Enterprises, LP (Owner)
Helvey-Wagner Surveying (Surveyor)

Master Plan Designation:

Not Applicable.

Number of notices mailed:

37

Objections Received:

0

Development Review Meeting:
No

Attachments

Location Map
Zoning Map
Zoning Sign Photos
Replat
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 8.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

***** OTHER BUSINESS***

Replat for 725 South Rusk Addition, consisting of 0.269 acres in the Samuel Blagg Survey, Abstract No. 56, being a replat of part of Lot 5, Block 1, Blain Addition and currently zoned R-6 (Single-Family Residential) District; Juan Antonio Reyes and Gomez Reyna Cabrera Pacheco, Owner; and Preston Trail Land Surveying, Surveyor (725 South Rusk Street)

Issue:

To consider the Replat for 725 South Rusk Addition, consisting of 0.269 acres in the Samuel Blagg Survey, Abstract No. 56, being a replat of part of Lot 5, Block 1, Blain Addition and currently zoned R-6 (Single-Family Residential) District; Juan Antonio Reyes and Gomez Reyna Cabrera Pacheco, Owner; and Preston Trail Land Surveying, Surveyor (725 South Rusk Street)

Background:

The property is located at 725 South Rusk Street between Walcott Street and West Tennessee Street. The owner would like to plat the property into one lot for residential development.

Origination:

Juan Antonio Reyes and Gomez Reyna Cabrera Pacheco (Owner)
Preston Trail Land Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission 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
Zoning Sign Photo
Replat
Land Description
Staff Review Letter
P & Z Communication

dlagrone H:\PLANNING\Public Notification KT.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN

725 S RUSK ST

N
W E
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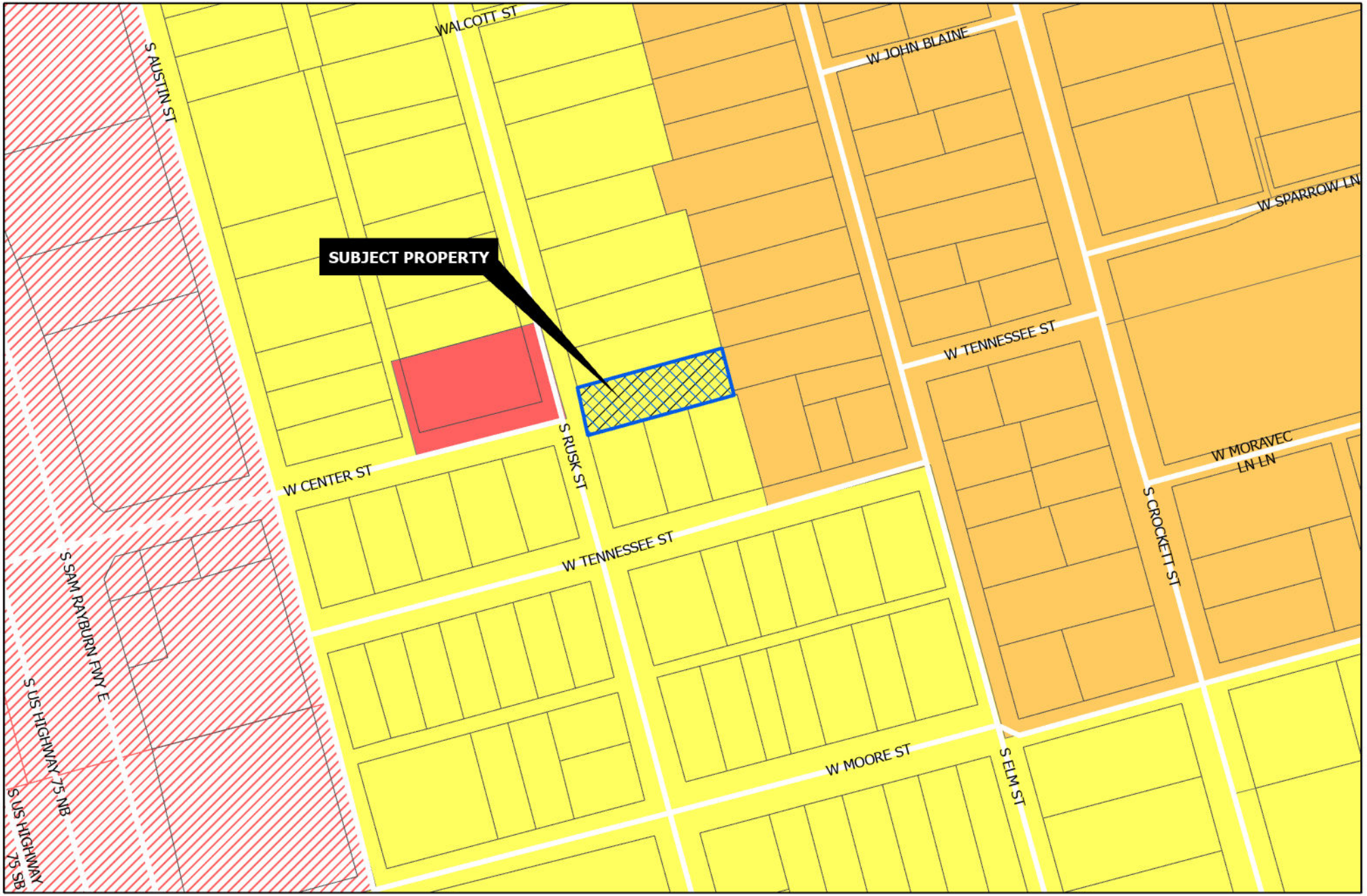
Date: 1/30/2023 10:55 AM



Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- R-A Residential Agricultural
- R-E Estate Residential
- R-12 Single Family Residential
- R-6 Single Family Residential
- R-5 Single Family Residential
- R-4 Patio Home Residential
- R-2F Duplex Residential
- R-TH Townhome Residential
- MF-15 Multi-Family Residential
- MF-30 Multi-Family Residential
- MH Manufactured Housing
- C-N Neighborhood Commercial
- C-O Office
- C-1 Retail Business
- C-2 General Commercial
- M-1 Light Manufacturing
- M-1.5 Medium Manufacturing
- M-2 Heavy Manufacturing
- PD Planned Development
- Subject Locations

CITY OF SHERMAN

725 S RUSK ST

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Date: 1/30/2023 11:02 AM

725
25
Sherman
CLASSIC TOWN. BROAD HORIZON.
NOTICE OF
PROPOSED
REPLAT
PROJECT #: 23-000316
FOR INFORMATION CONTACT:
DEVELOPMENT SERVICES
903-892-7229
2/7/2023

FLOOD STATEMENT:

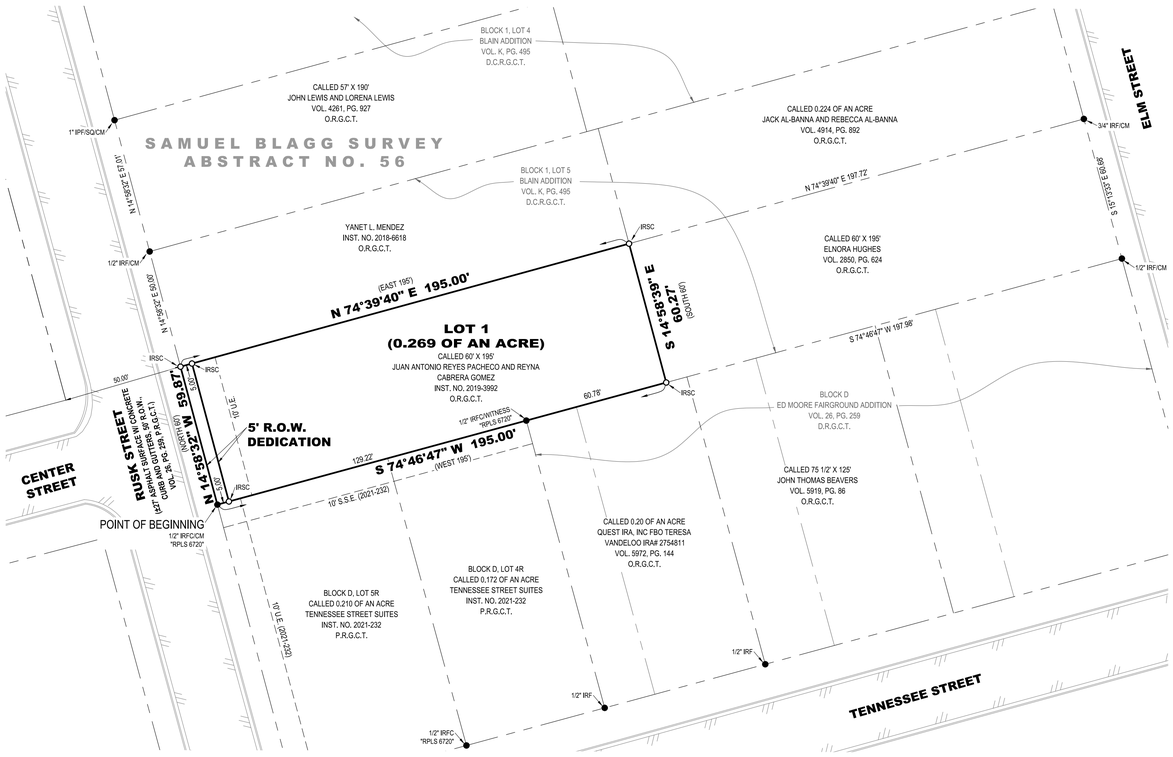
I have examined the F.E.M.A. Flood Insurance Rate Map for the City of Sherman, Grayson County, Texas, Community Number 485509, effective date 09/01/2022 and that map indicates that this property is within "Non-shaded Zone X" defined as "Areas determined to be outside the 0.2% annual chance flood" as shown on Panel 0290 G of said map. This flood statement does not imply that the property and/or 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.

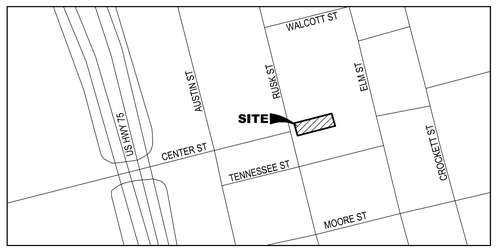
LEGEND

●	FOUND MONUMENT	D.R.G.C.T.	DEED RECORDS, GRAYSON COUNTY, TEXAS
○	SET MONUMENT		
IRSC	1/2" IRON ROD W/ "PRESTON TRAIL LAND SURVEYING, RPLS 6585" CAP SET	D.C.R.G.C.T.	DISTRICT COURT RECORDS, GRAYSON COUNTY, TEXAS
IRF	IRON ROD FOUND	O.R.G.C.T.	OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS
IRFC	IRON ROD FOUND W/PLASTIC CAP		
IPF/SQ	SQUARE IRON PIPE FOUND	VOL., PG.	VOLUME, PAGE
CM	CONTROLLING MONUMENT	INST. NO.	INSTRUMENT NO.
( )	DEED OR PLAT CALL	U.E.	UTILITY EASEMENT
R.O.W.	RIGHT-OF-WAY	S.S.E.	SANITARY SEWER EASEMENT
P.R.G.C.T.	PLAT RECORDS, GRAYSON COUNTY, TEXAS		BOUNDARY LINE
			ADJOINER LINE
			ASPHALT

0 15 30
GRAPHIC SCALE IN FEET

All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.





VICINITY MAP (NOT TO SCALE)

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

725 SOUTH RUSK ADDITION
0.269 OF AN ACRE
BEING A RE-PLAT OF PART OF
LOT 5, BLOCK 1, BLAIN SUBDIVISION
SAMUEL BLAGG SURVEY, ABSTRACT NO. 56
City of Sherman
Grayson County, Texas

OWNER/DEVELOPER:
Juan Antonio Reyes Pacheco
Reyna Cabrera Gomez
725 South Rusk Street
Sherman, TX 75090
Ph: 903-357-2090

SURVEYOR:
Chris Noah, RPLS 6585
Preston Trail Land Surveying LLC
787 W FM 996
Pottsboro, TX 75076
Ph: 903-786-6029

Preston Trail LAND SURVEYING
787 W FM 996
Pottsboro, TX 75076
www.prestontraillandsurveying.com
903-786-6029

TBPLS Firm No.	Drawn by: LGT	Scale: 1"=30'	Project No. 22-0493.1
10194175	Checked by: CRN	Date: 01/26/2023	Sheet No. 1 of 2

STATE OF TEXAS §
COUNTY OF GRAYSON §

OWNER'S CERTIFICATE

WHEREAS Juan Antonio Reyes Pacheco and Reyna Cabrera Gomez are the owners of all of that certain tract or parcel of land situated in the Samuel Blagg Survey, Abstract No. 56, City of Sherman, Grayson County, Texas, and being part of Lot 5 in Block 1 of the Blain Addition to the City of Sherman, Texas, according to the plat thereof recorded in Volume K, Page 495, District Court Records of Grayson County, Texas, and being a re-tracement survey of a called 60-foot x 195-foot tract of land described in the deed to Juan Antonio Reyes Pacheco and Reyna Cabrera Gomez recorded in Instrument No. 2019-3992, Official Records of Grayson County, Texas, and being more particularly described as follows:

BEGINNING at 1/2-inch iron rod with an aluminum cap stamped "RPLS 6720" found for southwest corner of said Lot 5, common to the southwest corner of said Pacheco and Gomez Tract, and common to the northwest corner of Tennessee Street Suites, an addition to the City of Sherman according to the plat thereof recorded in Instrument No. 2021-232, Plat Records of Grayson County, Texas, and on the easterly right-of-way line of South Rusk Street;

THENCE North 14°58'32" West, with the westerly line of said Lot 5, and with the westerly line of said Pacheco and Gomez Tract, and with the easterly right-of-way line of said South Rusk Street, a distance of 59.87 feet to a 1/2-inch iron with plastic cap stamped "PRESTON TRAIL LAND SURVEYING RPLS 6585" (hereinafter referred to as Capped Iron Rod) set for the northwest corner of said Pacheco and Gomez Tract, common to the southwest corner of a tract of land described in the deed to Yanet L. Mendez recorded in Instrument No. 2018-6618, said Official Records;

THENCE North 74°39'40" East, crossing said Lot 5 with the northerly line of said Pacheco and Gomez Tract, and with the southerly line of said Mendez Tract, a distance of 195.00 feet to a Capped Iron Rod set for the northeast corner of said Pacheco and Gomez Tract, common to the southeast corner of said Mendez Tract, and common to the southwest corner of a called 0.224 of an acre tract of land described in the deed to Jack Al-Banna and Rebecca Al-Banna recorded in Volume 4914, Page 892, said Official Records, and common to the northwest corner of a called 60-foot x 195-foot tract of land described in the deed to Elnora Hughes recorded in Volume 2850, Page 624, said Official Records;

THENCE South 14°58'39" East, continuing across said Lot 5, with the easterly line of said Pacheco and Gomez Tract, and with the westerly line of said Hughes Tract, a distance of 60.27 feet to a Capped Iron Rod set for the southeast corner of said Pacheco and Gomez Tract, common to the southwest corner of said Hughes Tract, and on the southerly line of said Lot 5, and on the northerly line of Block D in Ed Moore Fairground Addition, an addition to the City of Sherman according to the plat thereof recorded in Volume 26, Page 259, Deed Records of Grayson County, Texas;

THENCE South 74°46'47" West, with the southerly line of said Lot 5, and with the southerly line of said Pacheco and Gomez Tract, and with the northerly line of said Block D, passing en route at a distance of 60.78 feet a 1/2-inch iron rod with an aluminum cap stamped "RPLS 6720" found for the northeast corner aforesaid Tennessee Street Suites Addition, and continuing on said course with the northerly line of said Tennessee Street Suites Addition, a total distance of 195.00 feet to the POINT OF BEGINNING and enclosing 0.269 of an acre (11,714 square feet) of land, more or less.

OWNER'S DEDICATION

KNOW ALL MEN BY THESE PRESENTS

That **Juan Antonio Reyes Pacheco**, does hereby adopt this plat designating the hereinbefore described property as **725 SOUTH RUSK ADDITION, BEING A RE-PLAT OF PART OF LOT 5, BLOCK 1, BLAIN SUBDIVISION**, an Addition to the City of Sherman, Grayson County, Texas, and does hereby dedicate to the public use forever all streets, rights-of-way, alleys and easements shown thereon. The City or any public utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs or other improvements or growths in which any way endanger or interfere with the construction, maintenance or efficiency of its respective systems on any of these easements, and the City or any public utility shall at all times have the right of ingress and egress to and from and upon the said easement for the purpose of constructing, reconstructing, inspecting, and patrolling, without the necessity at any time of procuring the permission of anyone. This plat approved subject to all platting ordinances, rules, regulations, and resolutions of the City of Sherman, Texas.

BY: _____
Juan Antonio Reyes Pacheco

STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared **Juan Antonio Reyes Pacheco**, 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.

WITNESS MY HAND AND SEAL OF OFFICE THIS THE ____ DAY OF _____, 20_____.

_____
Notary Public in and for the State of Texas

OWNER'S DEDICATION

KNOW ALL MEN BY THESE PRESENTS

That **Reyna Cabrera Gomez**, does hereby adopt this plat designating the hereinbefore described property as **725 SOUTH RUSK ADDITION, BEING A RE-PLAT OF PART OF LOT 5, BLOCK 1, BLAIN SUBDIVISION**, an Addition to the City of Sherman, Grayson County, Texas, and does hereby dedicate to the public use forever all streets, rights-of-way, alleys and easements shown thereon. The City or any public utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs or other improvements or growths in which any way endanger or interfere with the construction, maintenance or efficiency of its respective systems on any of these easements, and the City or any public utility shall at all times have the right of ingress and egress to and from and upon the said easement for the purpose of constructing, reconstructing, inspecting, and patrolling, without the necessity at any time of procuring the permission of anyone. This plat approved subject to all platting ordinances, rules, regulations, and resolutions of the City of Sherman, Texas.

BY: _____
Reyna Cabrera Gomez

STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared **Reyna Cabrera Gomez**, 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.

WITNESS MY HAND AND SEAL OF OFFICE THIS THE ____ DAY OF _____, 20_____.

_____
Notary Public in and for the State of Texas

CITY COUNCIL CERTIFICATE OF ACCEPTANCE

Accepted by the City Council of the City of Sherman, Texas:

_____ _____ _____
Mayor, City of Sherman, Texas Date

The undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing plat of **725 SOUTH RUSK ADDITION, BEING A RE-PLAT OF PART OF LOT 5, BLOCK 1, BLAIN SUBDIVISION,** to the City of Sherman was submitted to the City Council on the _____ day of _____, 20____, 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 hereinabove subscribed.

Witness my hand this _____ day of _____, A.D. 20____.

_____
Clerk, City of Sherman, Texas

PLANNING AND ZONING COMMISSION
CERTIFICATE OF ACCEPTANCE

Accepted this _____ day of _____, 20____, by the City Planning and Zoning Commission of the City of Sherman, Texas.

_____ _____
Chairman Secretary

AVIGATION RELEASE

STATE OF TEXAS §
COUNTY OF GRAYSON §

WHEREAS, **Juan Antonio Reyes Pacheco and Reyna Cabrera Gomez**, hereinafter called OWNERS (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as **725 SOUTH RUSK ADDITION, BEING A RE-PLAT OF PART OF LOT 5, BLOCK 1, BLAIN SUBDIVISION**, an addition to the City of Sherman, Grayson County, Texas.

OWNERS does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNERS may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed or navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER'S described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property; and OWNERS does hereby fully remiss and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNERS, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at **725 SOUTH RUSK ADDITION, BEING A RE-PLAT OF PART OF LOT 5, BLOCK 1, BLAIN SUBDIVISION**, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

Executed this ____ day of _____, 20___.

By: _____
Juan Antonio Reyes Pacheco

By: _____
Reyna Cabrera Gomez

SURVEYORS CERTIFICATE

I, the undersigned, a Registered Professional Land Surveyor in the State of Texas, do hereby certify that this plat is true and correct and was prepared from an actual survey of the property made under my supervision on the ground and that all monuments shown hereon actually actually exist and that their location, size, and material are correctly shown.

_____
Chris R. Noah Date
Registered Professional Land Surveyor No. 6585

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

725 SOUTH RUSK ADDITION
0.269 OF AN ACRE
BEING A RE-PLAT OF PART OF
LOT 5, BLOCK 1, BLAIN SUBDIVISION
SAMUEL BLAGG SURVEY, ABSTRACT NO. 56
City of Sherman
Grayson County, Texas

OWNER/DEVELOPER:
Juan Antonio Reyes Pacheco
Reyna Cabrera Gomez
725 South Rusk Street
Sherman, TX 75090
Ph: 903-357-2090

SURVEYOR:
Chris Noah, RPLS 6585
Preston Trail Land Surveying LLC
787 W FM 996
Pottsboro, TX 75076
Ph: 903-786-6029

Preston Trail LAND SURVEYING
787 W FM 996
Pottsboro, TX 75076
www.prestontraillandsurveying.com
903-786-6029

TBPLS Firm No.	Drawn by: LGT	Scale: 1"=30'	Project No. 22-0493.1
10194175	Checked by: CRN	Date: 01/26/2023	Sheet No. 2 of 2

BEING all of that certain tract or parcel of land situated in the Samuel Blagg Survey, Abstract No. 56, City of Sherman, Grayson County, Texas, and being part of Lot 5 in Block 1 of the Blain Addition to the City of Sherman, Texas, according to the plat thereof recorded in Volume K, Page 495, District Court Records of Grayson County, Texas, and being a re-tracement survey of a called 60-foot x 195-foot tract of land described in the deed to Juan Antonio Reyes Pacheco and Reyna Cabrera Gomez recorded in Instrument No. 2019-3992, Official Records of Grayson County, Texas, and being more particularly described as follows:

BEGINNING at 1/2-inch iron rod with an aluminum cap stamped "RPLS 6720" found for southwest corner of said Lot 5, common to the southwest corner of said Pacheco and Gomez Tract, and common to the northwest corner of Tennessee Street Suites, an addition to the City of Sherman according to the plat thereof recorded in Instrument No. 2021-232, Plat Records of Grayson County, Texas, and on the easterly right-of-way line of South Rusk Street;

THENCE North 14°58'32" West, with the westerly line of said Lot 5, and with the westerly line of said Pacheco and Gomez Tract, and with the easterly right-of-way line of said South Rusk Street, a distance of 59.87 feet to a 1/2-inch iron with plastic cap stamped "PRESTON TRAIL LAND SURVEYING RPLS 6585" (hereinafter referred to as Capped Iron Rod) set for the northwest corner of said Pacheco and Gomez Tract, common to the southwest corner of a tract of land described in the deed to Yanet L. Mendez recorded in Instrument No. 2018-6618, said Official Records;

THENCE North 74°39'40" East, crossing said Lot 5 with the northerly line of said Pacheco and Gomez Tract, and with the southerly line of said Mendez Tract, a distance of 195.00 feet to a Capped Iron Rod set for the northeast corner of said Pacheco and Gomez Tract, common to the southeast corner of said Mendez Tract, and common to the southwest corner of a called 0.224 of an acre tract of land described in the deed to Jack Al-Banna and Rebecca Al-Banna recorded in Volume 4914, Page 892, said Official Records, and common to the northwest corner of a called 60-foot x 195-foot tract of land described in the deed to Elnora Hughes recorded in Volume 2850, Page 624, said Official Records;

THENCE South 14°58'39" East, continuing across said Lot 5, with the easterly line of said Pacheco and Gomez Tract, and with the westerly line of said Hughes Tract, a distance of 60.27 feet to a Capped Iron Rod set for the southeast corner of said Pacheco and Gomez Tract, common to the southwest corner of said Hughes Tract, and on the southerly line of said Lot 5, and on the northerly line of Block D in Ed Moore Fairground Addition, an addition to the City of Sherman according to the plat thereof recorded in Volume 26, Page 259, Deed Records of Grayson County, Texas;

THENCE South 74°46'47" West, with the southerly line of said Lot 5, and with the southerly line of said Pacheco and Gomez Tract, and with the northerly line of said Block D, passing en route at a distance of 60.78 feet a 1/2-inch iron rod with an aluminum cap stamped "RPLS 6720" found for the northeast corner aforesaid Tennessee Street Suites Addition, and continuing on said course with the northerly line of said Tennessee Street Suites Addition, a total distance of 195.00 feet to the POINT OF BEGINNING and enclosing 0.269 of an acre (11,714 square feet) of land, more or less.

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2023

Juan Antonio Reyes Pacheco
Reyna Cabrera Gomez
725 S. Rusk Street
Sherman, TX 75090

Preston Trail Land Surveying, LLC
Attn: Chris Noah, RPLS
787 W. FM 996
Pottsboro, TX 75076

Dear Applicants,

The request for approval of the Final Plat of 725 South Rusk Addition has been scheduled to be heard by the Planning and Zoning Commission on the day of Tuesday, February 21, 2023 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. Dedicate a 5' Wastewater Easement along southern boundary of lot. *Code of Ordinances Chapter 10, Exhibit A, Sec. 12(D)*
2. Drive approaches and sidewalks must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*
3. 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.
4. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*
5. Upon final staff approval, 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. Final copies for filing will not be accepted until after approval by P&Z Commission, City Council, and Engineering Department. <u>CAD file must be submitted digitally at time of final approval</u>. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 11.

Meeting Date: 02/21/2023

Prepared by: Lauren Marlow, Administrative Assistant
Rob Rae, Director of Development Services

Clay Mahone, Chairman
David Downtain, Vice Chairman
Shawn Davis, Commissioner
Leigh Ann Sims, Commissioner
Paul Manley, Commissioner
Glenn Whitaker, Commissioner
Bryan Blagg, Commissioner

Requested Action/Proposed Use:

* **725 SOUTH RUSK STREET**

The request of Juan Antonio Reyes and Gomez Reyna Cabrera Pacheco (Owner) and Preston Trail Land Surveying (Surveyor) concerning the property located at 725 South Rusk Street, consisting of 0.269 acres in the Samuel Blagg Survey, Abstract No. 56, being a replat of part of Lot 5, Block 1, Blain Addition and currently zoned R-6 (Single-Family Residential) District, as follows:

Planning and Zoning Commission

Public Hearing and Replat for 725 South Rusk Addition.

Background:

The property is located at 725 South Rusk Street between Walcott Street and West Tennessee Street. The owner would like to plat the property into one lot for residential development.

Adjacent Zoning:

R-6 (Single-Family Residential) District
C-1 (Retail Business) District
MF-30 (Multi-Family Residential) District

Origination:

Juan Antonio Reyes and Gomez Reyna Cabrera Pacheco (Owner)
Preston Trail Land Surveying (Surveyor)

Master Plan Designation:

Not Applicable.

Number of notices mailed:

33

Objections Received:
0

Development Review Meeting:
No

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Land Description
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 9.**

Meeting Date: 03/20/2023

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

***** OTHER BUSINESS***

Final Plat of Double D Machining Addition, consisting of 1.40 acres in the Robert Thompson Survey, Abstract No. 1200 and is currently zoned M-1 (Light Manufacturing) District; Dylan Garza, Owner and Helvey-Wagner Surveying, Surveyor (2513 South First Street)

Issue:

To consider Final Plat of Double D Machining Addition, consisting of 1.40 acres in the Robert Thompson Survey, Abstract No. 1200 and is currently zoned M-1 (Light Manufacturing) District; Dylan Garza, Owner and Helvey-Wagner Surveying, Surveyor (2513 South First Street)

Background:

The property is located at 2513 South First Street near the intersection of East Ida Road and South First and is zoned M-1 (Light Manufacturing) District.

The owner is requesting the following:

- Final Plat of Double D Machining Addition.

The following has been approved for this location:

- October 13, 1998 - Zone Change from R-1 (One Family Residential) District to M-1 (Light Manufacturing) District
- February 21, 2023 - Public Hearing and Variance under Section 14.02.018(1) to allow a 16.4’ side setback in lieu of the required 25’ for an existing structure and an addition to the existing structure on the north side of the property in an M-1 (Light Manufacturing) District.
- February 21, 2023 - Public Hearing and Variance under Section 14.02.018(1) to allow a 23.9’ side setback in lieu of the required 25’ for an existing structure on the south side of the property in an M-1 (Light Manufacturing) District.
- February 21, 2023 - Public Hearing and Variance under Section 14.03.003(4)(a) to allow a gravel parking lot with a concrete drive approach in lieu of the required concrete or asphalt parking lot in an M-1(Light Manufacturing) District.
- February 21, 2023 - Site Plan of Double D Machining Addition

Origination:

Dylan Garza (Owner)
Helvey-Wagner Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 21, 2023 regular meeting, the Planning and Zoning Commission 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
Staff Review Letter
P & Z Communication

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dlagrone H:\PLANNING\Public Notification KT.aprx

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Development Services Department

CITY OF SHERMAN

2513 S. FIRST ST.

N
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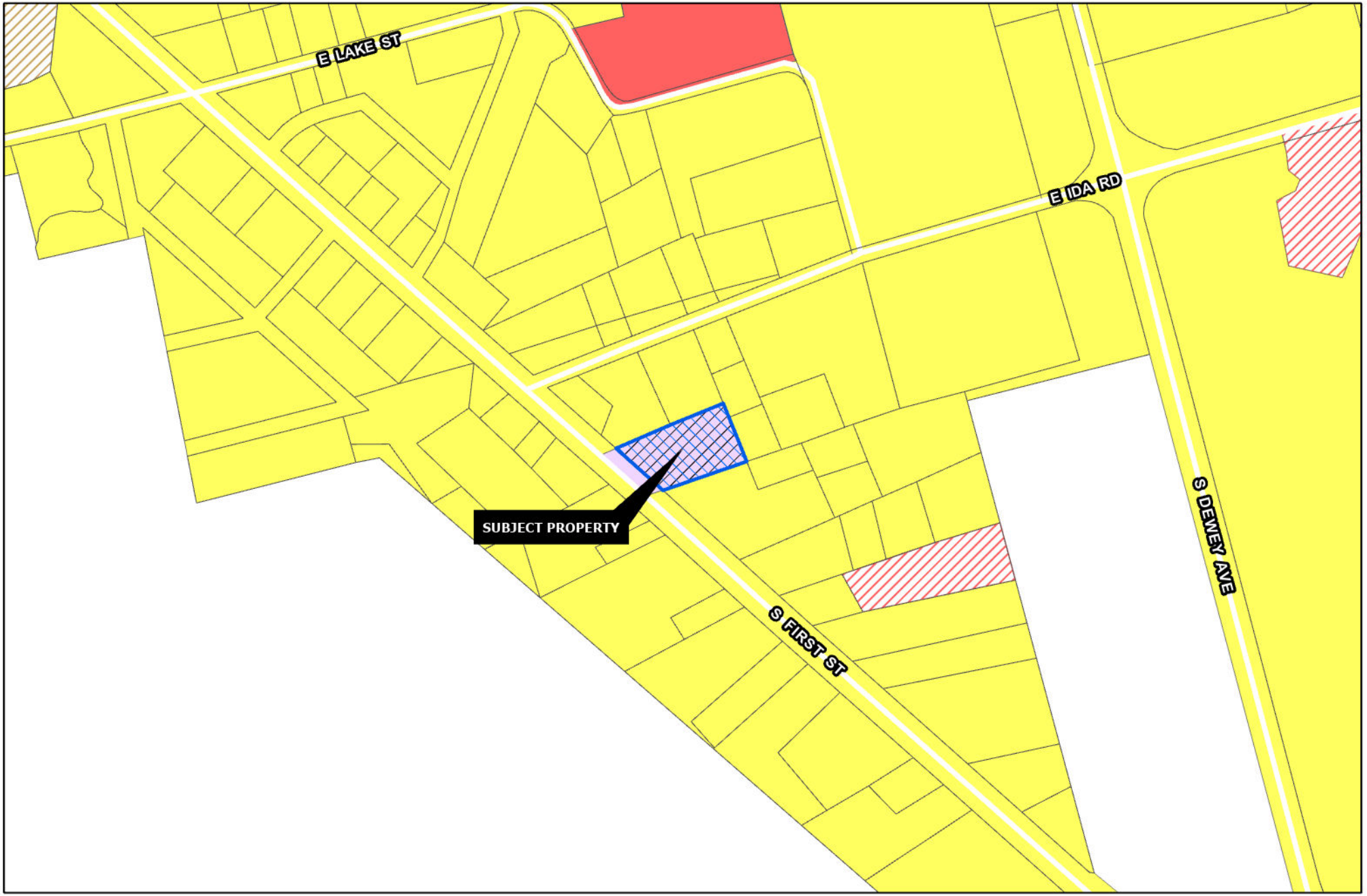
Date: 2/2/2023 12:17 PM



Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

- R-A Residential Agricultural
- R-E Estate Residential
- R-12 Single Family Residential
- R-6 Single Family Residential
- R-5 Single Family Residential
- R-4 Patio Home Residential
- R-2F Duplex Residential
- R-TH Townhome Residential
- MF-15 Multi-Family Residential
- MF-30 Multi-Family Residential
- MH Manufactured Housing
- C-N Neighborhood Commercial
- C-O Office
- C-1 Retail Business
- C-2 General Commercial
- M-1 Light Manufacturing
- M-1.5 Medium Manufacturing
- M-2 Heavy Manufacturing
- PD Planned Development
- Subject Locations
- Road Names All

CITY OF SHERMAN

2513 S. FIRST ST.

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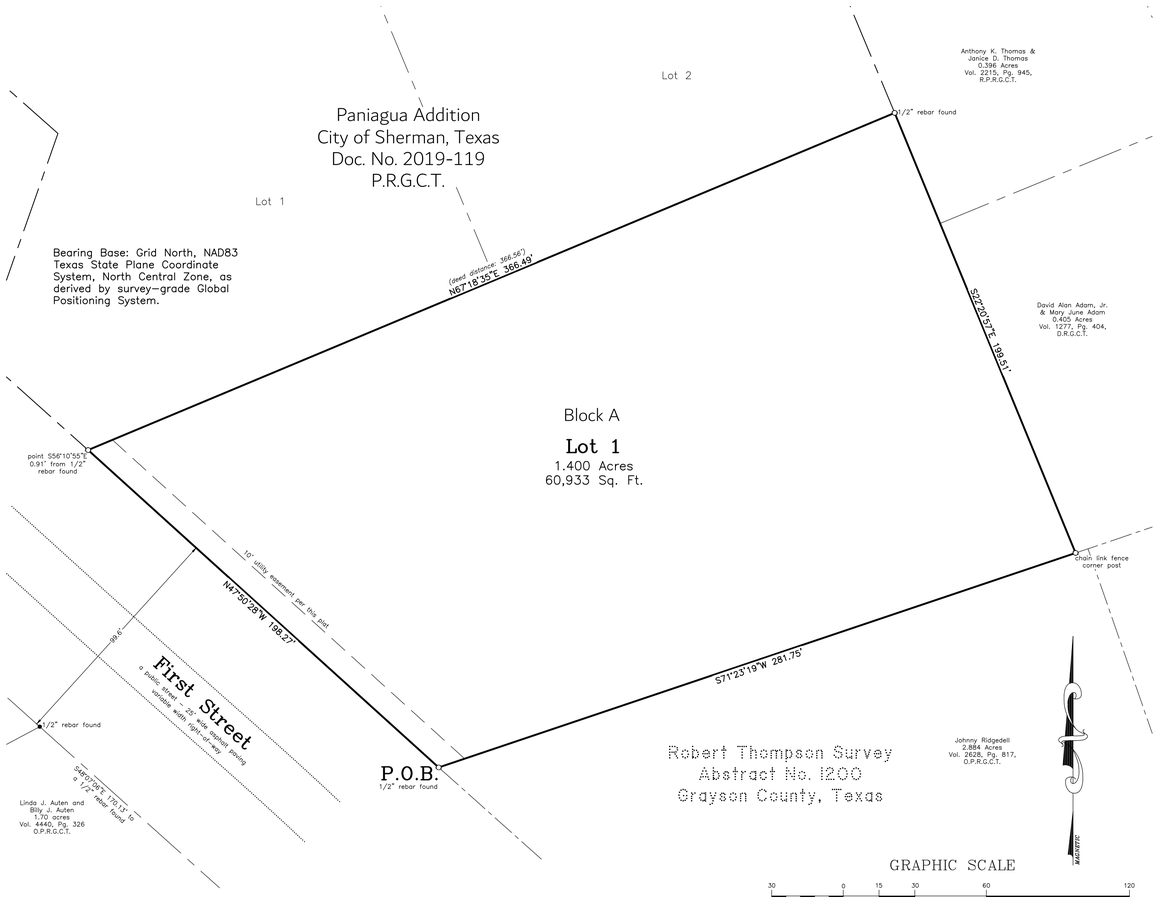
Date: 2/2/2023 12:19 PM

Feb 6, 2023 at 3:17:56 PM
2513 S First St
Sherman TX 75090
United States
Sherman
CLASSIC TOWN. BROAD HORIZON.
NOTICE OF REQUESTED VARIANCE
PROJECT #: 23-000254
FOR INFORMATION CONTACT:
DEVELOPMENT SERVICES
903-892-7229



Final Plat
Lot 1, Block A
Double D Machining Addition
to the
City of Sherman
Grayson County, Texas
1.400 Acres
in the
Robert Thomas Survey
Abstract No. 1200

General Notes:

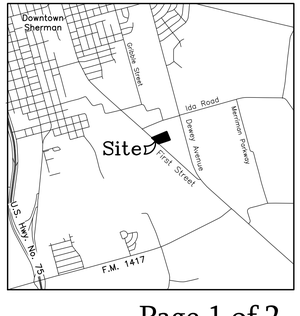
1. Water Supply to be provided by the City of Sherman.
2. Sewer service to be provided by the City of Sherman.
3. Electrical service is provided by Oncor Electric Delivery Co.
4. Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the floodway 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. The City of Sherman 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. 48181C0405 G, Revised Date: September 29, 2010.
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.

Job No. CGS480123

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owner:
Double D Machining, Inc.
2513 S. First Street
Sherman, Texas 75090

Vicinity Map
(not to scale)



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FIELD NOTES

SITUATED in the City of Sherman, County of Grayson, State of Texas, being a part of the Robert Thompson Survey, Abstract No. 1200, being all of the 1.40 acres conveyed from David R. Sullivan to D.R. Sullivan Rentals, LLC on January 1, 2013, as recorded in in Volume 5257, Page 787, Official Public Records, Grayson County, Texas, then being conveyed to Double D Machining, Inc. in an unrecorded sales contract on July 17, 2021, being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a 1/2 inch rebar found, lying in the East right-of-way line of First Street, a public street, at the Northwest corner of the 2.884 acre tract conveyed to Johnny Ridgedell, as recorded in Volume 2628, Page 817, said Official Public Records, and being the Southwest corner of said Double D Machining 1.40 ac.;

THENCE North 47 deg. 50 min. 28 sec. West, with the East line of said First Street and the West line of said Double D Machining 1.40 ac., a distance of 198.27 ft. to the Northwest corner of said Double D Machining 1.40 ac., from which point bears South 56 deg. 10 min. 55 sec. East, 0.91 ft. from 1/2 inch rebar found;

THENCE North 67 deg. 18 min. 35 sec. East, with the South lines of Lot 1 and 2 of Paniagua Addition to the City of Sherman, Texas, per Doc. No. 2019-119, Plat Records, Grayson County, Texas and the North line of said Double D Machining 1.40 ac., a distance of 366.49 ft. to a 1/2 inch rebar found, lying in the West line of the 0.396 acre tract conveyed to Anthony K. Thomas and Janice D. Thomas, as recorded in Volume 2215, Page 945, Real Property Records, Grayson County, Texas, at the Southeast corner of said Lot 2 and the Northeast corner of said Double D Machining 1.40 ac.;

THENCE South 22 deg. 20 min. 57 sec. East, with the West line of said Thomas 0.396 ac. and with the West line of the 0.405 acre tract conveyed to David Alan Adam, Jr. and Mary June Adam, as recorded in Volume 1277, Page 404, Deed Records, Grayson County, Texas, and the East line of said Double D Machining 1.40 ac., a distance of 199.51 ft. to a chain link fence corner post in the North line of said Ridgedell 2.884 ac., at the Southeast corner of said Double D Machining 1.40 ac.;

THENCE South 71 deg. 23 min. 19 sec. West, with the North line of said Ridgedell 2.884 ac. and the South line of said Double D Machining 1.40 ac., a distance of 281.75 ft. to the **PLACE OF BEGINNING** and containing **1.400 ACRES** of land.

KNOW ALL MEN BY THESE PRESENTS:

THAT I, Kate A. Wagner, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments shown thereon were properly placed under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

_____
Kate A. Wagner, R. P. L. S. No. 6578 Date:

STATE OF TEXAS
REGISTERED
KATE A. WAGNER
6578
PROFESSIONAL
LAND SURVEYOR

I, Authorized Representative for Double D Machining, Inc., sole owner of Double D Machining Addition to the City of Sherman, Texas, do hereby dedicate the streets, easements, alleys, rights-of-way, parks, school sites and other public places shown hereon to the public use forever.

_____
Dylan Garza,
Authorized Representative for Double D Machining, Inc.

AVIGATION RELEASE

WHEREAS, Double D Machining, Inc., hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as Double D Machining Addition, an addition to the City of Sherman, Grayson County, Texas.

OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed or navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER's described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property; and OWNER does hereby fully remiss and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noises, vibration, fumes, dust, fuel and lubricant particles, and all the other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at Double D Machining Addition, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

Executed this _____ day of _____, 2023.

By: _____

By: Dylan Garza, Authorized Representative for Double D Machining, Inc., Owner

Before me the undersigned, a notary public in and for said County and State, on this day personally appeared Dylan Garza, 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 and in the capacity therein stated.

Given under my hand and seal of office this _____ day of _____, 2023.

_____
Notary Public, Grayson County, Texas

Sherman
CLASSIC TOWN. BROAD HORIZON.

This, the Final Plat of Double D Machining Addition to the City of Sherman, Texas, is hereby approved this _____ day of _____, 2023, by the Planning and Zoning Commission of the City of Sherman, Texas.

_____ _____
Chairman Secretary

This, the Final Plat of Double D Machining Addition to the City of Sherman, Texas, is hereby approved this _____ day of _____, 2023, by the City Council of the City of Sherman, Texas.

ACCEPTED BY THE CITY COUNCIL OF SHERMAN, TEXAS: _____
MAYOR, CITY OF SHERMAN, TEXAS DATE

The undersigned, the City Clerk of the City of Sherman, Texas, does hereby certify that the foregoing Final Plat of Double D Machining Addition to the City of Sherman, Texas, was submitted to the City Council of Sherman, Texas, on the _____ day of _____, 2023, 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 hereinabove subscribed.

WITNESS MY HAND THIS _____ DAY OF _____, 2023, BY _____
CITY CLERK, CITY OF SHERMAN, TEXAS

Final Plat
Lot 1, Block A
Double D Machining Addition
to the
City of Sherman
Grayson County, Texas
1.400 Acres
in the
Robert Thomas Survey
Abstract No. 1200

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Owner:
Double D Machining, Inc.
2513 S. First Street
Sherman, Texas 75090

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Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2023

Double D Machining, Inc.
2513 S. First Street
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 Double D Machining Addition has been scheduled to be heard by the Planning and Zoning Commission on the day of Tuesday, February 21, 2023 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. Drive approaches and sidewalks to be constructed in concrete and must conform to City of Sherman standards and a permit with drawing showing dimensions is required from City of Sherman Engineering Department for review and approval prior to any work being done within public right of way. *Code of Ordinances Chapter 3, Division 5, Sec. 3.10.154*
2. 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.
3. Original tax certificates with $0.00 balance for each taxing property involved in plat shall be furnished to the City of Sherman Engineering Department at the time of delivery of final mylar and prints for the purpose of recording the plat. *Code of Ordinances Chapter 10, Exhibit A, Secs. 6(B), 6(B)(11)*
4. Upon final staff approval, 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. Final copies for filing will not be accepted until after approval by P&Z Commission, City Council, and Engineering Department. CAD file must be submitted digitally at time of final approval. *Code of Ordinances Chapter 10, Exhibit A, Sec. 6(B)*

It is the policy of this Board not to consider a request unless the applicant or its representative attends the meeting at which the request is considered. You are hereby notified to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Wayne Lee, at 903-892-7327 prior to the meeting.

Respectfully,

Wayne E. Lee, P.E., CFM
Director of Engineering

cc: Robby Hefton, City Manager
Tom Pruitt, Utility Engineer
Clint Philpott, Assistant City Manager
Rob Rae, Director of Development Services
Billy Hartsfield, Fire Marshal
The Law Firm of Abernathy, Roeder, Boyd, & Hughlett, P.C., City Attorney

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 23.

Meeting Date: 02/21/2023

Prepared by: Lauren Marlow, Administrative Assistant

Rob Rae, Director of Development Services

Clay Mahone, Chairman	
David Downtain, Vice Chairman	Paul Manley, Commissioner
Shawn Davis, Commissioner	Glenn Whitaker, Commissioner
Leigh Ann Sims, Commissioner	Bryan Blagg, Commissioner

Requested Action/Proposed Use:

2513 SOUTH FIRST STREET

The request of Dylan Garza (Owner) and Helvey-Wagner Surveying (Surveyor) concerning the property located at 2513 South First Street, consisting of 1.40 acres in the Robert Thompson Survey, Abstract No. 1200, as follows:

Board of Adjustment

A. Public Hearing and Variance under Section 14.02.018(1) to allow a 16.4' side setback in lieu of the required 25' for an existing structure and an addition to the existing structure on the north side of the property in an M-1 (Light Manufacturing) District.
B. Public Hearing and Variance under Section 14.02.018(1) to allow a 23.9' side setback in lieu of the required 25' for an existing structure on the south side of the property in an M-1 (Light Manufacturing) District.
C. Public Hearing and Variance under Section 14.03.003(4)(a) to allow a gravel parking lot with a concrete or asphalt drive approach in lieu of the required concrete or asphalt parking lot in an M-1(Light Manufacturing) District.

Planning and Zoning Commission

D. Final Plat of Double D Machining Addition
E. Site Plan of Double D Machining Addition

Background:

The property is located at 2513 South First Street near the intersection of East Ida Road and South First and is zoned M-1 (Light Manufacturing) District.

The owner is requesting the following:

- A Variance for side setbacks to an existing structure and an addition to the existing structure to store material from the weather as well as a Variance to allow a gravel parking lot with concrete

entry way from the road to the fence line of property.
- Final Plat and Site Plan of Double D Machining Addition.

The following has been approved for this location:

- October 13, 1998 - Zone Change from R-1 (One Family Residential) District to M-1 (Light Manufacturing) District

Adjacent Zoning:

R-6 (Single Family Residential)

Origination:

Dylan Garza (Owner)
Helvey-Wagner Surveying (Surveyor)

Master Plan Designation:

Suburban Neighborhood category is intended to allow primarily single-family detached in a "complete neighborhood" setting. New subdivisions should include a mix of housing products and lot sizes. Areas of supporting local commercial should be integrated into the neighborhoods, primarily along major streets near the entrance of neighborhoods. Community amenities such as parks, trails, open spaces, and civic uses should also be included in the creation of new subdivisions. This category gives flexibility for the creation of master-planned neighborhoods that are compatible with the surrounding area.

Number of notices mailed:

13

Objections Received:

0

Development Review Meeting:

Yes

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Final Plat
Narrative & Site Plan
Photo 1
Photo 2
Photo 3
Staff Review Letter - Plat
Staff Review Letter - Zoning

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting

Meeting Date: 03/20/2023

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Issue:

Attachments

2023 Council Calendar

2023
Council Calendar

January

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
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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			1	2	3	4
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26	27	28				

March

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April

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30						

May

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28	29	30	31			

June

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July

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August

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20	21	22	23	24	25	26
27	28	29	30	31		

September

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October

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29	30	31				

November

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December

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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

	Holiday
	Holiday for Firefighters/Police Only
	City Council Regular Meeting
	Special Called Meeting
	Budget Workshop
	Cancelled City Council Meeting

CALLED MEETINGS	
4/20/20223	Budget Planning Meeting
5/25/2023	CIP Work Session
6/15/2023	Budget Workshop Day 1
6/16/2023	Budget Workshop Day 2